

Town of Granby Connecticut



Annual Comprehensive Financial Report

Fiscal Year Ended June 30, 2021

TOWN OF GRANBY CONNECTICUT

Annual Comprehensive Financial Report

Fiscal Year Ended June 30, 2021

Prepared by:

Administration/Finance Departments

Erica P. Robertson
Town Manager



Kimi Cheng
Director of Finance

TOWN OF GRANBY, CONNECTICUT
ANNUAL COMPREHENSIVE FINANCIAL REPORT
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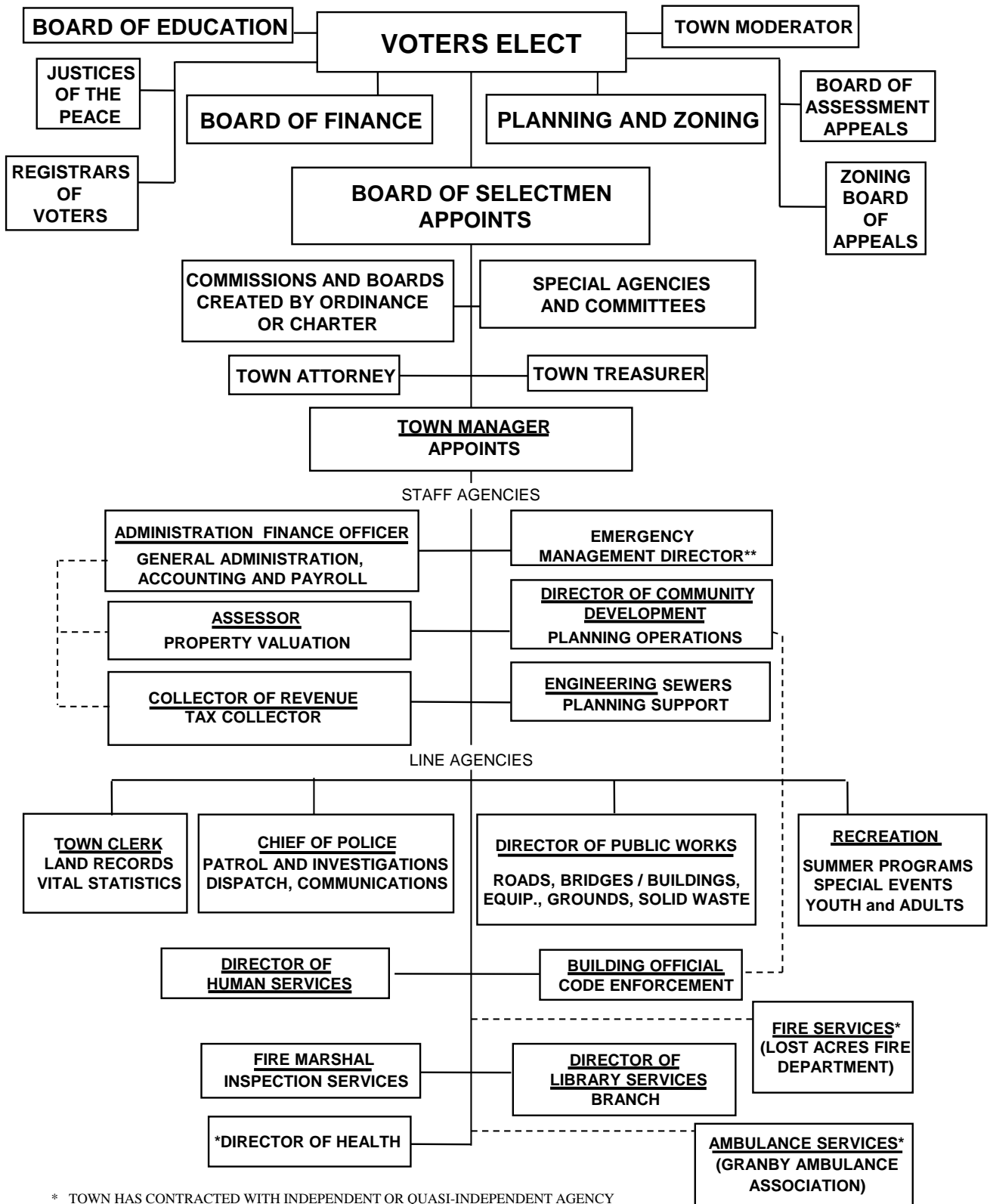
Introductory Section

TOWN OF GRANBY

Principal Municipal Officials

<u>Office</u>	<u>Name</u>	<u>Manner of Selection</u>	<u>Term</u>
First Selectman	B. Scott Kuhnly	Elected	2 years
Selectman	Sally S. King	Elected	2 years
Selectman	Glenn G. Ballard	Elected	2 years
Selectman	Mark C. Neumann	Elected	2 years
Selectman	Edward E. Ohannessian	Elected	2 years
Town Manager	Erica P. Robertson	Appointed	Indefinite
Director of Finance	Kimi Cheng	Appointed	Indefinite
Town Clerk	Karen I. Hazen	Appointed	Indefinite
Collector of Revenue	Lauren C. Stuck	Appointed	Indefinite
Assessor	Susan J. Altieri	Appointed	Indefinite
Treasurer	John E. Adams	Appointed	2 years
Board of Finance - Chair	Michael B. Guarco, Jr.	Elected	4 years
Board of Education - Chair	Sarah Thrall	Elected	4 years
Superintendent of Schools	Jordan E. Grossman, Ed.D.	Appointed	3 years
Town Attorney	Richard P. Roberts	Appointed	2 years

TOWN GOVERNMENT GRANBY, CONNECTICUT



* TOWN HAS CONTRACTED WITH INDEPENDENT OR QUASI-INDEPENDENT AGENCY

**** THE EMERGENCY MANAGEMENT DIRECTOR COOPERATES WITH OTHER TOWN DEPARTMENTS AND EXTERNAL AND SUPPORT AGENCIES. ADDITIONAL SUPPORT STAFF PROVIDED AS NEEDED.**



TOWN OF GRANBY

Incorporated 1786

15 NORTH GRANBY ROAD
GRANBY, CONNECTICUT 06035-2125

(860) 844-5300

ERICA P. ROBERTSON
TOWN MANAGER

December 2, 2021

Town of Granby
Granby, Connecticut

To the members of the Board of Selectmen, Board of Finance, and citizens of the Town of Granby:

This Annual Comprehensive Financial Report (ACFR) of the Town of Granby (the "Town") is submitted for the fiscal year ended June 30, 2021. The appointed auditors from CliftonLarsonAllen LLP, Certified Public Accountants, have issued an unmodified opinion on Granby's financial statements for the Fiscal Year 2020-21. The independent auditors' report is located at the front of the financial section of this report. Management's Discussion and Analysis (MD&A) immediately follows the independent auditors' report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the Town. To the best of our knowledge and belief, the enclosed information is accurate in all material respects and is reported in a manner to present fairly the financial position and results of operations of the Town. To provide a reasonable basis for making these representations, management has established a comprehensive internal control framework that is designed to protect the government's assets from loss, theft, or misuse and to compile sufficient dependable information for the preparation of the Town's financial statements in conformity with Generally Accepted Accounting Principles (GAAP). Because the cost of internal controls should not outweigh their benefits, the Town's detailed configuration of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. All disclosures necessary to enable the reader to gain an understanding of the Town's financial activities have been included.

The Town is required to undergo an annual audit in conformity with the provisions of the Federal Single Audit Act and the U.S. Office of Management and Uniform Guidance, as well as the Connecticut Single Audit Act. Information related to these single audits, including the schedule of expenditures of federal awards and state financial assistance, findings and recommendations, and auditors' reports on the internal control structure and compliance with applicable laws and regulations, are issued under separate cover and are not included in this report. Copies of these reports are on file in the Granby Town Clerk's office and electronically at www.granby-ct.gov.

Profile of the Government

The Town of Granby covers approximately 40.8 square miles and is located sixteen miles northwest of Hartford. Granby is surrounded by the Connecticut towns of Barkhamsted, Canton, Hartland, Suffield, East Granby, Simsbury, and the Massachusetts towns of Granville and Southwick located to the north of Granby. Granby is primarily a rural residential community of single family homes, with a growing mix of multifamily housing developments and housing for the elderly. Throughout the years a wide variety of commercial businesses have followed the residential growth. The Town's 2020 Census population was 10,903. The Town, originally part of the Town of Simsbury, was incorporated in 1786.

The Town functions under the Selectmen-Town Manager form of government. A Town Charter was first adopted in 1960. The Town Charter was last revised November 6, 2012. A Charter Revision Committee was appointed in the fall of 2011 in order to comply with the requirements of the Town Charter and the Connecticut General Statutes. The vote on November 6, 2012 approved the changes recommended by the Charter Revision Committee. The most significant change was in the budget approval process, which is now by automatic referendum.

The legislative body of the Town is the Board of Selectmen. The Board of Selectmen consists of five members, including a separately elected First Selectman who serves as Chairman and presiding officer of the Board. The Board and the First Selectman each are elected at-large for two-year terms. The Board of Selectmen appoints the Town Manager who is the Chief Executive Officer of the Town. The Town Manager is responsible to the Board of Selectmen for the supervision and administration of town departments and its boards and commissions, except those elected by the people. The Board of Selectmen appoints the Town Treasurer and the Town Attorney for two-year terms.

The Board of Education membership consists of seven members, elected at-large for four-year overlapping terms. The election of members is conducted in accordance with the Town Charter and section 9-204b of the General Statutes.

A six-member elected Board of Finance serves as the Town's budget-making authority. Board members are elected for four-year overlapping terms. The Board of Finance appoints the Town Auditor and recommends the annual town budget for town approval.

The Director of Finance oversees the accounting division and assists the Town Manager in administration of finance and administrative operations. This office administers the accounts for all town funds. The Assessor's office discovers, lists, and prices real estate, personal property, and motor vehicles for the purposes of taxation. The Collector of Revenue collects taxes, interest, and fees on all taxable property in the Town. This office also bills, collects, processes, and deposits money from all town departments. The Town Treasurer oversees the Town's bank deposits and trust funds and countersigns all checks for payment made with town funds.

The Town provides the following municipal services as authorized by Charter or by the Board of Selectmen: public safety (police protection and dispatch services for police, fire, and ambulance); library; parks and recreation; public works; senior and youth services, health and social services; community development; building; education; and general administrative services.

Economic Condition and Outlook

Granby's local economy is primarily a component of residential properties and local businesses. Granby's housing base is made up primarily of single-family homes and the homeownership rate is about 90%. The median home value in Granby is \$310,600 which is \$70,000 above the median home value in Hartford County of \$240,600. Recent sales show home sales prices ranging from \$180,000 to over \$1,000,000. The Town's residential component comprises about 94% of its tax base. In addition to the single family homes, Granby has six condominium developments containing 301 units and two elderly housing developments containing 86 units.

Granby's multifamily housing is located primarily within Granby Center and along the southern Route 10 corridor where public water, natural gas, and public sewer is available. The Planning and Zoning Commission approved a site plan application for the construction of 235 apartment units just north of Granby Center on Salmon Brook Street. Construction was recently completed on the new Copper Brook, Planned Unit Development, which added an additional 33 single family homes in a common interest community. In the southeast part of Granby, construction was completed at The Grand residential community, which consists of 130 apartment units in 5 separate buildings of 3 stories each. Construction recently began on the single family home and duplex portion of the Grand community, which will add 75 housing units. Also within this area is the Greenway Village apartment complex, which has 34 units. This area has experienced the greatest amount of new commercial development over the past few years with over 150,000 square feet of new building space constructed. The area infrastructure can support additional commercial and residential development and the town regularly receives inquiries concerning new developments.

The extension of natural gas lines has facilitated economic activity and provides significant costs savings for the Town. The Granby Memorial Middle School and High School and the Town's Municipal Complex are served by natural gas. Property owners all along the new gas line have been actively converting to natural gas and the line was extended to serve the Meadowbrook Nursing Home. The gas line was also extended to the Bank Street area and many of the existing businesses have expressed interest in connecting to the line. In addition to the recent extension of gas lines, the Town extended the sewer line by approximately 3,000 feet along Canton Road, Archie Lane, and Burleigh Drive. Residents continue to connect to the line, which has generated additional investment within the area.

Overall, Granby business activity is designed primarily to serve Town residents and, to a degree, the region. Most retail, office, and personal services are located within the Granby Center. Granby Center has experienced significant changes over the years and now includes medical, attorney, real estate, financial, architectural, engineering, surveying, and other office types normally found within a thriving Town Center. Retail services range from a national drug store, a supermarket, specialty stores, hardware and kitchen design stores, package stores, and more. Naturally, the Center has several restaurants. These range from the fast food national chain stores to a bagel shop, local eateries, and a Starbucks. Also included are restaurants serving Mexican, Asian, and continental cuisines. The Town has supported its Center businesses with flexible zoning regulations, through business linkage initiatives, sidewalks, and the installation of traditional street lighting. Over the past few years the Town added over 2,000 feet of new sidewalk improvements to this area and recently added an additional 2,500 feet of sidewalk extending from the Center to Salmon Brook Park. Overall, these Center commercial, residential and infrastructure improvements are bringing to fruition the Town's goal of creating a walkable Village Center. State DOT improvements scheduled for 2022 will further this goal.

A variety of businesses are located to the north of Granby Center. These businesses include: Arrow Concrete, a state of the art industrial concrete plant containing 50,000 square feet; and State Line Oil & Propane which provide local fuel delivery service and retail and wholesale sales to the area. There are a variety of other industrial and retail service buildings within this area and the area continues to see new business occupancies and general improvements to buildings. In 2016 two new industrial buildings, containing a total of 14,000 square feet received Certificates of Occupancy. Construction was also completed on a new 3,600 sq. ft. building for LandTek, a multi-service landscaping company. The Planning and Zoning Commission also approved a self-storage facility, which is currently under construction. Overall, this area should see additional industrial and commercial construction to meet the demand of local contractors and businesses.

While Granby is known as a highly desirable residential and educationally based community, it continues to build on its commercial base. The Town has earned an exemplary reputation for its work in fostering new business, as well as assisting existing businesses.

The Town's Grand List is comprised of a balanced mix of manufacturing and light industry and its top ten taxpayers represent about 5.03% of the total assessed value on the October 1, 2019 Grand List. The Town's 2019 Grand List saw a total increase of 1.71%. The last revaluation was completed by the Assessor for the October 1, 2017 Grand List and the next revaluation will be effective and scheduled for the October 1, 2022 Grand List. The Town's property tax collection rate for the year ended on June 30, 2021 was \$944,087 above the budgeted amount. This represents a 102.43% tax collection rate. For Fiscal Year 2021, building permit activity fees totaled \$254,764, which was \$104,764 above the budget amount due to the new 130-unit apartment complex. Town Clerk fees for 2020-21 were \$376,469. This was an increase of \$176,469 due to an active property sales market.

As of 2019 Granby's median household income was \$121,250. This exceeded the Hartford County average of \$75,148 by \$46,102 and exceeded the state average of \$78,444 by \$42,806. The Town's June 2021 unemployment rate of 4.3% compared favorably to the statewide average of 6.8% and the national average of 6.1%.

Long Term Financial Planning

Town staff develops a multi-year, long-range model for operations and major capital projects that shows previous budget activity and proposed future activity. This model considers estimated future grand list growth, revenue projections, operating budgets, fund balance and other reserves, and potential mill rate increases.

By resolution, the Board of Selectmen appoints the Capital Program Priority Advisory Committee (CPPAC) to oversee and report to the Selectmen on major capital projects. The Committee consists of two members each of the Boards of Selectmen, Finance, and Education. The Town Treasurer is the seventh member of the Committee. Once CPPAC proposes a major capital program, it is brought to the Selectmen for review and approval. This Committee approved various projects for the Board of Selectmen to consider in Fiscal Year 2018-19. The town approved three major projects on June 4, 2019 for a total cost of \$25,031,000. The net cost after grants is expected to be \$10,453,462. The projects included the planning, design, construction, reconstruction, repair and resurfacing of various bridges located on Moosehorn Road, Simsbury Road, Donahue Road, Griffin Road, and Hungary Road; various school capital improvement projects including the planning, design, construction, reconstruction and repair of the science, career and technology education spaces, performing arts facilities, library-media center, kitchen facilities, athletic fields and infrastructure and systems located in schools; and a solar project which includes the installation of a ground mounted solar photovoltaic system located adjacent to the Wells Road Intermediate School. However, the solar project was eliminated in Fiscal Year 2020 due to increase in unanticipated cost and significant decrease in revenue projection. The Town issued two General Obligation (GO) Bonds and one GO refunding Bond in calendar year 2021. One GO bond and one GO refunding bond were issued in March 2021, the second GO bond was issued in July 2021. The Town had Standards and Poor Rating Agency reviewed its financial status and the Town received AA+ rating.

The Board of Education continues to experience declining enrollment.

Relevant Financial Policies

Every fall, a Plus-One Budget is developed for short-term budget planning. It identifies existing budget needs, typically items over \$5,000, for the upcoming fiscal year. The Plus-One Budget is reviewed by the operating boards and forwarded to the Board of Finance. A Three Board meeting (Board of Selectmen, Board of Education, and Board of Finance) is then held in January to review the financial status of the Town. This leads to the development of a budget guideline for the boards to prepare their budget for the ensuing fiscal year.

During budget preparation, goals and objectives are reviewed annually. They have remained fairly consistent for several years. Some of the policies include: Budget in a conservative and fiscally responsible manner that will provide services to our citizens, explore alternative methods of providing services, provide funding to meet long term capital needs in order to maintain assets, move away from capital lease borrowing and fund from the capital fund, develop a plan to increase unassigned fund balance, and expand revenue sources including but not limited to the grand list.

The Purchasing Policy provides all departments with the guidelines for purchasing goods and services from small to large purchases. A reference code is provided to the Finance Office that shows the department is following protocols. Individual departments keep records of their compliance with this policy.

The Town's debt service policy includes establishing criteria for the issuance of debt obligations, providing consistency and continuity to public policy development through its Capital Improvement Program, and to transmit a message to investors and rating agencies of the community's commitment to financial management.

The Town Charter and applicable sections of the Connecticut General Statutes govern the Town's issuance of debt as it pertains to town and state mandates. With the new debt approved in June 2019 for over twenty-five million, the Town will conduct its debt management functions in a manner designed to maintain or enhance its existing credit rating.

The Town Manager adopted an investment policy for the Town's defined benefit plan that outlines the goals and objectives for the plan. The document is intended to provide guidelines for managing the plan and to outline specific investment policies that will govern how the goals are achieved. This policy is used by the Town and its investment firm, Fiducient Advisors, LLC.

In 2014 the Town appointed a seven member committee to explore opportunities and methods to improve Town and School District services, known as the Intra-Board Advisory Committee ("IBAC"). Some of the areas reviewed included building maintenance, information technology, finance management, and human resources. The Committee provided a final report in December 2015. The three operating boards - selectmen, education, and finance signed a Memorandum of Understanding to support their commitment to the continued coordination of sharing opportunities between the Town and the School. At their meeting on February 3, 2020, the Board of Selectmen re-established IBAC.

Regional Initiative

The Town is a leader in the state for participating in regional initiatives in order to have programs that would otherwise not be practical to offer on our own. The latest regional effort was the purchase of equipment with six area towns through a grant program that will assist with trail maintenance that runs through these towns. The Town continues with efforts to participate in future regional initiatives.

Budgetary Control

On or before the third Monday in March of each year, the Town Manager submits to the Board of Selectmen a proposed budget including estimated revenues for the Town for the ensuing fiscal year beginning July 1. The proposed budget includes proposed expenditures for the town, except for Board of Education operations, which are separately submitted to the Board of Finance. On or before the first Monday in April, the Board of Selectmen and the Board of Education each present to the Board of Finance a proposed annual operating budget. On the second Monday of April a public hearing is called by the Board of Finance. An annual budget vote is held on the fourth Monday in April; the vote may adopt the budget. If the budget is not adopted, the budget goes to another informational hearing and vote until passed. Prior to the vote, the budget may be amended by the Board of Finance.

Upon request from the Town Manager and with approval by the Board of Selectmen, the Board of Finance may transfer appropriations from one classification to another, except within the Board of Education. The Board of Finance may also make additional special appropriations, provided that the resolution making the appropriation includes certification from the Town Manager that the appropriation does not exceed 1-½% of the annual tax levy. Special

appropriations above 1-½% and up to 3% require special town meeting approval called by the Board of Selectmen.

The Town's budgeting system for the General Fund requires accounting for certain transactions to be on a basis other than Generally Accepted Accounting Principles (GAAP). The major difference between a Budget basis and a GAAP basis is that on a Budget basis encumbrances are recognized as a charge against a budget appropriation in the year in which the purchase order is issued. On a Budget basis, encumbrances outstanding at year-end are recorded in budgetary reports as expenditures in that year. On a GAAP basis, encumbrances at year-end are recorded as reservations of fund balance. Additionally, the State of Connecticut makes payments, on behalf of Granby teachers, into the state teacher retirement system. They are reported for GAAP purposes only.

Budgetary control is maintained by an encumbrance system. All purchases, except certain services as outlined in the Town's Purchasing Policy, require a purchase requisition and a purchase order. In addition, purchases over \$1,000 require evidence that bids or at least three quotations are received and that the lowest quote, consistent with quality, is selected.

All unencumbered appropriations lapse at year-end, except in the capital projects funds where appropriations are continued until the completion of projects. Budgetary control in a capital project fund is achieved by constraints imposed by project authorization or grant awards related to the fund.

Other Information

Independent Audit

Connecticut General Statutes require that all municipalities have their accounts audited annually by an independent public accountant as required under Connecticut General Statutes Section 7-392. The Board of Finance appointed CliftonLarsonAllen LLP, certified public accountants, to conduct the 2020-21 Town's audit. The independent auditors' report is included in this document.

Certificate of Achievement

This report has been prepared following the guidelines of the Government Finance Officers Association (GFOA) of the United States and Canada and the Governmental Accounting Standards Board (GASB). The GFOA awards a Certificate of Achievement for Excellence in Financial Reporting to governmental units that publish an easily readable and efficiently organized Annual Comprehensive Financial Report whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. A **Certificate of Achievement**, which is valid for one year only, is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment for a government unit and its management. The Town has continually received this award for 15 years. The Town intends to submit this report to GFOA for review under this program.

Acknowledgments

The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the Board of Selectmen, Board of Finance, and the Finance Department, especially Director of Finance, Kimi Cheng and her staff. I would again like to

express my appreciation to them and other town departments who assisted in compiling this report. My office aims to provide support and advice necessary to carry out the policies of the Granby Board of Selectmen and Board of Finance, along with any challenging issues that may confront Granby in the years ahead.

Respectfully submitted,

A handwritten signature in blue ink, reading "Erica P. Robertson". The signature is written in a cursive, flowing style.

Erica P. Robertson
Town Manager



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Town of Granby
Connecticut**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morill

Executive Director/CEO

Financial Section



Independent Auditors' Report

To the Board of Finance
Town of Granby, Connecticut

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Granby, Connecticut, as of June 30, 2021 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.

Emphasis of a Matter

During fiscal year ended June 30, 2021, the Town of Granby, Connecticut adopted GASB Statement No. 84 *Fiduciary Activities*. As a result of the implementation of this standard, the Town of Granby, Connecticut reported a restatement for the change in accounting principle (see Note 15). Our auditors' opinion was not modified with respect to the restatement.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison information and the pension and OPEB schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, 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.

Other Information

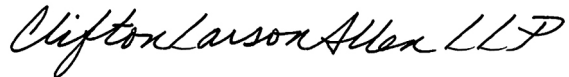
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Granby, Connecticut's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section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

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 2, 2021 on our consideration of the Town of Granby, Connecticut's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town of Granby, Connecticut's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Granby, Connecticut's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "CliftonLarsonAllen LLP". The signature is written in a cursive, flowing style.

CliftonLarsonAllen LLP

West Hartford, Connecticut
December 2, 2021

Management's Discussion and Analysis

This Annual Financial Report is prepared using the financial reporting requirements of the Government Accounting Standards Board (GASB) Statement 34. GASB Statement 34 requires that we, as the managers of the Town of Granby, prepare a report that focuses on our most important, or "major" funds, including the general fund.

Fund statements measure and report the "operating results" of many funds by measuring cash on hand and other assets that can easily be converted to cash. These statements show the short-term performance of individual funds using the same measures governments use when financing current operations. On the other hand, if we charge a fee to users for services, fund information will continue to be based on accrual accounting. Budgetary compliance remains an important part of governmental accountability. Our financial statements include the *original* budget as well as the final amended budget.

Our hope is to provide you, the reader, with an objective and readable analysis of our financial performance for the year. Taken together, the following statements should enable you to assess whether Granby's financial position has improved or deteriorated as a result of the year's operations. The annual financial report includes government-wide financial statements prepared on the accrual basis for all of the government's activities. Accrual accounting measures not just current assets and current liabilities, but long-term assets and liabilities as well. It also reports all revenues and all costs of providing services each year, not just those received or paid in the current fiscal year (or shortly thereafter).

In summary, the government-wide financial statements will assist the reader to:

- Assess the finances of Granby in its entirety, including the year's operating results;
- Determine whether our overall financial position improved or deteriorated;
- Evaluate whether our current-year revenues were sufficient to pay for current-year services;
- See the costs of providing you the services you have requested of us;
- See how we finance the programs you have asked for – through user fees and other program revenues versus general tax revenues;
- Understand the extent to which your government has invested in capital assets, including roads, bridges, schools, parks, and other infrastructure assets; and
- Make better comparisons between governments.

The Annual Financial Report includes the following information and financial statements as defined by GASB Statement 34:

- ✱ **Management's Discussion and Analysis (MD&A)** - An introduction to the basic financial statements and an analytical overview of the government's financial activities. The MD&A provides an objective and easily readable analysis of the Town's financial activities based on currently known facts, decisions, or conditions. The MD&A:
 - ❑ Includes comparisons of the current year to the prior year based on government-wide information;
 - ❑ Provides an analysis of our overall financial position and the results of operations to assist you in assessing whether our financial position has improved or deteriorated as a result of the year's activities;

- ❑ Analyzes significant changes in fund and major budget variances;
- ❑ Describes capital asset and long-term debt activity during the year; and
- ❑ Concludes with a description of currently known facts, decisions, or conditions that are expected to have a significant effect on our financial position or the results of our operations.

Basic Financial Statements

Government-Wide Financial Statements are designed to provide readers with a broad overview of the Town of Granby's finances, in a manner similar to private-sector business.

- *Government-Wide Financial Statements* include a *statement of net position* which presents information on all of the Town of Granby'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 Town of Granby 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 employee vacation and sick leave). The statement of activities is prepared using the economic resources measurement focus and the accrual basis of accounting. These statements report all assets, liabilities, revenues, expenses, and gains and losses of the government. Both of the government-wide financial statements distinguish functions of the Town of Granby 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 Town include general government, public safety, public works and environment, recreation and social services, education, and interest on long-term debt.
- Fiduciary activities whose resources are not available to finance our governmental programs are excluded from these statements.

Capital assets, including infrastructure, are reported along with accumulated depreciation expense in the statement of net position. Net position is reported as capital assets net of related debt, restricted, and unrestricted. Permanent endowments or permanent fund principal amounts included in restricted net position are shown as either expendable or nonexpendable.

Expenses are presented reduced by program revenues, resulting in a measurement of "net (expense) revenue" for each of the government's functions. Program expenses include all direct expenses. General revenues such as taxes and special and extraordinary items are reported separately, ultimately arriving at the change in net assets for the period. Special items are significant transactions or other events that are either unusual or infrequent and are within the control of management.

Fund Financial Statements are a grouping of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The Town of Granby, 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 Town can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

- **Governmental fund** financial statements include financial data for the general fund, capital projects fund, special revenue funds, and permanent funds and are prepared using the current financial resources measurement focus and the modified accrual basis of accounting. *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. The focus of governmental funds is narrower than that of the government-wide financial statements, thus it is useful to compare the information presented for *governmental activities* in the government-wide financial statements with similar information presented for *governmental funds* in the long-term impact of 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 Town of Granby maintains thirty-four individual governmental funds. The twenty-eight special revenue funds and two permanent funds are included in the nonmajor governmental funds category. 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 capital projects fund, the small cities fund, and the ARPA fund, all of which are considered to be major funds. Data from the other thirty governmental funds are combined into a single, aggregated presentation. Individual fund data for each of the thirty nonmajor governmental funds is provided in the form of *combining statements* under Supplemental Information, *Exhibits B-1 and B-2*. The Town of Granby adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with budget appropriations.
- **Proprietary fund** financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. The Town of Granby maintains one type of proprietary fund, an internal service fund. *Internal service funds* are an accounting device used to calculate and allocate costs internally among the Town of Granby's various functions. The Town uses an internal service fund to account for its employee health benefits, collecting employer and employee payments and disbursing payments as required. Because these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.
- **Fiduciary fund** financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. 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 statement because the resources of those funds are *not* available

to support the Town of Granby's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

Fund financial statements are presented for primary government and proprietary funds. Governmental fund statements include a balance sheet and a statement of revenues, expenditures, and changes in fund balances. Proprietary fund statements are comprised of a statement of net position, a statement of revenues, expenses, and changes in net fund position, and a statement of cash flows. A summary reconciliation of the fund and government-wide statements accompanies the fund financial statements.

Separate columns are shown for the general fund, the capital projects fund, and the small cities fund, the three major governmental funds. Major funds are funds whose revenues, expenditures/expenses, assets, or liabilities (excluding extraordinary items) are at least 10 percent of corresponding totals for all governmental or enterprise funds and at least 5 percent of the aggregate amount for all governmental and enterprise funds. Non-major funds are reported in the aggregate in a separate column as are internal service funds on the proprietary fund statements.

Governmental fund balances are segregated into five categories: nonspendable, restricted, committed, assigned, and unassigned. (See Exhibit III - Balance Sheet, Governmental Funds; Note 1.M. Fund Equity; and Note 9, Fund Balance, of the Notes to the Financial Statements June 30, 2021 for a detailed explanation).

Proprietary fund net position is reported in the same categories required for government-wide financial statements. Proprietary fund statements of net position distinguish between current and non-current assets and liabilities and display restricted assets.

The statements distinguish between operating and non-operating revenues and expenses in proprietary fund statements of revenues, expenses, and changes in net fund assets. At the bottom of these statements, we reflect capital contributions, contributions to permanent and term endowments, special and extraordinary items, and transfers in arriving at the all-inclusive change in fund net position.

We present separate fiduciary fund statements used to report assets held in a trustee capacity for others and which cannot be used for our own programs. We must show a statement of fiduciary net position and a statement of changes in fiduciary net position. Fiduciary fund statements also disclose interfund loans, interfund services provided and used, and interfund transfers.

➤ Notes to the Financial Statements

- Consist of notes that provide information essential to your understanding of the data provided in the government-wide and fund financial statements.

➤ Required Supplementary Information (RSI) consists of MD&A, budgetary comparison schedules, pension information, and retiree health insurance.

General Fund

RSI-1 Schedule of Revenues and Other Financing Sources - Budget and Actual

RSI-2 Schedule of Expenditures and Other Financing Uses - Budget and Actual

Pension Trust Fund:

RSI-3 Schedule of Changes in Net Pension Liability and Related Ratios

RSI-4 Schedule of Employer Contributions

RSI-5 Schedule of Investment Returns

Teachers Retirement Plan

RSI-6 Schedule of the Town's Proportionate Share of the Net Pension Liability

OPEB Plan

RSI-7 Schedule of Changes in Net OPEB Liability and Related Ratios

RSI-8 Schedule of Employer Contributions

RSI-9 Schedule of Investment Returns

Teachers OPEB Plan

RSI-10 Schedule of the Town's Proportionate Share of the Net OPEB Liability

The combining statements referred to earlier in connection with nonmajor governmental funds and fiduciary funds are presented immediately following the required supplementary information.

As management of the Town of Granby, we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2021. We encourage readers to consider the information presented here and in the Town's financial statements, Exhibits I to IX, and the Notes to the Financial Statements.

Financial Highlights

- The assets and deferred outflows of the Town of Granby exceeded its liabilities and deferred inflows at the close of the most recent year by \$59,485,600 (net position). Of this amount, \$6,558,562 (*unrestricted net position*) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net position increased by \$1,854,134 up from June 30, 2020.
- As of the close of the fiscal year 2021, the Town's governmental funds reported combined ending fund balances of \$19,533,820, an increase of \$5,564,504 in comparison with the prior year. Unassigned fund balances amounted to a collective \$7,898,403, or 13.60% of total governmental funds revenues of \$58,068,488.
- At the end of the fiscal year 2021, unassigned fund balance for the general fund was \$7,898,403. Unassigned general fund balance represents 14.89% of total general fund operating revenues of \$53,036,156.
- The Town of Granby paid \$6,495,000 in maturing bond and refunded bond principal. We issued \$3,400,000 of new money bonds and \$5,255,000 of refunding bonds. The Town entered into \$774,000 of new capital leases and made \$753,656 in lease payments for a year-end lease balance of \$2,017,604.

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 Town of Granby, assets and deferred outflows exceeded liabilities and deferred inflows by \$59,485,600 at the close of the fiscal year 2021. By far the largest portion of the Town's net position, \$51,172,898 (86.03%) reflects its investment in capital assets (e.g., land, buildings, machinery, equipment, and infrastructure), less any related debt used to acquire those assets that is still outstanding. The Town of Granby uses these capital assets to provide services to citizens consequently these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Table 1. Net Position

	Governmental Activities	
	2021	2020 as Restated
Current and other assets	\$ 24,957,188	\$ 17,867,145
Capital assets, net of accumulated depreciation	63,881,415	65,522,580
Total assets	<u>88,838,603</u>	<u>83,389,725</u>
Deferred Outflow of Resources:	<u>4,167,689</u>	<u>3,628,697</u>
Long-Term Debt Outstanding	24,432,768	26,467,352
Other liabilities	4,634,706	2,623,604
Total liabilities	<u>29,067,474</u>	<u>29,090,956</u>
Deferred Inflow of Resources	<u>4,453,218</u>	<u>296,000</u>
Net Position:		
Net investment in capital assets	51,172,898	52,748,957
Restricted	1,754,140	1,329,022
Unrestricted	<u>6,558,562</u>	<u>3,553,487</u>
Total Net Position	<u>\$ 59,485,600</u>	<u>\$ 57,631,466</u>

A portion of the Town's net position, \$1,754,140 (2.95%) consists a restricted amount of \$113,417 set aside for debt service, \$18,056 is restricted for nonexpendable trust purposes, \$66,769 for scholarships, \$297,689 for student activities and \$1,258,209 for grants. The remaining balance of *unrestricted net position*, \$6,558,562, may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the fiscal year 2021, the Town of Granby is able to report positive balances in all three categories of net position both for government as a whole as well as for its separate governmental activities. The same situation held true for the prior fiscal year.

The government's net position increased by \$1,854,134 from operations during the current fiscal year. There were a number of positive and negative influences on this outcome. Increasing net position were greater fund balances of \$5,213,134 (Exhibit IV) offset in part by a net increase in outstanding debt and lease obligations of \$2,603,732 and an excess of depreciation over new capital outlays of \$1,527,646. Further supplementing the positive net position increase was a net \$750,838 arising from a variety of accounting entries related to pensions and OPEB.

The Town brought in total general revenues of \$41,201,094 which exceeded its net program expenses of \$39,346,960 by the amount of the net position increase of \$1,854,134. Gross expenses of \$59,544,265 were offset by \$4,500,692 in charges for services, \$15,527,562 in operating grants and contributions, and \$169,051 in capital grants and contributions. The balance of the Town's total revenues of \$61,398,399 came in the form of \$40,577,452 of local

property tax collections, \$218,494 of unrestricted grants and contributions, \$92,135 of unrestricted investment earnings, and \$313,013 of miscellaneous income. Of the net program expenses, \$26,702,897 was attributable to the Board of Education. Net general government expenses accounted for \$3,971,115, public safety \$2,793,402, public works and environment \$4,476,543, recreation and social services \$891,203, and interest on long-term debt \$511,800.

Governmental activities. Governmental activities increased the Town's net position by \$1,854,134 as discussed above and shown in the following chart, accounting for 100% of the total increase in our net position. Key elements of this increase are as follows:

Table 2. Changes in Net Position

	Governmental Activities	
	2021	2020
Revenues:		
Program revenues:		
Charges for services	\$ 4,500,692	\$ 4,019,462
Operating grants and contributions	15,527,562	15,507,797
Capital grants and contributions	169,051	1,722,662
General revenues:		
Property taxes	40,577,452	39,951,952
Grants and contributions not restricted to specific purpose	218,494	112,314
Unrestricted investment earnings	92,135	336,534
Other general revenues	313,013	340,507
Total revenues	<u>61,398,399</u>	<u>61,991,228</u>
Program Expenses:		
General government	5,408,917	4,691,492
Public safety	3,075,211	3,093,027
Public works and environment	5,539,704	4,764,117
Recreation and social services	1,555,821	1,729,649
Education	43,452,812	42,599,278
Interest on long-term debt	511,800	444,061
Total program expenses	<u>59,544,265</u>	<u>57,321,624</u>
Change in Net Position	1,854,134	4,669,604
Net Position at July 1	57,631,466	52,610,522
Restatement		351,340
Restated Net Position - July 1	<u>57,631,466</u>	<u>52,961,862</u>
Net Position at End of Year	<u>\$ 59,485,600</u>	<u>\$ 57,631,466</u>

On the revenue side, total revenues from the prior year decreased by \$592,829. In program revenues, charges for services of \$4,500,692, exceeded the previous year charges of \$4,019,462 by \$481,230 (11.97%) comprised in part of a \$106,312 increase in governmental

\$19,765. Capital grants and contributions fell \$1,553,611 almost all of which was attributable to education. In general revenues, property tax collections were up \$625,500 (1.57%) reflecting a healthy collection rate of 99.41% for the current year levy. Investment earnings were off \$244,399 while miscellaneous/other revenues rose by \$106,802.

On the gross expense side, the overall increase of \$2,222,641 (3.88%) to \$59,544,265 was primarily driven by increased education expenditures of \$43,452,812, an additional \$853,534 (2.00%) over FY 2020. The cost of general government rose \$717,425 to \$5,408,917 but recreation and social services dropped by \$173,828 to \$1,555,821 reflecting the saving on personnel for shorter office hours due to the pandemic.

Chart 1 following presents the costs of each of the Town's six programs as well as each program's net cost (total cost less revenues generated by the activities). The Net Cost shows the financial burden that was placed on the Town's taxpayers by each of these functions.

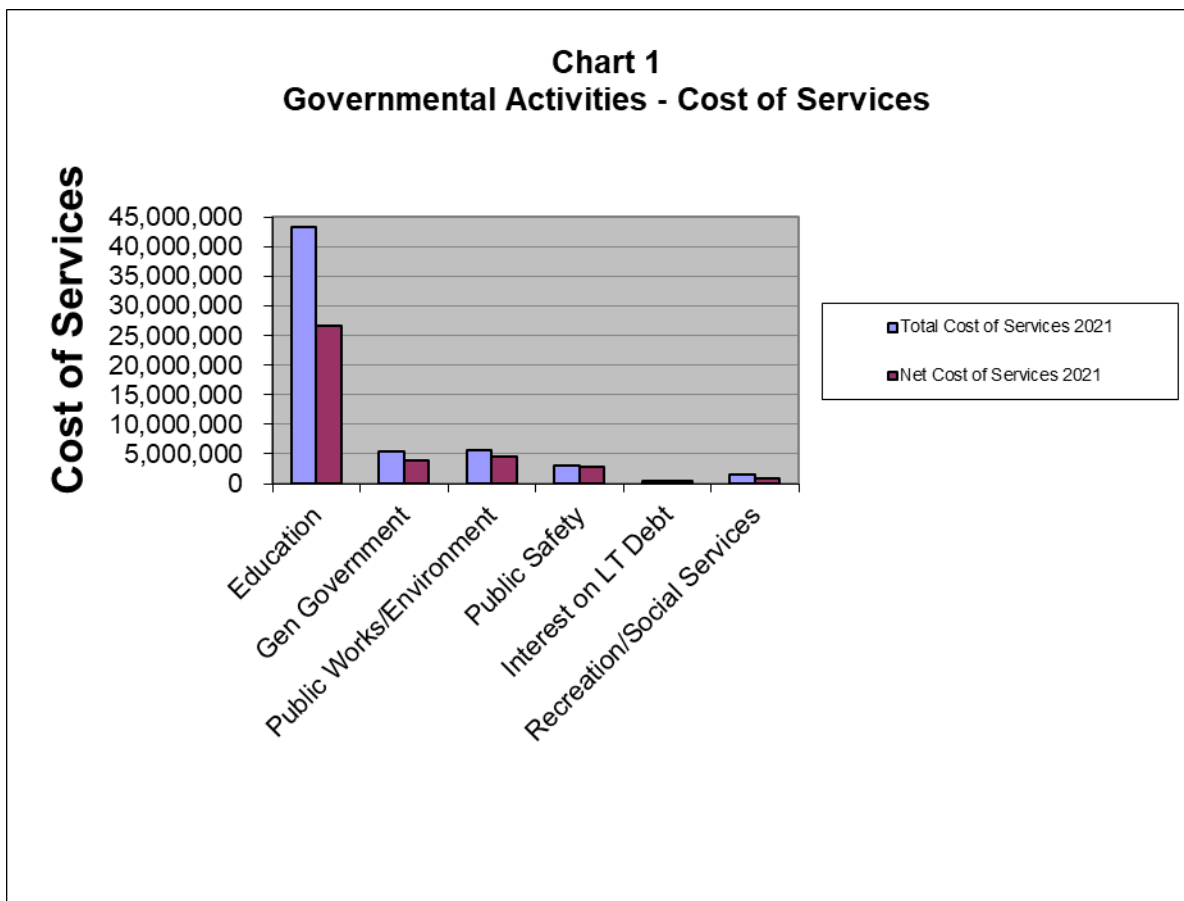
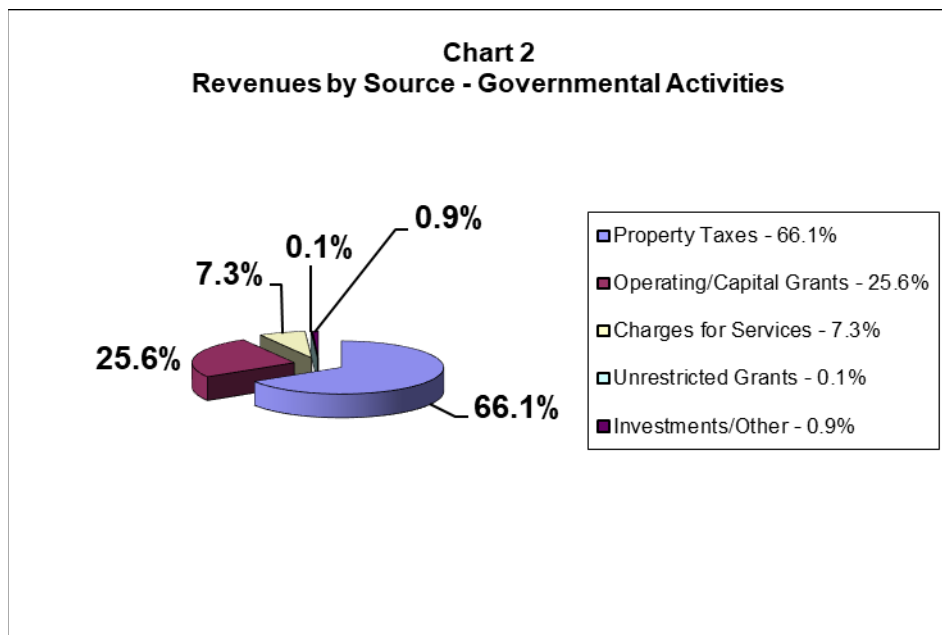


Chart 2 following indicates the sources of all Town revenues and the percentage of total Town revenue these individual revenues represent.



Financial Analysis of the Government's Funds

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

Governmental funds. The focus of the Town's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the Town of Granby's financing requirements. In particular, *unassigned 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 Town's governmental funds reported combined ending fund balances of \$19,533,820, an increase of \$5,213,164 in comparison with the prior year. Unrestricted fund balance (committed, assigned, and unassigned), which is available for spending at the government's discretion, amounts to \$18,052,370. The General Fund, the Capital Projects Fund, the Small Cities Fund, and the Other Governmental Funds all posted positive fund balances for the year. The new ARPA fund had no fund balance as receivables of \$1,689,945 exactly matched unearned revenue. Nonspendable fund balance in the amount of \$43,055 is not available for new spending because it represents amounts that cannot be spent due to form (e.g., inventories and prepaid amounts) and restricted fund balance of \$1,438,395 represents amounts constrained for a specific purpose by external parties, such as grantors, creditors, contributors, or laws and regulations of their governments, specifically, \$113,417 for debt service, \$66,769 for scholarships, and \$1,258,209 for grants.

The general fund is the chief operating fund of the Town of Granby. At the end of the current fiscal year, the unassigned fund balance of the general fund was \$7,898,403 and total fund balance was \$11,205,307. 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 revenues.

Unassigned fund balance represents 14.89% of total general fund revenues of \$53,036,156 and total fund balance 21.13%.

The fund balance of the Town's general fund increased by \$1,490,696 during the current fiscal year. The Town completed the year with an operating surplus of \$3,232,953, but with net transfers out of \$7,107,998 of which \$5,156,628 represented payment to the escrow agent in connection with refunding bonds, and to a variety of nonmajor special revenue funds for budgeted expenditures, the Town still improved the total general fund balance to a closing \$11,205,307.

The capital projects fund balance improved by \$3,219,187 to \$3,833,406 reflecting \$3,563,996 of capital expenditures for purchase of technology equipment for the board of education, town vehicles, BOE buses, and equipment. These expenditures were funded in part by \$2,338,839 of transfers in, \$3,400,000 of new money bonds, and \$683,000 of capital lease issuance.

The small cities fund consists of a revolving loan fund and two grant funded capital accounts and is used for a housing rehabilitation program, Salmon Brook Elderly Housing, and the Stony Hill Village elderly housing. The fund realized \$109,476 in revenues from grants and homeowners repaying their loans, expenditures of \$36,648, for an operating gain of \$72,828 and a closing fund balance of \$186,190.

The newly established ARPA fund (American Rescue Plan Act) will account for the distribution of federal grants for:

- Revenue replacement for the provision of government services to the extent of the reduction in revenue due to the COVID-19 public health emergency, relative to revenues collected in the most recent fiscal year prior to the emergency;
- COVID-19 expenditures or negative economic impacts of COVID-19, including assistance to small businesses, households, and hard-hit industries, and economic recovery;
- Premium pay for essential workers;
- Investments in water, sewer, and broadband infrastructure.

The Town received \$12,806 in revenue which was applied to recreation and social services resulting in no fund balance.

Proprietary fund. The Town of Granby's proprietary fund provides the same type of information found in the government-wide financial statements, but in more detail. As indicated earlier, we use an internal service fund to account for employee health benefits.

Net position of the internal service fund at the end of the 2021 year amounted to \$458,993, down \$61,634 from FY 2020, all of which is unrestricted. The total decrease in net position for the fund arose due to contributions, interest, and other revenue of \$7,477,270 falling short of claims, OPEB contributions, and administrative fees of \$7,538,904.

General Fund Budgetary Highlights

The original revenue budget of \$47,178,341 was increased \$15,002 to \$47,193,343 for two grants received to cover additional expenses due to pandemic and cemeteries clean-up projects. The original expenditure budget of \$47,622,341 was adjusted up by \$576,275 to primarily reflect \$431,000 for the FY 2022 OPEB Actuarially Determined Contribution, \$68,695 for a STEAP grant match for Holcomb Farm projects for restroom updates and farmhouse improvements, \$30,000 for a legal case settlement, \$18,000 for brokerage services, \$13,578 for support of Farmington Valley Health District during the pandemic, and additional operational expenses due to the pandemic.

During the year, actual revenues exceeded budgeted revenues by \$1,722,159, primarily due to increased collection in property tax revenue, and actual expenditures were \$750,962 under budget reflecting personnel savings stemming from shorter office hours due to the pandemic. The increase in revenue collections and saving in expenditures provided an overall positive budget variance of \$2,473,121.

Revenues

Property taxes, interest, and lien fees collected contributed \$1,048,151 more than expected because the Town's 2019 Grant List grew 1.71% and local revenues exceeded budget expectations by \$298,570 which included Town Clerk fees of \$376,469 exceeding the budget by \$176,469 because of an active property sales market, and building permits and licenses which showed a gain of \$104,764 due to a new 130-unit apartment complex construction. Various one-time COVID-related grants added \$348,010 to the total of \$1,722,159 positive revenue budget variance.

Expenditures

The education budget of \$32,043,750 remained unchanged but careful cost controls returned \$198,391 to the Town.

Every expenditure category contributed to the positive budgetary outcome of \$750,962 in varying amounts. For additional information, please see Exhibit RSI-1 and RSI-2 under Required Supplementary Information contained in this report.

Capital Asset and Debt Administration

Capital Assets. The Town of Granby's investment in capital assets for its governmental assets includes land, buildings and system improvements, machinery and equipment, park facilities, roads, highways, and bridges. The total net decrease (after dispositions and depreciation) in the Town's net investment in capital assets for the current fiscal year was \$1,641,165 primarily caused by depreciation charges of \$3,566,172 surpassing new capital outlays of \$2,038,526.

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

Capital projects – In FY 2021, we completed GMMS low-slope roof project (\$264,706). We also continued on the HS stairwell, HS roof, HS science room, Griffin Bridge (\$239,754), and Hungary Bridge projects and started the Simsbury Road Bridge project. Streetscape Improvements were completed in FY 2021. Other significant capital outlays were \$307,446 for school security expenses.

A summary of our capital assets is as follows:

Table 3. Capital Assets at Year-end (Net of Depreciation)

	Governmental Activities	
	2021	2020
Land (not depreciated)	\$ 8,544,940	\$ 8,527,129
Construction in progress (not depreciated)	694,458	856,098
Buildings and improvements	36,140,325	37,574,446
Vehicles and equipment	3,083,374	3,031,645
Infrastructure	15,418,318	15,533,262
Total	\$ 63,881,415	\$ 65,522,580

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

Long-Term Debt. At the end of the 2021 fiscal year, the Town of Granby had \$12,355,000 of long-term bonded debt and no short-term debt. The Town paid off \$6,495,000 of bond principal consisting of \$1,645,000 of existing bonds and \$4,850,000 of refunded bonds. Interest paid amounted to \$483,247. The 12-year refunding bonds were issued with taxable coupons ranging from 0.35% to 2.10% with expected debt service savings of \$161,361.

One hundred percent of Granby's indebtedness is general obligation debt secured by the full faith and credit of the Town.

Table 4. Long-Term Debt

Date	Purpose	Rate	Original	Debt	Fiscal Year Maturity
2/15/2006	Public Improvement	3.8-5.00	\$ 10,000,000	\$ 2,700,000	2026
2/15/2013	Public Improvement	2.0-4.0	8,700,000	1,000,000	2023
3/3/2021	Public Improvement	2.0-4.0	3,400,000	3,400,000	2041
3/3/2021	Public Improvement	0.35-2.1	5,255,000	5,255,000	2041
			\$ 27,355,000	\$ 12,355,000	

Leases – The Town entered into capital lease agreements for the purchase of vehicles and equipment in FY 2021, as follows:

1 Groundsmaster 4000 Mower	\$ 62,194
1 2021 John Deere Backhoe	122,886
1 Generator	39,059
4 2017 Pre-owned buses	200,000
1 Stand on Blower 627CC Vanguard 6500CFM Model X300	7,915
BOE Technology*	<u>250,947</u>
	683,000
 Q&D Technology	 <u>91,000</u>
 Total of capital lease agreements	 <u>\$774,000</u>

*included projectors, 11-inch iPad Pro, 10.2" iPad, Latitude 3510 touch, CB slim hard shell, server, and cameras.

The outstanding capital leases stood at \$2,017,604 at year end after the addition of \$774,000 of new equipment and payments of \$753,656. The Town has entered into a number of capital leases which are treated as a long-term liability on the balance sheet. These leases vary in duration through June 30, 2026 and bear interest rates from 2.20% to 2.92%. See "Capital Assets" above. Also see Note 8. Leases, of this report.

State statutes limit the amount of general obligation debt a governmental entity may issue to seven times its tax collections plus interest and lien fees. For June 30, 2021, the maximum amount of borrowing permitted under the formula would be \$279,801,872. With total borrowings of \$12,355,000 and an aggregate \$17,416,000 of debt authorized but unissued, the Town's outstanding general obligation debt is \$250,030,872 below the maximum debt limitation (See Note 7. Long-Term Debt, of this report and Table 10 - Statement of Debt Limitation).

Standard & Poor's Corporation (S&P), one of the three nationally recognized municipal credit rating agencies, rates our outstanding bonded debt "AA+".

Economic Factors and Next Year's Budget

The Granby Board of Finance adopted the FY 2022 budget on April 26, 2021 in compliance with the governing executive orders and set the mill rate at 39.61, the same as last year.

The unemployment rate for the Town of Granby was 4.1% as of June 30, 2021 (preliminary subject to revision due to Covid-19 effects), which is a 2.3% decrease from a rate of 6.4% from a year ago. This compares favorably to the state's average unemployment rate of 6.0% and the national average rate of 5.5% (not seasonally adjusted).

The FY 2021 - 22 budget incorporates several goals and objectives:

- Budget in a conservatively and fiscally responsible manner that will provide municipal service to our citizens.
- Upgrade town-wide IT infrastructure, phone system, computer hardware and software.
- Promote electronic processings for town businesses.

- Explore alternative methods of providing services, including joint endeavors and shared services.
- Provide funding to meet the long-term capital needs of the Town and to fund the maintenance of its assets.
- Move away from capital lease borrowing and fund for purchases in the Capital Equipment/Improvement Fund.
- Develop a multi-year plan to increase the unassigned fund balance reserves to seventeen percent.
- Expand revenue sources available to the Town, including but not limited to the Grand List.

For FY 2021 - 2022, Granby's budget rose \$3,090,869 (6.49%) from \$47,622,341 to \$50,713,210 without generating a mill rate increase.

Revenues

The local real estate, personal property, and motor vehicle tax levy on the grand list of October 1, 2020 rose \$592,667 to \$40,214,514. Intergovernmental grants from the state and federal government were set at \$6,929,880 which is \$56,914 more than last year's \$6,872,966. We budgeted a \$78,526 decrease in local revenues and transfers from fiscal year 2021's \$683,528 to \$605,002. We budgeted use of general fund balance to offset further tax increases in the amount of \$963,000 and \$2,000,000 as a transfer to the OPEB trust fund.

Expenditures

General government expenditures of \$12,035,084 (before capital expenditures and debt service) are \$296,368 over last year and represent 23.73% of the total budget. Increases occurred in administration (\$134,687) and personal property and protection (\$86,163). The Board of Education's \$32,043,750 (up \$909,131 from last year) budget share amounted to 67.29% of the \$47,622,341 budget.

The Board of Education budget increased \$1,139,756 (3.56%) from \$32,043,750 to \$33,183,506.

\$2,404,577 of capital improvements came from: General Government - \$1,850,000; Town Aid Road Fund (TAR) - \$257,870; LoCIP Fund - \$90,000; Communications Fund - \$50,000; Contractors PD & ENGR Fund - \$23,500; Recreation Fund - \$85,000; and use of capital fund balance - \$48,207. The total appropriation amount of \$2,404,577 for 2021-2022 amounts to \$1,404,577 for the town and \$1,000,000 for the Board of Education,

A transfer of \$2,000,000 was made from the general fund to the OPEB trust fund.

The remainder of the budget is devoted to debt service (\$1,644,620 – 4.09%). Debt service, almost all of which is education related, decreased by \$445,255 reflecting decreased principal payments and interest expense as outstanding principal is amortized.

All of these factors were considered in preparing the Town of Granby's budget for the 2022 fiscal year.

At the close of the June 30, 2021 fiscal year, the total fund balance for the general fund was \$11,205,307. The Town has appropriated \$2,000,000 of this amount to fund the projected OPEB ADC due in the next four years to cover payments to the 342 eligible active (278) and retired (64) members. The June 30, 2021 unassigned fund balance in the general fund was reported at \$7,898,403.

Requests for Information

This financial report is designed to provide a general overview of the Town of Granby's finances for all those with an interest in the government's operations. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Town Manager or to the Director of Finance, Town of Granby, 15 North Granby Road, Granby, CT 06035-2125.

Basic Financial Statements

TOWN OF GRANBY, CONNECTICUT
STATEMENT OF NET POSITION
JUNE 30, 2021

	Governmental Activities
Assets:	
Cash and cash equivalents	\$ 22,737,345
Receivables, net	2,194,844
Prepaid items	24,999
Capital assets not being depreciated	9,239,398
Capital assets being depreciated, net	54,642,017
Total assets	<u>88,838,603</u>
Deferred Outflows of Resources:	
Deferred outflows related to pensions	1,718,456
Deferred outflows related to OPEB	2,449,233
Total deferred outflows of resources	<u>4,167,689</u>
Liabilities:	
Accounts and other payables	1,270,346
Accrued interest	124,478
Unearned revenue	2,851,882
Claims payable	388,000
Noncurrent liabilities:	
Due within one year	2,573,166
Due in more than one year	21,859,602
Total liabilities	<u>29,067,474</u>
Deferred Inflows of Resources:	
Deferred inflows related to pensions	4,063,274
Deferred inflows related to OPEB	235,775
Deferred charge on refunding	112,529
Advance property tax collections	41,640
Total deferred inflows of resources	<u>4,453,218</u>
Net Position:	
Net investment in capital assets	51,172,898
Restricted for:	
Debt service	113,417
Trust purposes:	
Nonexpendable	18,056
Grants	1,258,209
Other	364,458
Unrestricted	<u>6,558,562</u>
Total Net Position	<u>\$ 59,485,600</u>

The accompanying notes are an integral part of the financial statements

**TOWN OF GRANBY, CONNECTICUT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental activities:					
General government	\$ 5,408,917	\$ 1,249,721	\$ 41,242	\$ 146,839	\$ (3,971,115)
Public safety	3,075,211	277,538	4,271		(2,793,402)
Public works and environment	5,539,704	683,079	357,870	22,212	(4,476,543)
Recreation and social services	1,555,821	559,016	105,602		(891,203)
Education	43,452,812	1,731,338	15,018,577		(26,702,897)
Interest on long-term debt	511,800				(511,800)
Total	<u>\$ 59,544,265</u>	<u>\$ 4,500,692</u>	<u>\$ 15,527,562</u>	<u>\$ 169,051</u>	<u>(39,346,960)</u>
General revenues:					
Property taxes					40,577,452
Grants and contributions not restricted to specific programs					218,494
Unrestricted investment earnings					92,135
Miscellaneous					313,013
Total general revenues					<u>41,201,094</u>
Change in net position					1,854,134
Net Position at Beginning of Year, as Restated					<u>57,631,466</u>
Net Position at End of Year					<u>\$ 59,485,600</u>

The accompanying notes are an integral part of the financial statements

**TOWN OF GRANBY, CONNECTICUT
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2021**

	<u>General</u>	<u>Capital Projects</u>	<u>Small Cities</u>	<u>ARPA Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS						
Cash and cash equivalents	\$ 22,045,495	\$	\$ 187,591	\$	\$ 488,053	\$ 22,721,139
Receivables, net	450,796	118,113	1,030,865		213,549	1,813,323
Due from other funds	33,235	4,052,181		1,689,945	3,887,138	9,662,499
Prepaid items		24,999				24,999
Total Assets	<u>\$ 22,529,526</u>	<u>\$ 4,195,293</u>	<u>\$ 1,218,456</u>	<u>\$ 1,689,945</u>	<u>\$ 4,588,740</u>	<u>\$ 34,221,960</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities:						
Accounts payable and accrued liabilities	\$ 889,593	\$ 161,192	\$ 1,401	\$	\$ 198,098	\$ 1,250,284
Due to other funds	10,098,592				33,235	10,131,827
Unearned revenue		82,582	1,030,865	1,689,945	48,490	2,851,882
Total liabilities	<u>10,988,185</u>	<u>243,774</u>	<u>1,032,266</u>	<u>1,689,945</u>	<u>279,823</u>	<u>14,233,993</u>
Deferred Inflows of Resources:						
Unavailable revenues - property taxes	294,394					294,394
Unavailable revenues - loans						-
Unavailable revenues - grants		118,113				118,113
Advance tax collections	41,640					41,640
Total deferred inflows of resources	<u>336,034</u>	<u>118,113</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>454,147</u>
Fund Balances:						
Nonspendable		24,999			18,056	43,055
Restricted			186,190		1,549,894	1,736,084
Committed	101,816	3,808,407			2,740,967	6,651,190
Assigned	3,205,088					3,205,088
Unassigned	7,898,403					7,898,403
Total fund balances	<u>11,205,307</u>	<u>3,833,406</u>	<u>186,190</u>	<u>-</u>	<u>4,308,917</u>	<u>19,533,820</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 22,529,526</u>	<u>\$ 4,195,293</u>	<u>\$ 1,218,456</u>	<u>\$ 1,689,945</u>	<u>\$ 4,588,740</u>	<u>\$ 34,221,960</u>

(Continued on next page)

TOWN OF GRANBY, CONNECTICUT
BALANCE SHEET - GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2021

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

Amounts reported for governmental activities in the statement of net position (Exhibit I) are different because of the following:

Fund balances - total governmental funds (Exhibit III)		\$ 19,533,820
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:		
Governmental capital assets	\$ 125,789,030	
Less accumulated depreciation	<u>(61,907,615)</u>	
Net capital assets		63,881,415
Other long-term assets and deferred outflows are not available to pay for current-period expenditures and, therefore, are not recorded in the funds:		
Property tax receivables greater than 60 days		182,675
Interest receivable on property taxes		111,719
Grant receivables greater than 60 days		118,113
Deferred outflows of resources related to pensions		1,718,456
Deferred outflows of resources related to OPEB		2,449,233
Internal service funds are used by management to charge the costs of risk management to individual funds. The assets and liabilities of the internal service funds are reported with governmental activities in the statement of net position.		458,993
Long-term liabilities and deferred inflows, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds:		
Net pension liability		(289,968)
Bonds and notes payable		(12,355,000)
Interest payable on bonds and notes		(124,478)
Deferred charges on refunding		(112,529)
Compensated absences		(1,010,637)
Capital lease		(2,017,604)
Unamortized bond premium		(536,903)
Net OPEB liability		(8,222,656)
Deferred inflows of resources related to pensions		(4,063,274)
Deferred inflows of resources related to OPEB		<u>(235,775)</u>
Net Position of Governmental Activities (Exhibit I)		<u>\$ 59,485,600</u>

The accompanying notes are an integral part of the financial statements

TOWN OF GRANBY, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	General	Capital Projects	Small Cities	ARPA Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:						
Property taxes	\$ 40,684,006	\$	\$	\$	\$	\$ 40,684,006
Intergovernmental	11,203,157	22,212		12,806	3,074,980	14,313,155
Licenses, fees and charges for services	656,170				1,591,443	2,247,613
Investment income	79,987	3,183	61		2,686	85,917
Other revenues	412,836	23,289	109,415		192,257	737,797
Total revenues	<u>53,036,156</u>	<u>48,684</u>	<u>109,476</u>	<u>12,806</u>	<u>4,861,366</u>	<u>58,068,488</u>
Expenditures:						
Current:						
General government	4,940,278		36,648		149,759	5,126,685
Public safety	2,797,941				36,586	2,834,527
Public works and environmental	3,124,253				473,312	3,597,565
Recreation and social services	799,655			12,806	592,923	1,405,384
Education	36,012,829				2,881,851	38,894,680
Capital outlay		3,516,062				3,516,062
Debt service	2,128,247	47,934				2,176,181
Total expenditures	<u>49,803,203</u>	<u>3,563,996</u>	<u>36,648</u>	<u>12,806</u>	<u>4,134,431</u>	<u>57,551,084</u>
Excess (Deficiency) of Revenues over Expenditures	<u>3,232,953</u>	<u>(3,515,312)</u>	<u>72,828</u>	<u>-</u>	<u>726,935</u>	<u>517,404</u>
Other Financing Sources (Uses):						
Transfers in	110,741	2,338,839			132,675	2,582,255
Transfers out	(1,951,370)	(110,728)			(520,157)	(2,582,255)
Issuance of bonds		3,400,000				3,400,000
Premium on issuance of bonds		423,388				423,388
Issuance of refunding bonds	5,255,000					5,255,000
Payment to escrow agent	(5,156,628)					(5,156,628)
Capital lease issuance		683,000			91,000	774,000
Total other financing sources (uses)	<u>(1,742,257)</u>	<u>6,734,499</u>	<u>-</u>	<u>-</u>	<u>(296,482)</u>	<u>4,695,760</u>
Net Change in Fund Balances	1,490,696	3,219,187	72,828	-	430,453	5,213,164
Fund Balances at Beginning of Year, as Restated	9,714,611	614,219	113,362	-	3,878,464	14,320,656
Fund Balances at End of Year	<u>\$ 11,205,307</u>	<u>\$ 3,833,406</u>	<u>\$ 186,190</u>	<u>\$ -</u>	<u>\$ 4,308,917</u>	<u>\$ 19,533,820</u>

(Continued on next page)

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

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

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

Net change in fund balances - total governmental funds (Exhibit IV)	\$ 5,213,164
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Governmental funds report capital outlays as expenditures. In the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:

Capital outlay	2,038,526
Depreciation expense	(3,566,172)

The statement of activities reports losses arising from the trade-in of existing capital assets to acquire new capital assets. Conversely, governmental funds do not report any gain or loss on a trade-in of capital assets.	(113,519)
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds, and revenues recognized in the funds are not reported in the statement of activities:

Property tax receivable - accrual basis change	(106,554)
Change in deferred outflows amounts related to pensions	941,503
Change in deferred outflows amounts related to OPEB	(638,286)

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

Bond principal payments	6,495,000
Issuance of bonds	(3,400,000)
Premium on issuance of bonds	(423,388)
Issuance of refunding bonds	(5,255,000)
Capital lease payments	753,656
Capital lease financing	(774,000)

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

Compensated absences	(65,501)
Accrued interest	19,851
Amortization of bond premiums	467,848
OPEB liability	736,557
Pension liability	3,499,412
Change in deferred amount in refunding	(112,529)
Change in deferred inflows amounts related to pensions	(148,679)
Change in deferred inflows amounts related to OPEB	(3,646,121)

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

(61,634)

Change in Net Position of Governmental Activities (Exhibit II)	\$ <u>1,854,134</u>
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The accompanying notes are an integral part of the financial statements

**TOWN OF GRANBY, CONNECTICUT
 PROPRIETARY FUND
 STATEMENT OF NET POSITION
 JUNE 30, 2021**

	Governmental Activities
	Internal Service Fund
Assets:	
Current:	
Cash and cash equivalents	\$ 16,206
Receivables	381,521
Due from other funds	<u>469,328</u>
Total assets	<u>867,055</u>
Liabilities:	
Current:	
Accounts and other payables	20,062
Risk management claims	<u>388,000</u>
Total liabilities	<u>408,062</u>
Net Position:	
Unrestricted	\$ <u><u>458,993</u></u>

The accompanying notes are an integral part of the financial statements

**TOWN OF GRANBY, CONNECTICUT
 PROPRIETARY FUND
 STATEMENT OF REVENUES, EXPENSES
 AND CHANGES IN FUND NET POSITION
 FOR THE YEAR ENDED JUNE 30, 2021**

	Governmental Activities Internal Service Fund
Operating Revenues:	
Contributions	\$ 5,266,835
Employee contributions	1,481,999
Other	722,218
Total operating revenues	<u>7,471,052</u>
Operating Expenses:	
Health insurance claims	6,442,515
Contribution to OPEB Trust Fund	232,786
Administrative and management fees	863,603
Total operating expenses	<u>7,538,904</u>
Operating Loss	(67,852)
Nonoperating Revenue:	
Investment income	<u>6,218</u>
Change in Net Position	(61,634)
Net Position at Beginning of Year	<u>520,627</u>
Net Position at End of Year	<u>\$ 458,993</u>

The accompanying notes are an integral part of the financial statements

**TOWN OF GRANBY, CONNECTICUT
 PROPRIETARY FUND
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED JUNE 30, 2021**

	Governmental Activities Internal Service Fund
Cash Flows from Operating Activities:	
Cash received from charges for services and contributions	\$ 7,588,056
Cash paid for claims, premiums and fees	<u>(7,593,718)</u>
Net cash provided by (used in) operating activities	(5,662)
Cash Flows from Investing Activities:	
Income on investments	<u>6,218</u>
Net Increase (Decrease) in Cash and Cash Equivalents	556
Cash and Cash Equivalents at Beginning of Year	<u>15,650</u>
Cash and Cash Equivalents at End of Year	\$ <u><u>16,206</u></u>
Reconciliation of Operating Income (Loss) to Net Cash	
Provided by (Used in) Operating Activities:	
Operating income (loss)	\$ <u>(67,852)</u>
Adjustments to reconcile operating income (loss) to net cash	
provided by (used in) operating activities:	
(Increase) decrease in receivables	168,396
(Increase) decrease in due from other funds	(51,392)
Increase (decrease) in accounts payable	2,186
Increase (decrease) in risk management claims	<u>(57,000)</u>
Total adjustments	<u>62,190</u>
Net Cash Provided by (Used in) Operating Activities	\$ <u><u>(5,662)</u></u>

The accompanying notes are an integral part of the financial statements

**TOWN OF GRANBY, CONNECTICUT
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2021**

	Pension and Other Employee Benefit Trust Funds
Assets:	
Cash and cash equivalents	\$ 212,001
Investments - mutual funds	27,496,575
Accounts receivable	<u>6,223</u>
Total assets	<u>27,714,799</u>
Net Position:	
Restricted for pension benefits	24,242,088
Restricted for OPEB benefits	<u>3,472,711</u>
Total Net Position	<u>\$ 27,714,799</u>

The accompanying notes are an integral part of the financial statements

TOWN OF GRANBY, CONNECTICUT
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED JUNE 30, 2021

	Pension and Other Post Employment Benefits Trust Funds
Additions:	
Contributions:	
Employer	\$ 1,971,353
Employee	<u>159,517</u>
Total contributions	<u>2,130,870</u>
Investment income (loss):	
Net change in fair value of investments	6,267,812
Interest and dividends	<u>340,728</u>
Total investment gain (loss)	6,608,540
Less investment expenses:	
Investment management fees	<u>42,691</u>
Net investment income (loss)	<u>6,565,849</u>
Total additions	<u>8,696,719</u>
Deductions:	
Benefits	2,030,516
Administrative expenses	<u>14,317</u>
Total deductions	<u>2,044,833</u>
Change in Net Position	6,651,886
Net Position at Beginning of Year	<u>21,062,913</u>
Net Position at End of Year	<u><u>\$ 27,714,799</u></u>

The accompanying notes are an integral part of the financial statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The Town operates under a Charter as revised in November 2012. The form of government includes an elected Board of Selectmen, consisting of a First Selectman and four other members, an elected seven-member Board of Education, and an elected six-member Board of Finance.

Generally, the legislative power of the Town is vested with the Board of Selectmen. The Board of Selectmen may enact, amend or repeal ordinances and resolutions. The administration of Town offices and agencies, with the exception of the Board of Education, is the responsibility of the Town Manager who is appointed by the Board of Selectmen.

The Board of Finance is responsible for financial and taxation matters as prescribed by Town Charter and Connecticut General Statutes, and is responsible for presenting fiscal operating budgets for Town Meeting approval. The Town has the power to incur indebtedness by issuing bonds or notes as provided by Town Charter and Connecticut General Statutes.

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

Fiduciary Component Units

The Town has established a single-employer Public Retirement System (PERS) and a postretirement health care benefits (OPEB) plan to provide retirement benefits and post-retirement health care benefits primary to employees and their beneficiaries. The Town performs the duties of a governing board for the Pension and OPEB plans and is required to make contributions to the pension and OPEB plans.

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

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Town. For the most part, the effect of interfund activity has been removed from these statements.

**TOWN OF GRANBY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

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

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

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

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

The Town reports unearned revenue on its financial statements. Unearned revenues arise when resources are received by the Town before it has legal claim to them as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when revenue recognition criteria are met or when the Town has a legal claim to the resources by meeting all eligibility requirements, the liability for unearned revenue is removed from the financial statements and revenue is recognized.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The Town reports the following major governmental funds:

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

**TOWN OF GRANBY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

The Capital Projects Fund accounts for financial resources to be used for capital expenditures or for the acquisition or construction of capital facilities, improvements and/or equipment. Capital projects of greater than one year's duration have been accounted for in the Capital Projects Fund. Most of the capital outlays are financed by the issuance of general obligation bonds. Other sources include capital grants and interest income.

The Small Cities Fund accounts for federal grants to be used for the rehabilitation of private residential structures.

ARPA Fund accounts for federal COVID-related funding under American Rescue Plan Act of 2021.

Additionally, the Town reports the following fund types:

The Internal Service Fund accounts for risk management activities of the Town.

The Pension and Other Employee Benefit Trust Funds account for the fiduciary activities of the Town's Pension Plan and the Town Post Employment Benefit plan, which accumulates resources for pension benefit payments and healthcare payments to qualified Town employees.

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

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

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

D. Deposits and Investments

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

State statutes authorize the Town to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, repurchase agreements and certain other investments as described in Note 3.

Investments for the Town are reported at fair value.

E. Receivables and Payables

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

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balances outstanding between the governmental activities are reported in the government-wide financial statements as "internal balances." All trade and property tax receivables are shown net of an allowance for uncollectibles.

Based upon the annual budget as adopted, the Board of Finance establishes the tax rate to be levied on the taxable property for the ensuing year.

Property taxes are levied in June on all assessed property on the grand list of October 1 prior to the beginning of the fiscal year. Real and personal property tax bills in excess of \$100 are payable in two installments, July 1 and January 1, and motor vehicle taxes are payable in one installment on July 1. Taxes become delinquent 30 days after the installment is due. Delinquent taxes are billed at least six times a year, with interest at the rate of 1.5% per month. In accordance with state law, the oldest outstanding tax is collected first. Outstanding real estate tax accounts are normally lien-ed each year prior to June 30 with legal demands and alias warrants used in the collection of personal property and motor vehicle tax bills. Additional property taxes are assessed for motor vehicles registered subsequent to the grand list date through July 31 and are payable in one installment, which is due January 1.

Property tax revenues are recorded as receivable on the due date and are recognized as revenues to the extent collected during the fiscal year or collected soon enough thereafter (within 60 days) to be used to pay liabilities of the current period. Property taxes receivable not expected to be collected during the available period are reflected as deferred revenue in the fund financial statements. Property taxes receivable at June 30, 2021 is stated net of allowance for estimated uncollectible amounts of \$60,095.

The Town levies special assessments for the purpose of financing the construction of sanitary sewers. Such assessments are collectible in installments as provided by the Connecticut General Statutes. Assessment revenues are recognized when they are collected.

F. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

G. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

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

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Assets	Years
Buildings	40-50
Building improvements	15-25
Public domain infrastructure	30-60
Vehicles	3-15
Office equipment	5-10
Computer equipment	5-10

H. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period or periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Town reports deferred outflows related to pension and OPEB in the government-wide statement of net position. A deferred outflow of resources related to pension and OPEB results from differences between expected and actual experience and assumption changes or inputs. These amounts are deferred and included in pension and OPEB expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension and OPEB plan (active employees and inactive employees).

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period or periods and so will not be recognized as an inflow of resources (revenue) until that time. The Town reports advance property tax collections, deferred charge on refunding and deferred inflows of resources related to pension and OPEB in the government-wide statement of net position. Advance property tax collections represent taxes inherently associated with a future period. This amount is recognized during the period in which the revenue is associated. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. The amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. A deferred inflow of resources related to pension and OPEB resulted from differences between expected and actual experience and projected and actual earnings on investments. These amounts are deferred and included in pension and OPEB expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension and OPEB plan (active employees and inactive employees). For governmental funds, in addition to advance tax collections, the Town reports unavailable revenue, which arises only under the modified accrual basis of accounting. The governmental funds report unavailable revenues from property taxes and grants. These amounts are deferred and recognized as an inflow of resources (revenue) in the period in which the amounts become available.

I. Compensated Absences

A limited amount of vacation time earned may be accumulated by employees until termination of their employment. Vacation leave is valued using current salary costs, as well as any salary related payments that are directly and incrementally connected with leave payments to employees. Sick leave accruals are also based on current salary costs as well as salary-related payments. In the event of termination, employees are compensated for accumulated vacation and sick time, and the expenditure is recognized in the governmental fund financial statements, typically, the General Fund.

J. Net Pension Liability

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

K. Net OPEB Liability

The net OPEB liability is measured as the portion of the present value of projected benefit payments to be provided to current active and inactive employees that is attributed to those employees' past periods of service (total OPEB liability), less the amount of the OPEB plan's fiduciary net position. The OPEB plan's fiduciary net position is determined using the same valuation methods that are used by the OPEB plan for purposes of preparing its statement of fiduciary net position. The net OPEB liability is measured as of a date (measurement date) no earlier than the end of the employer's prior fiscal year, consistently applied from period to period.

L. Long-Term Obligations

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

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

M. Fund Equity

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

Net Investment in Capital Assets

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

Restricted Net Position

Restrictions are externally imposed by creditors (such as through debt covenants), grantors, contributors or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position

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

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

Nonspendable Fund Balance

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

Restricted Fund Balance

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

Committed Fund Balance

This represents amounts constrained for a specific purpose by a government using its highest level of decision-making authority (Board of Finance). Amounts remain committed until action is taken by the Board of Finance (resolution) to remove or revise the limitations.

Assigned Fund Balance

This represents amounts constrained for the intent to be used for a specific purpose by the Town Manager that has been delegated authority to assign amounts by the Town Charter.

Unassigned Fund Balance

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

N. Fund Balance Flow Assumptions

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

O. Accounting Estimates

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

P. Subsequent Events Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is December 2, 2021.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

For purposes of preparing the annual budget, the Town Manager compiles preliminary estimates of all departments and agencies, with the exception of the Board of Education, for presentation to the Board of Selectmen. After making such alterations or changes as it deems necessary, the Board of Selectmen presents the compiled budget to the Board of Finance. The Board of Education submits its estimates directly to the Board of Finance.

The Board of Finance may make such revisions to the Selectmen's and Education budget estimates as it deems desirable, and then holds a public hearing and presents a proposed budget on the second Monday in April. A machine vote on the budget is taken on the fourth Monday in April. If the budget does not pass, a hearing shall be held on the succeeding Monday for informational purposes with a machine vote on the following Monday. The process shall continue in this manner until a budget is adopted. The Board of Finance may make revisions between machine votes. Summaries of the revisions are then made available to the public.

Subject to certain restrictions, additional appropriations may be approved by the Board of Finance upon recommendation of the Board of Selectmen and certification on availability of the funds by the Town Manager. In this function, department budget accounts serve as the legal level of control. As a result of additional appropriations during fiscal year 2021, the original General Fund operating budget was increased by \$576,275.

Unencumbered appropriations lapse at the end of the fiscal year except for those in the capital projects and special revenue funds. Appropriations for these funds are continued until completion of the applicable projects, which often last more than one fiscal year.

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

Budgets for Special Revenue Funds that are utilized to account for specific grant programs are established in accordance with the requirements of the grantor agencies. In some instances, such budgets comprehend more than one fiscal year or a fiscal period that does not coincide with the Town's fiscal year.

Legal authorization for Capital Projects is provided by the related bond ordinances and/or intergovernmental grant agreements. Capital appropriations do not lapse until the purpose for which they are designated is completed.

Expenditures that will exceed the adopted budgets can be made only upon the authority of a supplemental appropriation or an approved budgetary transfer.

3. CASH, CASH EQUIVALENTS AND INVESTMENTS

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

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

The Statutes (Sections 3-24f and 3-27f) also provide for investment in shares of the State Short-Term Investment Fund (STIF) and the State Tax Exempt Proceeds Fund (TEPF). These investment pools are under the control of the State Treasurer, with oversight provided by the Treasurer's Cash Management Advisory Board, and are regulated under the State Statutes and subject to annual audit by the Auditors of Public Accounts. Investment yields are accounted for on an amortized-cost basis with an investment portfolio that is designed to attain a market-average rate of return throughout budgetary and economic cycles. Investors accrue interest daily based on actual earnings, less expenses and transfers to the designated surplus reserve, and the fair value of the position in the pool is the same as the value of the pool shares.

Deposits

Deposit Custodial Credit Risk

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

Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, \$22,392,689 of the Town's bank balance of \$23,402,122 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 20,053,420
Uninsured and collateral held by the pledging bank's trust department, not in the Town's name	<u>2,339,269</u>
Total Amount Subject to Custodial Credit Risk	<u><u>\$ 22,392,689</u></u>

Cash Equivalents

At June 30, 2021, the Town's cash equivalents amounted to \$280,152. The following table provides a summary of the Town's cash equivalents (excluding U.S. government guaranteed obligations) as rated by nationally recognized statistical rating organizations. The pools all have maturities of less than one year.

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Standard & Poor's

State Short-Term Investment Fund (STIF)
Wells Fargo

AAAm
*

*Not Rated

STIF is an investment pool of high-quality, short-term money market instruments with an average maturity of less than 60 days. There were no limitations or restrictions on any withdrawals due to redemption notice periods, liquidity fees, or redemption gates.

Investments

As of June 30, 2021, the Town's investments of \$27,496,575 were comprised of the following:

Investment Type	Credit Rating	Fair Value
Other investments:		
Mutual funds - Equity	*	\$ 17,325,726
Mutual funds - Fixed income	*	6,698,138
Other - Vantage Trust Funds	*	<u>3,472,711</u>
Total Investments		\$ <u><u>27,496,575</u></u>

* Investments are not rated

Interest Rate Risk

The Town limits their maximum final stated maturities to 15 years, unless specific authority is given to exceed. To the extent possible, the Town will attempt to match its investments with anticipated cash flow requirements.

Credit Risk - Investments

As indicated above, State Statutes limit the investment options of cities and towns. The Town has an investment policy that allows the same type of investments as State Statutes.

Concentration of Credit Risk

The Town has no policy limiting an investment in any one issuer that is in excess of 5% of the Town's total investments.

Custodial Credit Risk

Custodial credit risk for an investment is the risk that, in the event of the failure of the counterparty (the institution that pledges collateral or repurchase agreement securities to the Town or that sells investments to or buys them for the Town), the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Town does not have a policy for custodial credit risk. At June 30, 2021, the Town did not have any uninsured and unregistered securities held by the counterparty, or by its trust department or agent that were not in the Town's name.

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Fair Value Disclosure

The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements); followed by quoted prices in inactive markets or for similar assets or with observable inputs (Level 2 measurements); and the lowest priority to unobservable inputs (Level 3 measurements). The Town has the following recurring fair value measurements as of June 30, 2021:

Investments by Fair Value Level	Fair Value	Level 1	Level 2	Level 3
Mutual Funds	\$ 24,023,864	\$ <u>24,023,864</u>	\$ <u>-</u>	\$ <u>-</u>
Investments measured at net asset value (NAV):				
Vantage Trust Funds	<u>3,472,711</u>			
Total Investments	\$ <u>27,496,575</u>			

Mutual funds classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. The valuation method of investments measured at the net asset (NAV) per share is presented on the following table:

	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice
Vantage Trust Funds	\$ 3,472,711	-	Daily	5 days

The above includes investments in two funds. Each fund is valued at the net asset value of units held at the end of the period, based upon the fair value of the underlying investments.

4. RECEIVABLES

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

	General	Capital Projects	Small Cities	Nonmajor and Other Funds	Total
Receivables:					
Interest	\$ 111,719	\$	\$	\$	\$ 111,719
Taxes	365,921				365,921
Intergovernmental		118,113		119,863	237,976
Loans			1,030,865		1,030,865
Other	<u>33,251</u>			<u>481,430</u>	<u>514,681</u>
Gross receivables	<u>510,891</u>	<u>118,113</u>	<u>1,030,865</u>	<u>601,293</u>	<u>2,261,162</u>
Less allowance for uncollectibles	<u>(60,095)</u>				<u>(60,095)</u>
Net Total Receivables	\$ <u>450,796</u>	\$ <u>118,113</u>	\$ <u>1,030,865</u>	\$ <u>601,293</u>	\$ <u>2,201,067</u>

**TOWN OF GRANBY, CONNECTICUT
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5. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2021 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 8,527,129	\$ 17,811	\$	\$ 8,544,940
Construction in progress	856,098	361,918	(523,558)	694,458
Total capital assets not being depreciated	<u>9,383,227</u>	<u>379,729</u>	<u>(523,558)</u>	<u>9,239,398</u>
Capital assets being depreciated:				
Buildings and improvements	71,684,226	1,026,639	(29,505)	72,681,360
Vehicles and equipment	9,316,689	632,158	(459,415)	9,489,432
Infrastructure	33,920,082	523,558	(64,800)	34,378,840
Total capital assets being depreciated	<u>114,920,997</u>	<u>2,182,355</u>	<u>(553,720)</u>	<u>116,549,632</u>
Less accumulated depreciation for:				
Buildings and improvements	(34,109,780)	(2,448,115)	16,860	(36,541,035)
Vehicles and equipment	(6,285,044)	(495,755)	374,741	(6,406,058)
Infrastructure	(18,386,820)	(622,302)	48,600	(18,960,522)
Total accumulated depreciation	<u>(58,781,644)</u>	<u>(3,566,172)</u>	<u>440,201</u>	<u>(61,907,615)</u>
Total capital assets being depreciated, net	<u>56,139,353</u>	<u>(1,383,817)</u>	<u>(113,519)</u>	<u>54,642,017</u>
Governmental Activities Capital Assets, Net	\$ <u>65,522,580</u>	\$ <u>(1,004,088)</u>	\$ <u>(637,077)</u>	\$ <u>63,881,415</u>

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

Governmental activities:	
General government	\$ 92,618
Public safety	96,142
Public works and environment	709,110
Recreation and social services	113,428
Education	<u>2,554,874</u>
Total Depreciation Expense - Governmental Activities	\$ <u>3,566,172</u>

6. INTERFUND RECEIVABLE AND PAYABLE BALANCES

During the course of operations, transactions are processed through a fund on behalf of another fund. Additionally, revenues received in one fund are transferred to another fund. A summary of interfund balances as of June 30, 2021 is presented below:

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<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Nonmajor Governmental Funds	\$ 33,235
Capital Projects Fund	General Fund	4,052,181
ARPA Fund	General Fund	1,689,945
Nonmajor Governmental Funds	General Fund	3,887,138
Internal Service Fund	General Fund	<u>469,328</u>
Total		\$ <u><u>10,131,827</u></u>

The outstanding balances between funds result mainly from the timing between the dates that interfund goods and services are provided or reimbursable expenditures occur, transactions are recorded in the accounting system and payments between funds are made.

Interfund transfers:

	<u>General</u>	<u>Capital Projects</u>	<u>Nonmajor Governmental</u>	<u>Total Transfers Out</u>
General Fund	\$	\$ 1,818,695	\$ 132,675	\$ 1,951,370
Capital Projects	110,728			110,728
Nonmajor Governmental Funds	<u>13</u>	<u>520,144</u>		<u>520,157</u>
Total Transfers In	\$ <u><u>110,741</u></u>	\$ <u><u>2,338,839</u></u>	\$ <u><u>132,675</u></u>	\$ <u><u>2,582,255</u></u>

Transfers are used to move General Fund revenues to finance various capital projects, including building improvements, HVAC upgrades, security measures, road improvements and police vehicles, in accordance with budgetary authorizations, as well as to transfer amounts provided as subsidies or matching funds for various grant programs.

TOWN OF GRANBY, CONNECTICUT
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7. LONG-TERM DEBT

Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2021 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities:					
Bonds payable:					
General obligation bonds	\$ 10,195,000	\$ 8,655,000	\$ 6,495,000	\$ 12,355,000	\$ 1,285,000
Issuance premium on bonds	581,363	423,388	467,848	536,903	
Total bonds payable	10,776,363	9,078,388	6,962,848	12,891,903	1,285,000
Capital leases	1,997,260	774,000	753,656	2,017,604	789,483
Compensated absences	945,136	547,663	482,162	1,010,637	498,683
Net OPEB liability	8,959,213		736,557	8,222,656	
Net pension liability	3,789,380		3,499,412	289,968	
Total Governmental Activities					
Long-Term Liabilities	<u>\$ 26,467,352</u>	<u>\$ 10,400,051</u>	<u>\$ 12,434,635</u>	<u>\$ 24,432,768</u>	<u>\$ 2,573,166</u>

For the governmental activities, compensated absences, net pension liability and net OPEB liability are generally liquidated by the General Fund.

General Obligation Bonds

The Town issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the Town. General obligation bonds currently outstanding, their purpose and interest rate are as follows:

<u>Description</u>	
\$10,000,000 - General obligation bonds issued February 15, 2006 and maturing on February 15, 2026; interest rate from 3.8% to 5.0%	\$ 2,700,000
\$8,700,000 - General obligation bonds issued February 13, 2013 and maturing February 1, 2023; interest rate from 3.0% to 4.0%	1,000,000
\$3,400,000 - General obligation bonds issued March 3, 2021 and maturing March 1, 2041; interest rate from 2.0% to 4.0%	3,400,000
\$5,255,000 - General obligation refunding bonds issued March 3, 2021 and maturing February 1, 2041; interest rate from 0.350% to 2.10%	<u>5,255,000</u>
Total Bond Indebtedness	<u>\$ 12,355,000</u>

General Obligation Refunding Bonds

On March 3, 2021, the Town issued \$5,525,000 of general obligation refunding bonds, Series 2021B, with an interest rate ranging from 0.350% to 2.1%. The bonds were issued to refund \$4,850,000 of outstanding principal amounts of the 2013 issue of general obligations bonds. The net proceeds of \$5,156,628 (after payment of \$98,372 in underwriter's fees and other issuance costs) were deposited in

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an irrevocable trust fund under an escrow agreement dated March 3, 2021 between the Escrow Agent and the Town. The Escrow Agent will use such proceeds to purchase a portfolio of the United States Treasury State and Local Government Securities. All investment income on and the maturing principal of the escrow securities held in the escrow deposit fund will be irrevocably deposited by the Town for payment of the refunded bonds. The Town refunded the above bonds to reduce total debt service payments over the next 12 years by \$161,361 and to obtain an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$149,718. As of June 30, 2021, the amount of defeased debt outstanding from this refunding was \$4,850,000, and the escrow balance is \$5,156,628. This amount is removed from the governmental activities column of the statement of net position.

The following is a schedule of future debt service requirements as of June 30, 2021:

Fiscal Year Ending June 30,	Principal	Interest	Total
2022	\$ 1,285,000	\$ 349,595	\$ 1,634,595
2023	1,280,000	307,792	1,587,792
2024	1,280,000	253,678	1,533,678
2025	1,270,000	216,458	1,486,458
2026	1,255,000	177,618	1,432,618
2027-2031	3,355,000	545,155	3,900,155
2032-2036	1,780,000	222,520	2,002,520
2037-2042	850,000	76,500	926,500
Total	<u>\$ 12,355,000</u>	<u>\$ 2,149,316</u>	<u>\$ 14,504,316</u>

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

Category	Debt Limit	Net Indebtedness	Balance
General purpose	\$ 89,936,316	\$ 18,098,550	\$ 71,837,766
Schools	179,872,632	11,672,450	168,200,182
Sewers	149,893,860		149,893,860
Urban renewal	129,908,012		129,908,012
Pension deficit	119,915,088		119,915,088

The definition of indebtedness includes bonds outstanding in addition to the amount of bonds authorized and unissued against which debt is issued and outstanding. The Town has \$12,366,000 of general purpose and \$5,050,000 of school bonds authorized and unissued at June 30, 2021.

The total overall statutory debt limit for the Town is equal to seven times annual receipts from taxation, \$279,801,872.

TOWN OF GRANBY, CONNECTICUT
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8. LEASES

Capital Leases

The Town leases various vehicles, equipment and technology under capital lease arrangements. These leases vary in duration through June 30, 2026 and interest rates from 2.2% to 2.92%.

The Town has entered into capital lease agreements for the purchase of several vehicles and technology equipment.

	<u>Amount</u>
Assets:	
Vehicles and equipment	\$ 4,132,316
Less accumulated depreciation	<u>1,990,414</u>
Total	<u><u>\$ 2,141,902</u></u>

A summary of future minimum lease payments required by the lease agreements together with the present value of the net minimum lease payments as of June 30, 2021 is as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2022	\$ 831,945
2023	598,628
2024	366,900
2025	222,407
2026	<u>79,300</u>
Total	2,099,180
Less amount representing interest	<u>81,576</u>
Total	<u><u>\$ 2,017,604</u></u>

TOWN OF GRANBY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
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9. FUND BALANCE

The components of fund balance for the governmental funds at June 30, 2021 are as follows:

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Small Cities Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Fund balances:					
Nonspendable:					
Trust purposes	\$	\$	\$	\$ 18,056	\$ 18,056
Prepaid items		24,999			24,999
Restricted for:					
Debt service				113,417	113,417
Scholarships				66,769	66,769
Student activities				297,689	297,689
Grants			186,190	1,072,019	1,258,209
Committed to:					
Revaluation	101,816				101,816
Capital projects		2,928,078			2,928,078
Capital equipment		828,026			828,026
Bridge program		35,935			35,935
School security		5,597			5,597
Holcomb farm improvement		9,101			9,101
Capital and nonrecurring expenditures		1,670			1,670
General government				269,602	269,602
Public safety				51,423	51,423
Public works				1,485,677	1,485,677
Culture and recreation				717,323	717,323
Education				216,942	216,942
Assigned to:					
Subsequent year's budget	2,963,814				2,963,814
Public safety - encumbrances	279				279
Public works - encumbrances	24,361				24,361
Culture and recreation - encumbrances	1,825				1,825
Education - encumbrances	214,809				214,809
Unassigned	<u>7,898,403</u>				<u>7,898,403</u>
Total Fund Balances	<u>\$ 11,205,307</u>	<u>\$ 3,833,406</u>	<u>\$ 186,190</u>	<u>\$ 4,308,917</u>	<u>\$ 19,533,820</u>

Encumbrances of \$291,256 are included in the general fund assigned category. Encumbrances of \$268,439 are included in the committed fund balance category for the capital projects fund.

10. RISK MANAGEMENT

The Town is exposed to various risks of loss including torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Town generally obtains commercial insurance for these risks, but has chosen to retain the risks for employee insurance coverage. There has been no significant reduction in insurance coverage from the prior year for the categories risk insured commercially. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

The Town retains the risk associated with employee health insurance (medical claims plus prescription drugs) up to a maximum of \$150,000 per individual claim. As of June 30, 2021, the Town has established a liability of \$388,000 to cover health insurance claims incurred but unreported. This claim liability is based on the requirements of GASB Statement No. 10, which requires that a liability claim be reported if information prior to the issuance of the financial statements indicates it is probable a liability

TOWN OF GRANBY, CONNECTICUT
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has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

Changes in the claims liability were as follows:

		Liability	Current Year	Claim	Liability
		July 1,	Claims and	Payments	June 30,
			Changes in		
			Estimates		
2019-2020	\$	385,000	\$ 5,842,223	\$ 5,782,223	\$ 445,000
2020-2021		445,000	6,442,515	6,499,515	388,000

11. CONTINGENT LIABILITIES

The Town is a defendant in a number of lawsuits. It is the opinion of management that such pending litigation will not be finally determined so as to result in a judgment or judgments against the Town that would materially affect its financial position.

12. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS

A. Pension Trust Fund

The Town is the administrator of a single-employer Public Employee Retirement System (PERS) established and administered by the Town to provide pension benefits for its employees. The PERS is considered to be a part of the Town's financial reporting entity and is included in the Town's financial reports as a Pension Trust Fund. The Plan does not issue a separate stand-alone financial report.

Management of the Plan rests with the Pension Committee, which consists of four members. The four members are the First Selectman, Board of Education Chairman, Town Manager and an individual appointed by the Board of Selectmen. The Pension Committee delegates the power to administer the Plan to the Town Manager.

Plan Description and Benefits Provided

The Town provides retirement benefits through a single-employer, contributory, defined benefit plan. All employees of the Town hired prior to age 25 may elect to participate on their date of hire. Bargaining unit employees hired on or after October 1, 2000 may elect to participate after one year of continuous service. Under the plan, for regular certified officers of the police department, the retirement benefit is calculated at 2.5% of the average of the annual salaries, including overtime of the 5 calendar years with the highest average multiplied by up to 20 years of service plus 1.5% of the average of the annual salaries, including overtime, of the 5 calendar years with the highest average multiplied by in excess of 20 years maximum 10 years of service. For nonunion members other than regular certified officers of the police department, the retirement benefit is calculated at 2% of the average of the annual salaries of the last five years immediately prior to retirement multiplied by years of service. Effective June 1, 2000, for bargaining unit members the retirement benefit is calculated at 2% of the average of the annual salaries of any five years period producing the highest average prior to retirement multiplied by years of service. Participants are 100% vested after five years of service. If an employee leaves covered employment before five years of service, accumulated employee contributions and related

**TOWN OF GRANBY, CONNECTICUT
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investment earnings are refunded. Benefits and contributions are established by Town ordinance and may be amended. The major features of the plan are as follows:

Normal Retirement Age

Age 62 with 35 years of continuous service (effective July 1, 1994, age 62 and 25 years for a certified police officer), rule of 80 (age plus years of service) or age 65 regardless of service.

Credited Service

All service from date of participation in the plan until Normal Retirement Date, including all full months of Continuous Service.

Early Retirement

May be elected with the consent of the Board of Selectmen or Education upon completion of at least 15 years of Continuous Service and age 55.

Late Retirement

With consent of Boards of Selectmen/Education. Benefit accrues until actual Retirement Date.

Disability Retirement

Available on total and permanent disability after 15 years of continuous service and age 50. Benefit is the same as for early retirement.

Death

Before retirement, refund of participant's contributions plus interest. After retirement, refund of excess, if any, of participant's accumulated contributions as of his or her retirement date over total of benefits paid.

At July 1, 2020, PERS membership consisted of:

Retirees and beneficiaries currently receiving benefits	55
Terminated employees entitled to benefits but not yet receiving them	15
Active employees	48
	<hr/>
Total	118
	<hr/>

At July 1, 2020, there were 20 years remaining in the amortization period.

Summary of Significant Accounting Policies

Basis of Accounting

The PERS financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as revenues in the period in which employee services are performed. Benefit payments and refunds are payable when due and payable in accordance with the terms of the PERS.

Method Used to Value Investments

Investments are reported at fair value. Investment income is recognized as earned. Gains and losses on sales and exchange of investments are recognized on the transaction date. There are no investments in any organization, other than U.S. Government notes and bonds that represent 5% or more of net position available for benefits.

TOWN OF GRANBY, CONNECTICUT
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Funding Status and Progress

Certified police officers are required to contribute 6.0% of their salary, including overtime, educational incentive pay and longevity pay to the PERS. All other members contribute 5.0% of their gross salary, including overtime and any other form of additional compensation. The Town is required to contribute the remaining amounts necessary to finance coverage. Benefits and employee contributions may be amended by the Board of Selectmen through ordinance. Administrative costs are financed by the plan.

Investments

Investment Policy

The pension plan's policy in regard to the allocation of invested assets is carried out by the Plan Administrator through advice from an investment advisor. The Plan Administrator meets with the investment advisor on a regular basis in order to review an investment strategy to reduce risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The pension plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. The following was the Board's adopted asset allocation policy as of June 30, 2021:

<u>Asset Class</u>	<u>Target Allocation</u>
Core Fixed Income	20 %
U.S. Inflation-Indexed Bonds	15
U.S. Equities	40
Developed Foreign Equities	<u>25</u>
Total	<u><u>100 %</u></u>

Rate of Return

For the year ended June 30, 2021, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 32.30%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

TOWN OF GRANBY, CONNECTICUT
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Net Pension Liability

The components of the net pension liability of the Town at June 30, 2021 were as follows:

Total pension liability	\$	24,532,056
Plan fiduciary net position		<u>24,242,088</u>
Net Pension Liability	\$	<u><u>289,968</u></u>
Plan fiduciary net position as a percentage of the total pension liability		98.82%

Actuarial Assumptions

The total pension liability, measured at June 30, 2021, was determined by an actuarial valuation as of July 1, 2020, using the actuarial assumptions below, and then projected forward to the measurement date of June 30, 2021:

Inflation	2.75%
Salary increases	3.50%
Investment rate of return	6.50%
Actuarial cost method	Entry Age Normal

Mortality rates were based on the PubG-2010 Mortality (PubS-2010 for Police) with generational projection for MP-2019 Ultimate Scale.

The plan has not had a formal actuarial experience study performed.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. 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, 2021 (see the discussion of the pension plan's investment policy) are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>	
Core Fixed Income	1.36	%
U.S. Inflation-Indexed Bonds	1.68	
U.S. Equities	4.84	
Developed Foreign Equities	6.35	

TOWN OF GRANBY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
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Discount Rate

The discount rate used to measure the total pension liability was 6.50% a decrease from 6.75% from the prior year. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that Town contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension.

Changes in Net Pension Liability

Employees' Pension Plan			
	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a)-(b)
Balances as of July 1, 2020	\$ 22,542,289	\$ 18,752,909	\$ 3,789,380
Changes for the year:			
Service cost	484,779		484,779
Interest on total pension liability	1,508,141		1,508,141
Effect of economic/demographic gains or losses	(373,942)		(373,942)
Effect of assumptions changes or inputs	1,762,004		1,762,004
Benefit payments	(1,391,215)	(1,391,215)	-
Employer contributions		668,266	(668,266)
Member contributions		159,517	(159,517)
Net investment income		6,066,928	(6,066,928)
Administrative expenses		(14,317)	14,317
Net changes	<u>1,989,767</u>	<u>5,489,179</u>	<u>(3,499,412)</u>
Balances as of June 30, 2021	\$ <u>24,532,056</u>	\$ <u>24,242,088</u>	\$ <u>289,968</u>

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

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

	1% Decrease (5.50%)	Current Discount Rate (6.50%)	1% Increase (7.50%)
Total Net Pension Liability (Asset)	\$ 2,938,008	\$ 289,968	\$ (1,963,842)

**TOWN OF GRANBY, CONNECTICUT
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Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2021, the Town recognized pension expense of \$22,151. At June 30, 2021, the Town reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 125,126	\$ 382,349
Assumption changes or inputs	1,593,330	
Net difference between projected and actual earnings on pension plan investments	<u> </u>	<u>3,680,925</u>
Total	<u>\$ 1,718,456</u>	<u>\$ 4,063,274</u>

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

Year Ending June 30,

2022	\$ (421,160)
2023	(273,355)
2024	(686,244)
2025	<u>(964,059)</u>
	<u>\$ (2,344,818)</u>

B. Connecticut Teachers Retirement System - Pension

Plan Description

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

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.

**TOWN OF GRANBY, CONNECTICUT
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Normal Retirement

Retirement benefits for employees are calculated as 2% of the average annual salary times the years of credited service (maximum benefit is 75% of average annual salary during the 3 years of highest salary).

Early Retirement

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

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.

Contributions

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

Employer (School Districts)

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

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

For the year ended June 30, 2021, the amount of "on-behalf" contributions made by the State was \$4,082,638 and is recognized in the General Fund as intergovernmental revenues and education expenditures.

Employees

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

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

**TOWN OF GRANBY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
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Pension Liabilities, Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2021, the Town reports no amounts for its proportionate share of the net pension liability, and related deferred outflows and inflows, due to the statutory requirement that the State pay 100% of the required contribution. The amount recognized by the Town as its proportionate share of the net pension liability, the related state support, and the total portion of the net pension liability that was associated with the Town were as follows:

Town's proportionate share of the net pension liability	\$	-
State's proportionate share of the net pension liability associated with the Town		<u>63,650,407</u>
Total	\$	<u><u>63,650,407</u></u>

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

For the year ended June 30, 2021, the Town recognized pension expense and revenue of \$9,117,619 in Exhibit II.

Actuarial Assumptions

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

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

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

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

Cost-of-Living Allowance

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

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

TOWN OF GRANBY, CONNECTICUT
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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%.

Long-Term Rate of Return

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The current capital market assumptions and the target asset allocation as provided by the State of Connecticut Treasurer's Office are summarized in the following table:

Asset Class	Expected Return	Target Allocation
Domestic Equity Fund	5.60 %	20.00
Developed Market Intl. Stock Fund	6.00	11.00
Emerging Market Intl. Stock Fund	7.90	9.00
Core Fixed Income Fund	2.10	16.00
Inflation Linked Bond Fund	1.10	5.00
Emerging Market Debt Fund	2.70	5.00
High Yield Bond Fund	4.00	6.00
Real Estate Fund	4.50	10.00
Private Equity	7.30	10.00
Alternative Investments	2.90	7.00
Liquidity Fund	0.40	1.00
Total		100.00

Discount Rate

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

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

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

Pension Plan Fiduciary Net Position

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

Other Information

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

C. Town of Granby Defined Contribution Plan

The Town contributes to a 401 Qualified Plan, MissionSquare Retirement, a defined contribution money purchase plan, for its eligible full-time town and school employees. In addition, eligible employees can voluntarily contribute to a 457 Deferred Compensation Plan, MissionSquare Funds. The purpose of these plans is to enable employees to enhance their retirement security by deferring a portion of their salary. The Town administers both plans.

The benefits and contribution requirements for the 401 Qualified Plan were established through administrative action or contract negotiation. Employees are required to contribute a percentage based on the union contract or agreement. Employees are permitted to make voluntary (unmatched) contributions to the defined contribution plan, up to applicable Internal Revenue Code limits. The Employer contribution is up to 8% (one-to-one match) and is vested after five years. In a defined contribution plan, benefits depend on amounts contributed to the plan plus investment earnings. For the year ended June 30, 2021, employee contributions totaled \$285,254.56, and the Town contributions totaled 280,983.59 in the 401 Qualified Plan.

13. OTHER POST EMPLOYMENT BENEFITS - RETIREE HEALTH CARE PLAN

A. Town Postretirement Health Care Plan

Plan Description

The Town and Board of Education provide postretirement health care benefits, in accordance with various labor and personnel contracts, to employees meeting specific service and age requirements. The postretirement health care benefits program is considered to be part of the Town's financial reporting entity and is included in the Town's financial report as the Other Post Employment Benefits Trust Fund. The postretirement health care plan is a single-employer defined benefit plan administered by the Town. The Town does not issue stand-alone financial statements for this program.

Management of the program for Other Post Employment Benefits rests with the Employee Health Benefits Fund Advisory Committee, which consists of five members. The five members are the First Selectman, Board of Education Chairman, Town Manager, Supt. of Schools, and a town resident appointed by the Board of Selectmen. The Employee Health Benefits Fund Advisory Committee delegates the power to administer the program to the Town Manager.

TOWN OF GRANBY, CONNECTICUT
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At July 1, 2019, plan membership consisted of the following:

Active plan members	278
Retired members	<u>64</u>
Total Participants	<u><u>342</u></u>

Funding Policy

The Town's funding and payment of post-employment benefits for the year ended June 30, 2021 are accounted for in the Other Post Employment Benefits Trust Fund. The contribution requirements of plan members and the Town are also negotiated with the various unions representing the employees.

Investments

Investment Policy

The Other Post Employment Benefits program policy in regard to the allocation of invested assets is carried out by the Town Manager through advice from an investment advisor. The Town Manager meets with the investment advisor in order to review an investment strategy to reduce risk through the prudent diversification of the portfolio across a selection of distinct asset classes. The program refrains from dramatically shifting asset class allocations over short time spans. The following was the administrator's asset allocation as of June 30, 2021.

<u>Asset Class</u>	<u>Target Allocation</u>
U.S. Core Fixed Income	50%
U.S. Large Caps	50%

Rate of Return

For the year ended June 30, 2021, the annual money-weighted rate of return on investments, net of investment expense, was 21.15%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net OPEB Liability of the Town

The Town's net OPEB liability was measured as of June 30, 2021. The components of the net OPEB liability of the Town at June 30, 2021, were as follows:

Total OPEB liability	\$	11,695,367
Plan fiduciary net position		<u>3,472,711</u>
Net OPEB Liability	\$	<u><u>8,222,656</u></u>
Plan fiduciary net position as a percentage of the total OPEB liability		29.69%

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Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of July 1, 2019, using the following actuarial assumptions, and then was projected forward to the measurement date of June 30, 2021:

Inflation	2.75%
Salary increases	Graded salary scale for BOE; 3.5% for others
Investment rate of return	6.00%, net of pension plan investment expense, including inflation
Healthcare cost trend rates	5.15% - 4.50% over 58 years

Mortality rates for Teachers and Administrators were based on RPH-2014 White Collar table with employee and annuitant rates blended from ages 50 to 80 projected to the year 2020 using the BB improvement scale and further adjusted to grade in increases (5% for females and 8% for males) to rates over age 80.

Mortality rates for Police and Union were based on PubS-2010 Mortality Table with generational projection per MP-2014 ultimate scale, with employee rates before benefit commencement and healthy annuitant rates after benefit commencement.

Mortality rates for all others were based on PubG-2010 Mortality Table with generational projection per MP-2014 ultimate scale, with employee rates before benefit commencement and healthy annuitant rates after benefit commencement.

The actuarial assumptions used in the July 1, 2019 valuation were based on industry standard published tables and data, the particular characteristics of the plan, relevant information from the plan sponsor or other sources about future expectations, and the actuary's professional judgment regarding future plan experience. A full actuarial experience study has not been completed.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset as of June 30, 2021 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Core Fixed Income	50 %	1.36 %
U.S. Large Caps	50	4.55
Total	100 %	

Discount Rate

The discount rate used to measure the total OPEB liability was 6.0%. The projection of cash flows used to determine the discount rate assumed that Town contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB 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 OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

TOWN OF GRANBY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
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Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a)-(b)
Balances as of July 1, 2020	\$ 11,269,217	\$ 2,310,004	\$ 8,959,213
Changes for the year:			
Service cost	385,092		385,092
Interest on total OPEB liability	680,359		680,359
Benefit payments	(639,301)	(639,301)	-
Employer contributions		1,303,087	(1,303,087)
Member contributions			-
Net investment income		498,921	(498,921)
Net changes	426,150	1,162,707	(736,557)
Balances as of June 30, 2021	\$ 11,695,367	\$ 3,472,711	\$ 8,222,656

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

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

	1% Decrease (5.00%)	Current Discount Rate (6.00%)	1% Increase (7.00%)
Net OPEB Liability	\$ 9,430,124	\$ 8,222,656	\$ 7,181,108

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

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

	1% Decrease (4.15% Decreasing to 3.50%)	Healthcare Cost Trend Rates (5.15% Decreasing to 4.50%)	1% Increase (6.15% Decreasing to 5.50%)
Net OPEB Liability	\$ 6,827,355	\$ 8,222,656	\$ 9,881,652

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

For the year ended June 30, 2021, the Town recognized OPEB expense of \$1,204,806. At June 30, 2021, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

**TOWN OF GRANBY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,997,574	\$
Assumption changes or inputs	451,659	
Net difference between projected and actual earnings on pension plan investments	<u> </u>	<u>235,775</u>
Total	<u>\$ 2,449,233</u>	<u>\$ 235,775</u>

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

Year Ending June 30,

2022	\$ 297,922
2023	294,279
2024	291,151
2025	282,277
2026	350,351
Thereafter	<u>697,478</u>
	<u>\$ 2,213,458</u>

B. Other Post Employment Benefit - Connecticut State Teachers Retirement Plan

Plan Description

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

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

Benefit Provisions

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

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

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

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

Survivor Health Care Coverage

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

Eligibility

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

Credited Service

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

Normal Retirement

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

**TOWN OF GRANBY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

Early Retirement

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

Proratable Retirement

Age 60 with 10 years of Credited Service.

Disability Retirement

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

Termination of Employment

Ten or more years of Credited Service.

Contributions

State of Connecticut

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

Employer (School Districts)

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

For the year ended June 30, 2021, the amount of "on-behalf" contributions made by the State was \$98,528 and is recognized in the General Fund as intergovernmental revenues and education expenditures.

Employees/Retirees

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

TOWN OF GRANBY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

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

At June 30, 2021, the Town reports no amounts for its proportionate share of the net OPEB liability, and related deferred outflows and inflows, due to the statutory requirement that the State pay 100% of the required contribution. The amount recognized by the Town as its proportionate share of the net OPEB liability, the related State support and the total portion of the net OPEB liability that was associated with the Town was as follows:

Town's proportionate share of the net OPEB liability	\$ -
State's proportionate share of the net OPEB liability associated with the Town	<u>9,493,461</u>
Total	\$ <u><u>9,493,461</u></u>

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

For the year ended June 30, 2021, the Town recognized OPEB expense and revenue of \$438,526 in Exhibit II.

Actuarial Assumptions

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

Inflation	2.50%
Health care costs trend rate	5.125% for 2020, decreasing to an ultimate Rate of 4.50% by 2023
Salary increases	3.00-6.50%, including inflation
Investment rate of return	2.21%, net of OPEB plan investment expense including inflation
Year fund net position will be depleted	2021

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

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

The 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

**TOWN OF GRANBY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

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%).

Discount Rate

The discount rate used to measure the total OPEB liability was 2.21%. 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 Net OPEB Liability to Changes in the Health Care Cost Trend Rate and the Discount Rate

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

Other Information

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

**TOWN OF GRANBY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

14. COMBINING TRUST FUNDS

A. Combining Balance Sheet

	Pension Trust Fund	OPEB Trust Fund	Total
	<u> </u>	<u> </u>	<u> </u>
Assets:			
Cash and cash equivalents	\$ 212,001	\$	\$ 212,001
Investments - mutual funds	24,023,864	3,472,711	27,496,575
Accounts receivable	<u>6,223</u>	<u> </u>	<u>6,223</u>
Total assets	<u>24,242,088</u>	<u>3,472,711</u>	<u>27,714,799</u>
Net Position:			
Restricted for Pension Benefits and Other Post Employment Benefits	\$ <u>24,242,088</u>	\$ <u>3,472,711</u>	\$ <u>27,714,799</u>

TOWN OF GRANBY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

B. Combining Statement of Revenues, Expenditures and Changes in Net Position

	Pension Trust Fund	OPEB Trust Fund	Total
Additions:			
Contributions			
Employer	\$ 668,266	\$ 1,303,087	\$ 1,971,353
Employee	159,517		159,517
Total	<u>827,783</u>	<u>1,303,087</u>	<u>2,130,870</u>
Investment income:			
Net appreciation			
in fair value of investments	5,768,891	498,921	6,267,812
Interest and dividends	340,728		340,728
Total investment gain	<u>6,109,619</u>	<u>498,921</u>	<u>6,608,540</u>
Less investment expenses:			
Investment management fees	42,691		42,691
Net investment income	<u>6,066,928</u>	<u>498,921</u>	<u>6,565,849</u>
Total additions	<u>6,894,711</u>	<u>1,802,008</u>	<u>8,696,719</u>
Deductions:			
Benefits	1,391,215	639,301	2,030,516
Administrative expenses	14,317		14,317
Total deductions	<u>1,405,532</u>	<u>639,301</u>	<u>2,044,833</u>
Net Change	5,489,179	1,162,707	6,651,886
Net Position at Beginning of Year	<u>18,752,909</u>	<u>2,310,004</u>	<u>21,062,913</u>
Net Position at End of Year	<u>\$ 24,242,088</u>	<u>\$ 3,472,711</u>	<u>\$ 27,714,799</u>

15. PRIOR YEAR ADJUSTMENT AND RESTATEMENT

The Town previously reported the activities of the Student Activity Fund, Scholarship Fund, Contractor Security Fund and Flexible Spending Fund as fiduciary funds. As a result of implementation of GASB No. 84, *Fiduciary Activities*, as of July 1, 2020, the Town made the following reporting changes: The activities of the Student Activity Fund and Scholarship Fund are reported as special revenue funds, the activity for Contractor Security Fund is reported with the capital project fund and the Flexible Spending Fund is reported with the general fund activities. Accordingly, the Town restated the beginning balances as follows:

TOWN OF GRANBY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

	Balance as previously reported at 6/30/2020	Restatements	Balance as restated at 7/1/2020
Governmental Activities:			
Assets	\$ 83,038,385	\$ 464,666	\$ 83,503,051
Deferred Outflows of Resources	\$ 3,628,697		\$ 3,628,697
Liabilities	\$ 29,090,956	\$ 113,326	\$ 29,204,282
Deferred Inflows of Resources	\$ 296,000		\$ 296,000
Net Position	\$ 57,280,126	\$ 351,340	\$ 57,631,466
General Fund:			
Assets	\$ 15,375,816	\$ 9,432	\$ 15,385,248
Liabilities	\$ 5,232,731	\$ 9,432	\$ 5,242,163
Deferred Inflows of Resources	\$ 428,474		\$ 428,474
Fund Balance	\$ 9,714,611		\$ 9,714,611
Capital Projects Fund:			
Assets	\$ 858,577	\$ 103,894	\$ 962,471
Liabilities	\$ 126,245	\$ 103,894	\$ 230,139
Deferred Inflows of Resources	\$ 118,113		\$ 118,113
Fund Balance	\$ 614,219		\$ 614,219
Nonmajor Governmental Funds:			
Assets	\$ 3,973,936	\$ 351,340	\$ 4,325,276
Liabilities	\$ 446,812		\$ 446,812
Deferred Inflows of Resources	\$ 0		\$ 0
Fund Balance	\$ 3,527,124	\$ 351,340	\$ 3,878,464
Agency Funds:			
Assets	\$ 464,666	(464,666)	\$ -
Liabilities	\$ 464,666	(464,666)	\$ -

16. SUBSEQUENT EVENTS

On July 14, 2021, the Town issued \$5,000,000 of General Obligation Bonds (Series C) with a coupon rate between 0.50% and 5.00%. The proceeds of the bonds will be used to fund various general purpose and school construction projects authorized by the Town.

Required Supplementary Information

TOWN OF GRANBY, CONNECTICUT
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Property taxes:				
Current year taxes	\$ 38,931,847	\$ 38,931,847	\$ 39,875,934	\$ 944,087
Prior year's taxes	220,000	220,000	272,910	52,910
Supplemental motor vehicle	350,000	350,000	401,154	51,154
Total	39,501,847	39,501,847	40,549,998	1,048,151
Interest and lien fees	120,000	120,000	134,008	14,008
Total property taxes	39,621,847	39,621,847	40,684,006	1,062,159
Intergovernmental revenues:				
Reimbursement of local tax disability exemption	1,000	1,000	1,501	501
Education Equalization Grant	5,278,314	5,278,314	5,266,761	(11,553)
Excess Grant - Special Education	503,911	503,911	438,270	(65,641)
State owned property	1,061	1,061	1,061	-
Veterans Exempt Grant	3,000	3,000	3,272	272
Telephone Grant	14,000	14,000	16,697	2,697
E911 PSAP Grant	22,500	22,500	25,405	2,905
Tuition other towns	1,013,848	1,013,848	1,098,466	84,618
Other	35,332	35,332	36,262	930
Total intergovernmental revenues	6,872,966	6,872,966	6,887,695	14,729
Investment income	80,000	80,000	79,758	(242)
Local revenues:				
Town Clerk fees	200,000	200,000	376,469	176,469
Planning and Zoning	5,000	5,000	14,367	9,367
Zoning Board of Appeals	300	300	5,875	5,575
Building permits and licenses	150,000	150,000	254,764	104,764
Inland wetlands	2,000	2,000	4,135	2,135
Sale of maps and ordinances	100	100	210	110
Driveway permits	200	200	350	150
Total local revenues	357,600	357,600	656,170	298,570

(Continued on next page)

TOWN OF GRANBY, CONNECTICUT**GENERAL FUND****SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES****BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)****FOR THE YEAR ENDED JUNE 30, 2021**

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Other revenues:				
Snow plowing and grading	\$ 6,000	\$ 6,000	\$ 7,464	\$ 1,464
Photocopying	500	500	247	(253)
Rents	20,000	20,000	22,480	2,480
Contracted building inspection	10,100	10,100	10,100	-
Police dispatch services	31,000	31,000	31,000	-
Police photos and records	8,000	8,000	19,477	11,477
Library operations	8,000	8,000	3,441	(4,559)
Miscellaneous	35,000	50,002	398,012	348,010
Returned checks fee	100	100	40	(60)
Pay for participation	54,000	54,000	40,710	(13,290)
Open farm day	2,500	2,500		(2,500)
Holcomb Farm & haying	10,000	10,000	14,161	4,161
Total other revenues	<u>185,200</u>	<u>200,202</u>	<u>547,132</u>	<u>346,930</u>
Other financing sources:				
Transfers from other funds:				
Capital Projects Fund	60,728	60,728	60,728	-
Cossitt Library			13	13
Total other financing sources	<u>60,728</u>	<u>60,728</u>	<u>60,741</u>	<u>13</u>
Total	<u>\$ 47,178,341</u>	<u>\$ 47,193,343</u>	48,915,502	<u>\$ 1,722,159</u>

Budgetary revenues are different than GAAP revenues because:

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

Retirement Pension System for Town teachers are not budgeted

4,082,638

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

Retirement OPEB System for Town teachers are not budgeted

98,528

Revaluation Fund Revenues not budgeted

50,229

Issuance of refunding bonds

5,255,000

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

\$ 58,401,897

TOWN OF GRANBY, CONNECTICUT
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts			Variance Positive (Negative)
	Original	Final	Actual	
General government:				
General administration	\$ 428,220	\$ 459,070	\$ 447,049	\$ 12,021
Legal fees	25,000	25,000	21,320	3,680
Fringe benefits	2,755,815	2,755,815	2,661,228	94,587
Town Clerk operations	160,095	168,750	160,864	7,886
Probate	4,350	4,350	4,327	23
Contingency	213,000	637,998	592,948	45,050
Election services	44,915	48,450	42,166	6,284
Boards and commissions	68,588	68,588	63,205	5,383
Revenue collections	128,464	130,439	122,843	7,596
Property assessments	187,056	192,341	189,710	2,631
Fiscal management	330,386	330,386	315,467	14,919
Insurance	357,550	350,050	311,927	38,123
Total general government	<u>4,703,439</u>	<u>5,171,237</u>	<u>4,933,054</u>	<u>238,183</u>
Public safety:				
Building inspection	156,480	156,480	143,624	12,856
Fire prevention	346,834	346,834	342,526	4,308
Emergency management	800	800	663	137
Health services	159,039	159,039	159,039	-
Police department administration	348,000	356,560	348,560	8,000
Police operations and services	1,812,164	1,812,164	1,802,681	9,483
Total public safety	<u>2,823,317</u>	<u>2,831,877</u>	<u>2,797,093</u>	<u>34,784</u>
Public works and environment:				
Public Works administration	199,030	200,910	197,285	3,625
General maintenance	1,381,625	1,383,210	1,330,613	52,597
Solid waste and recycling	894,100	894,100	870,595	23,505
Planning and engineering services	34,400	34,400	33,159	1,241
Building maintenance and Town grounds	681,065	687,682	661,497	26,185
Total public works and environment	<u>3,190,220</u>	<u>3,200,302</u>	<u>3,093,149</u>	<u>107,153</u>
Recreation and social services:				
Library	560,300	569,410	506,673	62,737
Social services	238,065	241,015	191,806	49,209
Recreation administration	95,200	96,780	96,775	5
Community support	3,000	3,000	2,500	500
Total recreation and social services	<u>896,565</u>	<u>910,205</u>	<u>797,754</u>	<u>112,451</u>
Debt service	<u>2,089,875</u>	<u>2,089,875</u>	<u>2,029,875</u>	<u>60,000</u>
Education	<u>32,043,750</u>	<u>32,043,750</u>	<u>31,845,359</u>	<u>198,391</u>
Total budgeted expenditures	<u>45,747,166</u>	<u>46,247,246</u>	<u>45,496,284</u>	<u>750,962</u>

(Continued on next page)

TOWN OF GRANBY, CONNECTICUT
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Other financing uses:				
Transfers out:				
Capital equipment	\$ 1,750,000	\$ 1,818,695	\$ 1,818,695	\$ -
Transfer to CNR Fund				-
Senior activity	40,075	40,075	40,075	-
Emergency management	6,000	6,000	6,000	-
Dog fund	5,000	12,500	12,500	-
Youth service fund	74,100	74,100	74,100	-
Total other financing uses	<u>1,875,175</u>	<u>1,951,370</u>	<u>1,951,370</u>	<u>-</u>
Total Budgeted Operations	\$ <u>47,622,341</u>	\$ <u>48,198,616</u>	47,447,654	\$ <u>750,962</u>
Budgetary expenditures are different than GAAP expenditures because:				
State of Connecticut on-behalf payments to the Connecticut State Teachers' Retirement Pension System for Town teachers are not budgeted			4,082,638	
State of Connecticut on-behalf payments to the Connecticut State Teachers' Retirement OPEB System for Town teachers are not budgeted			98,528	
Encumbrances for purchases and commitments ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year received for financial reporting purposes			27,110	
Revaluation Fund expenditures not budgeted			271	
Payment to refunding escrow agent			5,156,628	
Debt service expenditures related to refundng - not budgeted			<u>98,372</u>	
Total Expenditures and Other Financing Uses as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds - Exhibit IV			\$ <u>56,911,201</u>	

TOWN OF GRANBY, CONNECTICUT
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
PENSION TRUST FUND
LAST EIGHT FISCAL YEARS *

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total pension liability:								
Service cost	\$ 484,779	\$ 471,336	\$ 439,590	\$ 422,365	\$ 405,744	\$ 434,343	\$ 404,587	\$ 330,806
Interest	1,508,141	1,467,469	1,463,841	1,430,800	1,383,802	1,331,406	1,278,028	1,213,513
Differences between expected and actual experience	(373,942)	250,254	(371,752)	(112,857)	27,407	(76,130)	124,206	128,096
Changes of assumptions	1,762,004	524,335	118,519	241,263	236,519	147,140		
Benefit payments, including refunds of member contributions	(1,391,215)	(1,305,129)	(1,222,399)	(1,156,074)	(1,042,283)	(1,011,654)	(862,760)	(827,874)
Net change in total pension liability	1,989,767	1,408,265	427,799	825,497	1,011,189	825,105	944,061	844,541
Total pension liability - beginning	22,542,289	21,134,024	20,706,225	19,880,728	18,869,539	18,044,434	17,100,373	16,255,832
Total pension liability - ending	24,532,056	22,542,289	21,134,024	20,706,225	19,880,728	18,869,539	18,044,434	17,100,373
Plan fiduciary net position:								
Contributions - employer	668,266	577,577	557,206	517,850	487,591	470,130	456,702	448,025
Contributions - member	159,517	161,887	159,272	158,979	161,662	173,639	167,897	156,889
Net investment income (loss)	6,066,928	1,028,901	902,546	1,723,847	2,189,923	(296,148)	246,040	2,506,894
Benefit payments, including refunds of member contributions	(1,391,215)	(1,305,129)	(1,222,399)	(1,156,074)	(1,042,283)	(1,011,654)	(862,760)	(827,874)
Administrative expense	(14,317)	(12,514)	(12,180)	(12,122)				(1,966)
Net change in plan fiduciary net position	5,489,179	450,722	384,445	1,232,480	1,796,893	(664,033)	7,879	2,281,968
Plan fiduciary net position - beginning	18,752,909	18,302,187	17,917,742	16,685,262	14,888,369	15,552,402	15,544,523	13,262,555
Plan fiduciary net position - ending	24,242,088	18,752,909	18,302,187	17,917,742	16,685,262	14,888,369	15,552,402	15,544,523
Net Pension Liability - Ending	\$ <u>289,968</u>	\$ <u>3,789,380</u>	\$ <u>2,831,837</u>	\$ <u>2,788,483</u>	\$ <u>3,195,466</u>	\$ <u>3,981,170</u>	\$ <u>2,492,032</u>	\$ <u>1,555,850</u>
Plan fiduciary net position as a percentage of the total pension liability	98.82%	83.19%	86.60%	86.53%	83.93%	78.90%	86.19%	90.90%
Covered payroll	\$ 3,878,163	\$ 3,643,801	\$ 3,687,470	\$ 3,778,774	\$ 4,086,754	\$ 3,913,965	\$ 3,311,487	\$ 3,409,422
Net pension liability as a percentage of covered payroll	7.48%	104.00%	76.80%	73.79%	78.19%	101.72%	75.25%	45.63%

*Note: This schedule is intended to be for ten years. Additional information will be added as it becomes available.

TOWN OF GRANBY, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
PENSION TRUST FUND
LAST TEN FISCAL YEARS

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Actuarially determined contribution	\$ 700,257	\$ 577,577	\$ 557,206	\$ 517,850	\$ 487,591	\$ 470,130	\$ 456,702	\$ 448,025	\$ 361,909	\$ 359,226
Contributions in relation to the actuarial determined contribution	668,266	577,577	557,206	517,850	487,591	470,130	456,702	448,025	361,909	359,226
Contribution Deficiency (Excess)	<u>\$ 31,991</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 3,878,163	\$ 3,643,801	\$ 3,687,470	\$ 3,778,774	\$ 4,086,754	\$ 3,913,965	\$ 3,311,245	\$ 3,409,422	\$ 3,637,892	\$ 3,402,929
Contributions as a percentage of covered payroll	17.23%	15.85%	15.11%	13.70%	11.93%	12.01%	13.79%	13.14%	9.95%	10.56%

Notes to Schedule

Valuation Date: July 1, 2020
Measurement Date: June 30, 2021
Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal
Amortization method	Level percentage of salary - closed
Remaining amortization period	20 years
Asset valuation method	5 years, non-asymptotic
Inflation	2.75%
Salary increases	3.50%
Investment rate of return	6.50%
Retirement age	Age based rates
Turnover	Age based rates
Mortality	PubG-2010 Mortality (PubS-2010 for Police) with generational projection per MP-2019 Ultimate Scale

TOWN OF GRANBY, CONNECTICUT
SCHEDULE OF INVESTMENT RETURNS
PENSION TRUST FUND
LAST EIGHT FISCAL YEARS*

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Annual money-weighted rate of return, net of investment expense	32.30%	5.64%	5.05%	10.35%	14.69%	(1.9%)	1.57%	18.78%

*Note: This schedule is intended to be for ten years. Additional information will be added as it becomes available.

TOWN OF GRANBY, CONNECTICUT
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHERS RETIREMENT PLAN
LAST SEVEN FISCAL YEARS

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Town's proportion of the net pension liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Town's proportionate share of the net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the Town	<u>63,650,407</u>	<u>58,425,114</u>	<u>45,049,157</u>	<u>47,535,197</u>	<u>50,149,997</u>	<u>38,644,363</u>	<u>35,718,969</u>
Total	<u>\$ 63,650,407</u>	<u>\$ 58,425,114</u>	<u>\$ 45,049,157</u>	<u>\$ 47,535,197</u>	<u>\$ 50,149,997</u>	<u>\$ 38,644,363</u>	<u>\$ 35,718,969</u>
Town's covered payroll	\$ 1,216,946	\$ 1,192,384	\$ 1,174,013	\$ 1,099,545	\$ 996,600	\$ 1,000,967	\$ 983,322
Town's proportionate share of the net pension liability as a percentage of its covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	49.24%	52.00%	57.69%	55.93%	52.26%	59.50%	61.51%

Notes to Schedule

Changes in benefit terms None

Changes of assumptions The Board adopted new assumptions as the result of an experience study for the five-year period ending June 30, 2019:

- Decrease the annual rate of real wage increase assumption from 0.75% to 0.50%.
- Decrease payroll growth assumption from 3.25% to 3.00%.
- Rates of withdrawal, disability, retirement, mortality, and assumed rates of salary increase were adjusted to more closely reflect actual and anticipated experience.

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

Notes:

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

TOWN OF GRANBY, CONNECTICUT
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
OPEB PLAN
LAST FIVE FISCAL YEARS*
(In Thousands)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total OPEB liability:					
Service cost	\$ 385,092	\$ 367,351	\$ 286,688	\$ 260,128	\$ 236,276
Interest	680,359	527,206	509,886	500,235	482,944
Changes of benefit terms		(13,411)			
Differences between expected and actual experience		1,985,479		726,403	
Changes of assumptions		290,329		383,976	
Benefit payments	(639,301)	(605,505)	(572,118)	(518,279)	(474,546)
Net change in total OPEB liability	426,150	2,551,449	224,456	1,352,463	244,674
Total OPEB liability - beginning	11,269,217	8,717,768	8,493,312	7,140,849	6,896,175
Total OPEB liability - ending	11,695,367	11,269,217	8,717,768	8,493,312	7,140,849
Plan fiduciary net position:					
Contributions - employer	1,303,087	901,761	572,118	518,279	707,589
Net investment income	498,921	80,606	94,763	103,175	136,681
Benefit payments	(639,301)	(605,505)	(572,118)	(518,279)	(474,546)
Net change in plan fiduciary net position	1,162,707	376,862	94,763	103,175	369,724
Plan fiduciary net position - beginning	2,310,004	1,933,142	1,838,379	1,735,204	1,365,480
Plan fiduciary net position - ending	3,472,711	2,310,004	1,933,142	1,838,379	1,735,204
Net OPEB Liability - Ending	\$ <u>8,222,656</u>	\$ <u>8,959,213</u>	\$ <u>6,784,626</u>	\$ <u>6,654,933</u>	\$ <u>5,405,645</u>
Plan fiduciary net position as a percentage of the total OPEB liability	29.69%	20.50%	22.17%	21.65%	24.30%
Covered payroll	\$ 21,208,110	\$ 21,208,110	\$ 20,207,961	\$ 20,207,961	\$ 20,391,068
Net OPEB liability as a percentage of covered payroll	38.77%	42.24%	33.57%	32.93%	26.51%

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

TOWN OF GRANBY, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
OPEB PLAN
LAST TEN FISCAL YEARS
(In Thousands)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Actuarially determined contribution (1)	\$ 981,524	\$ 727,143	\$ 693,256	\$ 610,945	\$ 568,962	\$ 551,457	\$ 526,242	\$ 524,000	\$ 500,000	\$ 686,000
Contributions in relation to the actuarially determined contribution	<u>1,303,087</u>	<u>901,761</u>	<u>572,118</u>	<u>518,279</u>	<u>707,589</u>	<u>412,830</u>	<u>661,242</u>	<u>389,000</u>	<u>780,000</u>	<u>406,000</u>
Contribution Deficiency (Excess)	<u>\$ (321,563)</u>	<u>\$ (174,618)</u>	<u>\$ 121,138</u>	<u>\$ 92,666</u>	<u>\$ (138,627)</u>	<u>\$ 138,627</u>	<u>\$ (135,000)</u>	<u>\$ 135,000</u>	<u>\$ (280,000)</u>	<u>\$ 280,000</u>
Covered payroll	\$ 21,208,110	\$ 21,208,110	\$ 20,207,961	\$ 20,207,961	\$ 20,391,068	\$ 19,763,521	\$ 19,763,521	\$ N/A	\$ N/A	\$ N/A
Contributions as a percentage of covered payroll	6.14%	4.25%	2.83%	2.56%	3.47%	2.09%	3.35%	N/A	N/A	N/A

(1) Actuarially Determined Contributions prior to fiscal year ending June 30, 2017 is based on the Annual Required Contribution (ARC) calculated in accordance with GASB No. 45

Notes to Schedule

Valuation date: July 1, 2019

Measurement date: June 30, 2021

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

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal
Amortization method	Level percentage of payroll, closed
Amortization period	20 years
Asset valuation method	5 years, non-asymptotic
Inflation	2.75%
Healthcare cost trend rates	5.15% - 4.50% over 58 years
Salary increases	Graded salary scale for BOE; 3.5% for others
Discount rate	6.00%
Retirement age	Varies based on age, eligibility for pension benefits, and gender
Healthy Mortality	Teachers and Administrators: RPH-2014 White Collar table with employee and annuitant rates blended from ages 50 to 80 projected to the year 2020 using the BB improvement scale and further adjusted to grade in increases (5% for females and 8% for males) to rates over age 80. Police and Town Union: PubS-2010 Mortality Table with generational projection per MP-2014 ultimate scale, with employee rates before benefit commencement and healthy annuitant rates after benefit commencement. All Others: PubG-2010 Mortality Table with generational projection per MP-2014 ultimate scale, with employee rates before benefit commencement and healthy annuitant rates after benefit commencement.
Disabled Mortality	Teachers and Administrators: RPH-2014 Disabled Mortality Table projected to 2017 using the BB improvement scale.

TOWN OF GRANBY, CONNECTICUT
SCHEDULE OF INVESTMENT RETURNS
OPEB PLAN
LAST FIVE FISCAL YEARS*

	2021	2020	2019	2018	2017
Annual money-weighted rate of return, net of investment expense	21.15%	4.12%	5.09%	5.95%	10.01%

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

TOWN OF GRANBY, CONNECTICUT
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
TEACHERS RETIREMENT PLAN
LAST FOUR FISCAL YEARS

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Town's proportion of the net OPEB liability	0.00%	0.00%	0.00%	0.00%
Town's proportionate share of the net OPEB liability	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net OPEB liability associated with the Town	<u>9,493,461</u>	<u>9,111,727</u>	<u>9,005,624</u>	<u>12,235,018</u>
Total	<u>\$ 9,493,461</u>	<u>\$ 9,111,727</u>	<u>\$ 9,005,624</u>	<u>\$ 12,235,018</u>
Town's covered payroll	\$ 1,216,946	\$ 1,192,384	\$ 1,174,013	\$ 1,099,545
Town's proportionate share of the net OPEB liability as a percentage of its covered payroll	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total OPEB liability	2.50%	2.08%	1.49%	1.79%

Notes to Schedule

Changes in benefit terms	None
Changes of assumptions	<p>Based on the procedure described in GASB 75, the discount rate used to measure plan obligations for financial accounting purposes as of June 30, 2020 was updated to equal the Municipal Bond Index Rate as of June 30, 2020;</p> <p>Expected annual per capita claims costs were updated to better reflect anticipated medical and prescription drug claim experience;</p> <p>Long-term health care cost trend rates were updated;</p> <p>The percentages of participating retirees who are expected to enroll in the Medicare Supplement Plan and the Medicare Advantage Plan options were updated based on observed plan experience. Additionally, participants are no longer assumed to migrate from the Medicare Supplement Plan to the Medicare Advantage Plan after selecting an option; and,</p> <p>The Board adopted new assumptions as the result of an experience study for the five-year period ending June 30, 2019. The changes in assumptions are summarized below:</p> <ul style="list-style-type: none"> - Decrease the annual rate of real wage increase assumption from 0.75% to 0.50%. - Decrease payroll growth assumption from 3.25% to 3.00%. - Rates of withdrawal, disability, retirement, mortality, and assumed rates of salary increase were adjusted to more closely reflect actual and anticipated experience.
Actuarial cost method	Entry age
Amortization method	Level percent of payroll over an open period
Remaining amortization period	30 years
Asset valuation method	Market value of assets
Investment rate of return	3.00%, net of investment related expense including price inflation
Price inflation	2.75%

Notes:

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

Combining and Individual Fund Statements and Schedules

General Fund

**TOWN OF GRANBY, CONNECTICUT
GENERAL FUND
REPORT OF TAX COLLECTOR
FOR THE YEAR ENDED JUNE 30, 2021**

Grand List	Current Levy		Uncollected Taxes July 1, 2020	Lawful Corrections		Transfers To Suspense	Adjusted Taxes Collectible	Collections	Refunds	Uncollected Taxes June 30, 2021
				Additions	Deductions					
2019	\$	40,497,095	\$	\$ 123,141	\$ 178,682	\$ 968	\$ 40,440,586	\$ 40,258,530	\$ 33,698	\$ 215,754
2018			267,074	4,482	6,672	5,975	258,909	185,659	4,221	77,471
2017			108,025	1,712	2,278	9,255	98,204	54,565	1,129	44,768
2016			36,653			4,252	32,401	15,451		16,950
2015			17,827	183	183	4,544	13,283	5,809		7,474
2014			14,484			1,295	13,189	10,137		3,052
2013			841			389	452			452
2012							-			-
2010							-			-
2009							-			-
Total	\$	<u>40,497,095</u>	\$ <u>444,904</u>	\$ <u>129,518</u>	\$ <u>187,815</u>	\$ <u>26,678</u>	\$ <u>40,857,024</u>	40,530,151	\$ <u>39,048</u>	\$ <u>365,921</u>
Interest, liens, fees and suspension collections								<u>124,614</u>		
Total collections								40,654,765		
Property taxes receivable considered available:										
June 30, 2020								(93,910)		
June 30, 2021								<u>123,151</u>		
Total Property Tax Revenue								\$ <u>40,684,006</u>		

Nonmajor Governmental Funds

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are restricted to expenditures for specified purposes. The Special Revenue Funds utilize the modified accrual basis of accounting.

Fund	Funding Source	Function
Dog	License fees and State grants	Animal population control
Town Aid Road	State and Federal grant	Construction and maintenance of roads
Senior Activity	User fees grants and donations	Fund various senior activities
LOCIP	State grant	Capital Improvement Fund
Solid Waste Sanitation	Licenses, fees and investment income	Operation of Town's solid waste disposal program
Sidewalk and Beautification Improvement	Donations and investment income	Improve sidewalks and other Town property
Local Assistance	Donations	Provide support for low income individuals
Open Space	Sale of land and investment income	Preserve undeveloped land
Police Community Education	Donations	Public safety education
Public Schools	Various funding sources	Various educational support programs
Tri Town Cable	State grant	Manage the PEGPEDIA grant for tri town cable network
Police Forfeited Property	Assets seized by police in drug enforcement activities	Police enforcement
Youth Services Grant	State grant	Youth and community activities
Cafeteria	Federal, State and local	School lunch programs
Federal and State Educational Grants	State and Federal grants	Education programs
Sewer Utility	User fees	Operation of sewer system
Communications	Fees from cell phone companies	Maintenance of cell towers
Police Grants	State and Federal grants	Various police support programs
Education Quality and Diversity	State and Federal grants	Educational support programs
Board of Education Severance	Contributions	Account for severance payments to retired board employees
Contractor Payment	Licenses, fees and charges	Account for police and engineering contract fees
Granby Public Library	State grants and contributions	Support of Town library
Parks and Recreation	Licenses, fees and charges	Administration of recreational services
Dog Park	Donations	Construct and maintain Town dog parks
Historic Documents	State grant	Preservation of Town's records
Emergency Management	Local, State and Federal grants	Manage and coordinate large scale emergency operations
Student Activity	Fees and donations	Extra - curricular activities at the high school, middle schools and grammar schools.
Scholarship Fund	Donations	Provide financial assistance for graduating seniors specifically to support postgraduate education

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

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

Fund	Funding Source	Function
Universal Cemetery	Investment income	Maintain Town's cemeteries
Cossitt Library	Investment income	Maintain Cossitt Library

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

	Special Revenue Funds							
	Dog	Town Aid Road	Senior Activity	LOCIP	Solid Waste Sanitation	Sidewalk and Beautification Improvement	Local Assistance	Open Space
ASSETS								
Cash and cash equivalents	\$	\$	\$	\$	\$	\$	\$	\$
Due from other governments								
Due from other funds	8,392	295,126	178,900		379,159	103,375	48,608	66,982
Receivables								
Total Assets	<u>\$ 8,392</u>	<u>\$ 295,126</u>	<u>\$ 178,900</u>	<u>\$ -</u>	<u>\$ 379,159</u>	<u>\$ 103,375</u>	<u>\$ 48,608</u>	<u>\$ 66,982</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable and accrued liabilities	\$ 5,325	\$	\$ 110	\$	\$ 10,514	\$	\$ -	\$
Due to other funds								
Unearned revenue								
Total liabilities	<u>5,325</u>	<u>-</u>	<u>110</u>	<u>-</u>	<u>10,514</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:								
Nonspendable								
Restricted		295,126						
Committed	3,067		178,790		368,645	103,375	48,608	66,982
Total fund balances	<u>3,067</u>	<u>295,126</u>	<u>178,790</u>	<u>-</u>	<u>368,645</u>	<u>103,375</u>	<u>48,608</u>	<u>66,982</u>
Total Liabilities and Fund Balances	<u>\$ 8,392</u>	<u>\$ 295,126</u>	<u>\$ 178,900</u>	<u>\$ -</u>	<u>\$ 379,159</u>	<u>\$ 103,375</u>	<u>\$ 48,608</u>	<u>\$ 66,982</u>

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

	Special Revenue Funds							
	Police Community Education	Public Schools	Tri Town Cable	Police Forfeited Property	Youth Services Grant	Cafeteria	Federal and State Educational Grants	Sewer Utility
ASSETS								
Cash and cash equivalents	\$	\$ 64,991	\$	\$	\$	\$ 44,974	\$ 13,630	\$
Due from other governments						115,085	4,778	
Due from other funds	22,874			147	337,180			913,979
Receivables		21,793				45,553		
Total Assets	<u>\$ 22,874</u>	<u>\$ 86,784</u>	<u>\$ -</u>	<u>\$ 147</u>	<u>\$ 337,180</u>	<u>\$ 205,612</u>	<u>\$ 18,408</u>	<u>\$ 913,979</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable and accrued liabilities	\$	\$ 30,848	\$	\$	\$ 1,646	\$ 131,493	\$ 2,467	\$ 427
Due to other funds							14,489	
Unearned revenue		6,234				39,119	557	
Total liabilities	<u>-</u>	<u>37,082</u>	<u>-</u>	<u>-</u>	<u>1,646</u>	<u>170,612</u>	<u>17,513</u>	<u>427</u>
Fund Balances:								
Nonspendable								
Restricted					335,534		895	
Committed	22,874	49,702		147		35,000		913,552
Total fund balances	<u>22,874</u>	<u>49,702</u>	<u>-</u>	<u>147</u>	<u>335,534</u>	<u>35,000</u>	<u>895</u>	<u>913,552</u>
Total Liabilities and Fund Balances	<u>\$ 22,874</u>	<u>\$ 86,784</u>	<u>\$ -</u>	<u>\$ 147</u>	<u>\$ 337,180</u>	<u>\$ 205,612</u>	<u>\$ 18,408</u>	<u>\$ 913,979</u>

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

	Special Revenue Funds							
	Communications	Police Grants	Education Quality and Diversity	Board of Education Severance	Contractor Payment	Granby Public Library	Parks and Recreation	Dog Park
ASSETS								
Cash and cash equivalents	\$	\$	\$	\$	\$	\$	\$	\$
Due from other governments								
Due from other funds	166,227	6,952	356,338	132,240	136,498	39,526	505,193	17,741
Receivables			-					
Total Assets	<u>\$ 166,227</u>	<u>\$ 6,952</u>	<u>\$ 356,338</u>	<u>\$ 132,240</u>	<u>\$ 136,498</u>	<u>\$ 39,526</u>	<u>\$ 505,193</u>	<u>\$ 17,741</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable and accrued liabilities	\$	\$	\$	\$	\$	\$	15,268	\$
Due to other funds								
Unearned revenue								
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,268</u>	<u>-</u>
Fund Balances:								
Nonspendable								
Restricted		6,952	356,338			39,526		
Committed	166,227			132,240	136,498		489,925	17,741
Total fund balances	<u>166,227</u>	<u>6,952</u>	<u>356,338</u>	<u>132,240</u>	<u>136,498</u>	<u>39,526</u>	<u>489,925</u>	<u>17,741</u>
Total Liabilities and Fund Balances	<u>\$ 166,227</u>	<u>\$ 6,952</u>	<u>\$ 356,338</u>	<u>\$ 132,240</u>	<u>\$ 136,498</u>	<u>\$ 39,526</u>	<u>\$ 505,193</u>	<u>\$ 17,741</u>

(Continued on next page)

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

	Special Revenue Funds					Permanent Funds		Total Nonmajor Governmental Funds
	Historic Documents	Student Activity	Scholarship	Emergency Management	Debt Service	Universal Cemetery	Cossitt Library	
ASSETS								
Cash and cash equivalents	\$	\$ 297,689	\$ 66,769	\$	\$	\$	\$	\$ 488,053
Due from other governments								119,863
Due from other funds	40,228				113,417	13,833	4,223	3,887,138
Receivables				26,340				93,686
Total Assets	\$ 40,228	\$ 297,689	\$ 66,769	\$ 26,340	\$ 113,417	\$ 13,833	\$ 4,223	\$ 4,588,740
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable and accrued liabilities	\$	\$	\$	\$	\$	\$	\$	\$ 198,098
Due to other funds				18,746				33,235
Unearned revenue	2,580							48,490
Total liabilities	2,580	-	-	18,746	-	-	-	279,823
Fund Balances:								
Nonspendable						13,833	4,223	18,056
Restricted	37,648	297,689	66,769		113,417			1,549,894
Committed				7,594				2,740,967
Total fund balances	37,648	297,689	66,769	7,594	113,417	13,833	4,223	4,308,917
Total Liabilities and Fund Balances	\$ 40,228	\$ 297,689	\$ 66,769	\$ 26,340	\$ 113,417	\$ 13,833	\$ 4,223	\$ 4,588,740

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

	Special Revenue Funds							
	Dog	Town Aid Road	Senior Activity	LOCIP	Solid Waste Sanitation	Sidewalk and Beautification Improvement	Local Assistance	Open Space
Revenues:								
Intergovernmental	\$	\$ 257,870	\$	\$ 100,000	\$	\$	\$	\$
Investment income					1,119	316		198
Contributions			3,750				21,620	
Licenses, fees and charges for goods and services	6,800		29,118		128,658			
Other			31,103		923			4,242
Total revenues	<u>6,800</u>	<u>257,870</u>	<u>63,971</u>	<u>100,000</u>	<u>130,700</u>	<u>316</u>	<u>21,620</u>	<u>4,440</u>
Expenditures:								
Current:								
General government								
Public safety	15,859							
Public works and environment					106,640			
Recreation and social services			66,806				10,879	
Education								
Total expenditures	<u>15,859</u>	<u>-</u>	<u>66,806</u>	<u>-</u>	<u>106,640</u>	<u>-</u>	<u>10,879</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(9,059)</u>	<u>257,870</u>	<u>(2,835)</u>	<u>100,000</u>	<u>24,060</u>	<u>316</u>	<u>10,741</u>	<u>4,440</u>
Other financing sources (uses):								
Capital lease issuance								
Transfers in	12,500		40,075					
Transfers out		(256,644)		(100,000)				
Total other financing sources (uses)	<u>12,500</u>	<u>(256,644)</u>	<u>40,075</u>	<u>(100,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	3,441	1,226	37,240	-	24,060	316	10,741	4,440
Fund Balance at Beginning of Year, as Restated	<u>(374)</u>	<u>293,900</u>	<u>141,550</u>	<u>-</u>	<u>344,585</u>	<u>103,059</u>	<u>37,867</u>	<u>62,542</u>
Fund Balance at End of Year	<u>\$ 3,067</u>	<u>\$ 295,126</u>	<u>\$ 178,790</u>	<u>\$ -</u>	<u>\$ 368,645</u>	<u>\$ 103,375</u>	<u>\$ 48,608</u>	<u>\$ 66,982</u>

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

	Special Revenue Funds							
	Police Community Education	Public Schools	Tri Town Cable	Police Forfeited Property	Youth Services Grant	Cafeteria	Federal and State Educational Grants	Sewer Utility
Revenues:								
Intergovernmental	\$	\$	\$ 146,839	\$	\$ 25,797	\$ 605,269	\$ 1,208,353	\$
Investment income								
Contributions					26,126			
Licenses, fees and charges for goods and services		77,723			1,800	138,267		312,381
Other								4,381
Total revenues	<u>-</u>	<u>77,723</u>	<u>146,839</u>	<u>-</u>	<u>53,723</u>	<u>743,536</u>	<u>1,208,353</u>	<u>316,762</u>
Expenditures:								
Current:								
General government			146,839					
Public safety								
Public works and environment								170,057
Recreation and social services					94,655			
Education		89,557				674,450	1,208,354	
Total expenditures	<u>-</u>	<u>89,557</u>	<u>146,839</u>	<u>-</u>	<u>94,655</u>	<u>674,450</u>	<u>1,208,354</u>	<u>170,057</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>(11,834)</u>	<u>-</u>	<u>-</u>	<u>(40,932)</u>	<u>69,086</u>	<u>(1)</u>	<u>146,705</u>
Other financing sources (uses):								
Capital lease issuance								
Transfers in					74,100			
Transfers out								
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>74,100</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	-	(11,834)	-	-	33,168	69,086	(1)	146,705
Fund Balance at Beginning of Year, as Restated	<u>22,874</u>	<u>61,536</u>	<u>-</u>	<u>147</u>	<u>302,366</u>	<u>(34,086)</u>	<u>896</u>	<u>766,847</u>
Fund Balance at End of Year	<u>\$ 22,874</u>	<u>\$ 49,702</u>	<u>\$ -</u>	<u>\$ 147</u>	<u>\$ 335,534</u>	<u>\$ 35,000</u>	<u>\$ 895</u>	<u>\$ 913,552</u>

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

	Special Revenue Funds							
	Communications	Police Grants	Education Quality and Diversity	Board of Education Severance	Contractor Payment	Granby Public Library	Parks and Recreation	Dog Park
Revenues:								
Intergovernmental	\$	\$	\$ 723,666	\$	\$	\$	\$	\$
Investment income	598							
Contributions						8,680		7,275
Licenses, fees and charges for goods and services	41,251				206,300		536,326	
Other			37,733					
Total revenues	<u>41,849</u>	<u>-</u>	<u>761,399</u>	<u>-</u>	<u>206,300</u>	<u>8,680</u>	<u>536,326</u>	<u>7,275</u>
Expenditures:								
Current:								
General government								
Public safety								
Public works and environment					135,142			
Recreation and social services						734	412,806	7,043
Education			809,789					
Total expenditures	<u>-</u>	<u>-</u>	<u>809,789</u>	<u>-</u>	<u>135,142</u>	<u>734</u>	<u>412,806</u>	<u>7,043</u>
Excess (deficiency) of revenues over expenditures	<u>41,849</u>	<u>-</u>	<u>(48,390)</u>	<u>-</u>	<u>71,158</u>	<u>7,946</u>	<u>123,520</u>	<u>232</u>
Other financing sources (uses):								
Capital lease issuance			91,000					
Transfers in								
Transfers out	(50,000)				(20,000)		(93,500)	
Total other financing sources (uses)	<u>(50,000)</u>	<u>-</u>	<u>91,000</u>	<u>-</u>	<u>(20,000)</u>	<u>-</u>	<u>(93,500)</u>	<u>-</u>
Net change in fund balance	(8,151)	-	42,610	-	51,158	7,946	30,020	232
Fund Balance at Beginning of Year, as Restated	<u>174,378</u>	<u>6,952</u>	<u>313,728</u>	<u>132,240</u>	<u>85,340</u>	<u>31,580</u>	<u>459,905</u>	<u>17,509</u>
Fund Balance at End of Year	<u>\$ 166,227</u>	<u>\$ 6,952</u>	<u>\$ 356,338</u>	<u>\$ 132,240</u>	<u>\$ 136,498</u>	<u>\$ 39,526</u>	<u>\$ 489,925</u>	<u>\$ 17,741</u>

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

	Special Revenue Funds					Permanent Funds		Total Nonmajor Governmental Funds
	Historic Documents	Student Activity	Scholarship	Emergency Management	Debt Service	Universal Cemetery	Cossitt Library	
Revenues:								
Intergovernmental	\$ 2,920	\$	\$	\$ 4,266	\$	\$ 42	\$ 13	\$ 3,074,980
Investment income					400			2,686
Contributions								67,451
Licenses, fees and charges for goods and services		96,219	16,600					1,591,443
Other	3,188			19,341	23,895			124,806
Total revenues	<u>6,108</u>	<u>96,219</u>	<u>16,600</u>	<u>23,607</u>	<u>24,295</u>	<u>42</u>	<u>13</u>	<u>4,861,366</u>
Expenditures:								
Current:								
General government	2,920							149,759
Public safety				20,727				36,586
Public works and environment					61,473			473,312
Recreation and social services								592,923
Education		86,701	13,000					2,881,851
Total expenditures	<u>2,920</u>	<u>86,701</u>	<u>13,000</u>	<u>20,727</u>	<u>61,473</u>	<u>-</u>	<u>-</u>	<u>4,134,431</u>
Excess (deficiency) of revenues over expenditures	<u>3,188</u>	<u>9,518</u>	<u>3,600</u>	<u>2,880</u>	<u>(37,178)</u>	<u>42</u>	<u>13</u>	<u>726,935</u>
Other financing sources (uses):								
Capital lease issuance								91,000
Transfers in				6,000				132,675
Transfers out							(13)	(520,157)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,000</u>	<u>-</u>	<u>-</u>	<u>(13)</u>	<u>(296,482)</u>
Net change in fund balance	3,188	9,518	3,600	8,880	(37,178)	42	-	430,453
Fund Balance at Beginning of Year, as Restated	<u>34,460</u>	<u>288,171</u>	<u>63,169</u>	<u>(1,286)</u>	<u>150,595</u>	<u>13,791</u>	<u>4,223</u>	<u>3,878,464</u>
Fund Balance at End of Year	<u>\$ 37,648</u>	<u>\$ 297,689</u>	<u>\$ 66,769</u>	<u>\$ 7,594</u>	<u>\$ 113,417</u>	<u>\$ 13,833</u>	<u>\$ 4,223</u>	<u>\$ 4,308,917</u>

Statistical Section

Statistical Section Information

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

Statistical section information is presented in the following categories:

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

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

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

TABLE 1

TOWN OF GRANBY, CONNECTICUT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(In Thousands)

	FISCAL YEAR									
	2021	2020	2019	2018	2017**	2016	2015	2014*	2013	2012
Governmental Activities:										
Net investment in capital assets	\$ 51,173	\$ 52,748	\$ 50,338	\$ 49,698	\$ 49,033	\$ 48,091	\$ 47,125	\$ 46,045	\$ 44,113	\$ 46,714
Restricted	1,754	169	191	222	194	254	312	383	446	517
Unrestricted	<u>6,559</u>	<u>4,363</u>	<u>2,082</u>	<u>1,413</u>	<u>2,446</u>	<u>9,500</u>	<u>11,021</u>	<u>11,723</u>	<u>13,808</u>	<u>9,103</u>
Total Governmental Activities Net Position	<u>\$ 59,486</u>	<u>\$ 57,280</u>	<u>\$ 52,611</u>	<u>\$ 51,333</u>	<u>\$ 51,673</u>	<u>\$ 57,845</u>	<u>\$ 58,458</u>	<u>\$ 58,151</u>	<u>\$ 58,367</u>	<u>\$ 56,334</u>

NOTES:

(1) Schedule prepared on the accrual basis of accounting

* Amounts were restated to reflect implementation of GASB Statement No. 68

** Amounts were restated to reflect implementation of GASB Statement No. 75

TABLE 2

TOWN OF GRANBY, CONNECTICUT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(In Thousands)

	FISCAL YEAR									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Expenses:										
General government	\$ 5,409	\$ 4,691	\$ 5,227	\$ 4,830	\$ 5,119	\$ 4,330	\$ 3,728	\$ 3,210	\$ 3,264	\$ 3,410
Public safety	3,075	3,093	3,061	2,927	3,500	3,294	3,161	2,977	2,867	4,479
Public works and environment	5,540	4,764	5,091	4,670	4,676	4,327	3,956	4,264	4,156	4,190
Recreation and social services	1,556	1,730	1,667	1,638	1,776	1,623	1,494	1,428	1,354	1,347
Education	43,453	42,600	38,326	40,844	39,795	37,830	36,600	35,624	34,363	35,371
Interest on long-term debt	512	444	577	699	814	941	1,046	1,141	1,093	1,157
Total governmental activities expenses	<u>59,545</u>	<u>57,322</u>	<u>53,949</u>	<u>55,608</u>	<u>55,680</u>	<u>52,345</u>	<u>49,985</u>	<u>48,644</u>	<u>47,097</u>	<u>49,954</u>
Program revenues:										
Governmental activities:										
Charges for services:										
General government	1,250	1,143	1,382	993	696	712	606	689	500	525
Education	1,731	1,531	1,256	1,212	813	1,378	1,287	1,332	1,518	2,669
Other	1,520	1,345	1,604	1,421	1,911	1,879	1,620	1,543	1,286	1,217
Operating grants and contributions	15,528	15,508	11,660	14,322	14,431	11,870	11,732	12,225	12,228	12,712
Capital grants and contributions	169	1,723	332	140		328	417		313	5
Total governmental activities program revenues	<u>20,198</u>	<u>21,250</u>	<u>16,234</u>	<u>18,088</u>	<u>17,851</u>	<u>16,167</u>	<u>15,662</u>	<u>15,789</u>	<u>15,845</u>	<u>17,128</u>
Net (expense) revenue:										
Governmental activities	<u>(39,347)</u>	<u>(36,072)</u>	<u>(37,715)</u>	<u>(37,520)</u>	<u>(37,829)</u>	<u>(36,178)</u>	<u>(34,323)</u>	<u>(32,855)</u>	<u>(31,252)</u>	<u>(32,826)</u>
General revenues and other changes in net position:										
Governmental activities:										
Property taxes	40,577	39,952	38,434	36,596	35,962	34,988	34,124	33,215	32,699	31,780
Grants and contributions not restricted to specific purposes	218	112	132	226	486	417	256	805	452	244
Unrestricted investment earnings	92	337	341	184	98	90	76	45	42	51
Other general revenues	314	341	85	175	157	70	174	38	93	57
Total governmental activities	<u>41,201</u>	<u>40,742</u>	<u>38,992</u>	<u>37,181</u>	<u>36,703</u>	<u>35,565</u>	<u>34,630</u>	<u>34,103</u>	<u>33,286</u>	<u>32,132</u>
Changes in net position:										
Governmental activities	<u>\$ 1,854</u>	<u>4,670</u>	<u>1,277</u>	<u>\$ (339)</u>	<u>\$ (1,126)</u>	<u>\$ (613)</u>	<u>\$ 307</u>	<u>\$ 1,248</u>	<u>\$ 2,034</u>	<u>\$ (694)</u>

Notes:

(1) Schedule prepared on the accrual basis of accounting

TABLE 3

TOWN OF GRANBY, CONNECTICUT
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(In Thousands)

	FISCAL YEAR									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
General Fund:										
Committed	\$ 102	\$ 52	\$ 51	\$ 50	\$ 51	\$ 8	\$ 8	\$ 16	\$ 16	\$ 11
Assigned	3,205	735	684	1,094	1,270	1,662	1,676	1,715	1,819	1,785
Unassigned	<u>7,899</u>	<u>8,927</u>	<u>5,930</u>	<u>4,122</u>	<u>3,491</u>	<u>3,012</u>	<u>2,586</u>	<u>2,871</u>	<u>2,227</u>	<u>1,742</u>
Total General Fund	<u>\$ 11,206</u>	<u>\$ 9,714</u>	<u>\$ 6,665</u>	<u>\$ 5,266</u>	<u>\$ 4,812</u>	<u>\$ 4,682</u>	<u>\$ 4,270</u>	<u>\$ 4,602</u>	<u>\$ 4,062</u>	<u>\$ 3,538</u>
All other governmental funds:										
Nonspendable	\$ 43	\$ 18	\$ 18	\$ 18	\$ 17	\$ 19	\$ 19	\$ 19	\$ 19	\$ 19
Restricted	1,736	1,248	1,307	1,643	1,656	1,805	1,732	1,808	1,496	1,567
Committed	6,549	3,025	3,580	3,497	3,459	3,921	4,320	4,752	6,452	2,596
Unassigned	<u> </u>	<u>(36)</u>	<u> </u>	<u>(40)</u>	<u>(42)</u>	<u> </u>	<u> </u>	<u>(91)</u>	<u>(12)</u>	<u>(294)</u>
Total All Other Governmental Funds	<u>\$ 8,328</u>	<u>\$ 4,255</u>	<u>\$ 4,905</u>	<u>\$ 5,118</u>	<u>\$ 5,090</u>	<u>\$ 5,745</u>	<u>\$ 6,071</u>	<u>\$ 6,488</u>	<u>\$ 7,955</u>	<u>\$ 3,888</u>

Notes:

1. Schedule prepared on the modified accrual basis of accounting

TABLE 4

TOWN OF GRANBY, CONNECTICUT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(In Thousands)

	FISCAL YEAR									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Revenues:										
Property taxes	\$ 40,684	\$ 39,935	\$ 38,385	\$ 36,783	\$ 36,068	\$ 34,955	\$ 34,052	\$ 33,236	\$ 32,684	\$ 31,684
Intergovernmental	14,313	13,397	14,365	12,030	14,817	12,375	12,206	12,948	12,594	13,743
Licenses, fees and charges for services	2,248	2,291	2,811	2,268	2,611	3,164	3,104	3,011	2,914	3,087
Investments income	86	314	325	174	88	78	66	38	36	43
Other	737	793	554	690	580	499	754	673	586	815
Total revenues	<u>58,068</u>	<u>56,730</u>	<u>56,440</u>	<u>51,945</u>	<u>54,164</u>	<u>51,071</u>	<u>50,182</u>	<u>49,906</u>	<u>48,814</u>	<u>49,372</u>
Expenditures:										
General government	5,126	4,246	4,636	4,121	4,381	3,606	3,573	3,403	3,397	3,400
Public safety	2,835	2,816	2,789	2,603	3,286	3,131	2,989	2,871	2,660	4,424
Public works and environment	3,598	3,518	3,740	3,469	3,420	3,169	3,235	3,164	3,056	3,011
Recreation and social services	1,405	1,538	1,571	1,563	1,632	1,554	1,415	1,352	1,296	1,310
Education	38,895	36,874	37,175	34,644	36,150	33,997	33,736	33,390	32,309	33,019
Capital outlay	3,516	3,214	2,661	2,619	3,152	2,578	3,401	3,868	8,385	2,540
Debt service:										
Principal	1,645	2,285	2,825	2,820	2,815	2,810	2,335	2,335	2,325	2,358
Interest	531	482	601	714	829	946	1,042	1,122	970	1,072
Total expenditures	<u>57,551</u>	<u>54,973</u>	<u>55,998</u>	<u>52,553</u>	<u>55,665</u>	<u>51,791</u>	<u>51,726</u>	<u>51,505</u>	<u>54,398</u>	<u>51,134</u>
Excess of Revenue Over (Under) Expenditures	<u>517</u>	<u>1,757</u>	<u>442</u>	<u>(608)</u>	<u>(1,501)</u>	<u>(720)</u>	<u>(1,544)</u>	<u>(1,599)</u>	<u>(5,584)</u>	<u>(1,762)</u>
Other Financing Sources (Uses):										
Transfers in	2,582	2,053	1,963	2,091	2,013	3,473	2,457	1,925	1,895	1,807
Transfers out	(2,582)	(2,053)	(1,963)	(2,091)	(2,013)	(3,473)	(2,457)	(1,925)	(1,895)	(1,807)
Premium on bond	423								671	
Issuance of capital leases	774	643	744	1,089	976	807	795	673	804	577
Issuance of bonds	3,400								8,700	
Proceeds from refunding bonds	5,255									
Payment to refunded bond escrow agent	(5,156)									
Total other financing sources	<u>4,696</u>	<u>643</u>	<u>744</u>	<u>1,089</u>	<u>976</u>	<u>807</u>	<u>795</u>	<u>673</u>	<u>10,175</u>	<u>577</u>
Net Change in Fund Balances	<u>\$ 5,213</u>	<u>\$ 2,400</u>	<u>\$ 1,186</u>	<u>\$ 481</u>	<u>\$ (525)</u>	<u>\$ 87</u>	<u>\$ (749)</u>	<u>\$ (926)</u>	<u>\$ 4,591</u>	<u>\$ (1,185)</u>
Debt Service as a Percentage of Noncapital Expenditures	<u>3.92%</u>	<u>5.32%</u>	<u>6.49%</u>	<u>6.56%</u>	<u>6.71%</u>	<u>7.42%</u>	<u>6.74%</u>	<u>7.06%</u>	<u>6.91%</u>	<u>6.90%</u>

Notes:

1. Schedule prepared on the modified accrual basis of accounting

TABLE 5

**TOWN OF GRANBY, CONNECTICUT
 ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS**

Fiscal Year	Real Property			Personal Property	Motor Vehicle	Total Taxable Assessed Value	Total Direct Tax Rate	Taxable Estimated Actual Taxable Value	Assessed Value As a Percentage of Actual Taxable Value
	Residential	Commercial	Industrial						
2021	\$ 828,220,150	\$ 61,065,880	\$ 5,685,330	\$ 31,213,220	\$ 95,854,190	\$ 1,022,038,770	39.61	\$ 1,460,055,390	70
2020	823,029,650	55,793,990	5,685,330	27,019,850	93,306,000	1,004,834,820	39.61	1,435,478,810	70
2019	817,415,590	51,739,310	5,660,690	24,786,730	90,958,890	990,561,210	38.69	1,415,087,440	70
2018	810,972,620	47,655,390	5,613,440	22,939,100	90,106,350	977,286,900	37.94	1,396,124,140	70
2017	808,469,860	46,132,140	5,610,780	22,447,050	88,711,390	971,371,220	36.94	1,387,673,170	70
2016	804,827,730	46,197,090	5,517,260	21,117,660	88,087,910	965,747,650	36.22	1,379,639,500	70
2015	800,597,960	46,174,200	5,517,260	19,993,660	87,870,220	960,153,300	35.52	1,371,647,571	70
2014	797,228,500	46,311,350	5,517,260	19,489,890	85,595,310	954,142,310	34.83	1,363,060,443	70
2013	904,887,630	51,293,580	6,204,730	18,547,720	86,066,740	1,067,000,400	30.69	1,524,286,286	70
2012	901,273,420	50,860,910	6,204,730	17,415,490	81,355,570	1,057,110,120	30.10	1,510,157,314	70

Source: Town of Granby Office of Tax Assessor

TABLE 6

**TOWN OF GRANBY, CONNECTICUT
PROPERTY TAX RATES
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30,	Town Direct Rates			
	General Town Government Rate	Board of Education Rate	Debt Service Rate	Total Direct Rate
2021	11.21	26.66	1.74	39.61
2020	10.89	26.37	2.35	39.61
2019	10.4	25.35	2.94	38.69
2018	10.19	24.7	3.05	37.94
2017	9.86	23.98	3.1	36.94
2016	9.42	23.69	3.11	36.22
2015	9.24	23.45	2.83	35.52
2014 (a)	8.91	23.02	2.90	34.83
2013	7.79	20.41	2.49	30.69
2012	7.48	20.06	2.56	30.10

Note: The Town has no overlapping debt.

(a) - Revaluation year

Source: Town of Granby Finance Department

TABLE 7

**TOWN OF GRANBY, CONNECTICUT
PRINCIPAL PROPERTY TAXPAYERS
FISCAL YEARS 2021 AND 2012**

Taxpayer	Grand List Year 10/1/2019			Taxpayer	Grand List Year 10/1/2010		
	Taxable Assessed Value	Rank	Percentage of Total Town Taxable Assessed Value		Taxable Assessed Value	Rank	Percentage of Total Town Taxable Assessed Value
Connecticut Light & Power	\$ 17,252,830	1	1.68	Connecticut Light & Power	\$ 6,879,960	1	0.65
Upstream Properties LLC	8,732,920	2	0.85	Granby Developers	5,118,470	2	0.48
Granby Developers LLC	4,158,770	3	0.41	Baygrape Associates	3,749,770	3	0.35
Arrow Concrete Products	3,676,190	4	0.36	Granby Holdings LLC	3,412,640	4	0.32
E Living LLC	3,564,700	5	0.35	Halmar Inc	2,986,200	5	0.28
Baygrape Associates	3,461,640	6	0.34	Arrow Concrete Products	2,846,230	6	0.27
Granby Holdings LLC	3,448,970	7	0.34	Pierce Enterprises, LLC	2,717,830	7	0.26
Halmar Inc	2,687,020	8	0.26	Granby Center Associates	1,378,630	8	0.13
Pierce Builders Inc	2,483,130	9	0.24	Riverbend Associates, Inc.	2,097,640	9	0.20
Granby Center Associates	2,035,530	10	0.20	Guarco, Michael B & David	1,378,630	10	0.13
Total	\$ 51,501,700		5.03		\$ 32,566,000		3.07

Source: Town of Granby, Office of Tax Assessor

TABLE 8

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

Fiscal Year Ended June 30,	Tax Rate In Mills	Taxes Levied For The Fiscal Year	Collected Within The Fiscal Year of Levy		Collections In Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2021	39.61	\$ 40,497,095	\$ 40,258,532	99.41 %	N/A	\$ 40,258,532	99.41 %
2020	39.61	39,927,011	39,593,826	99.17	N/A	39,593,826	99.17
2019	38.69	38,430,416	38,087,804	99.11	N/A	38,087,804	99.11
2018	37.94	36,537,000	36,243,798	99.19	N/A	36,243,798	99.19
2017	36.94	35,878,035	35,796,114	98.94	N/A	35,796,114	98.94
2016	36.22	35,293,299	34,570,307	97.95	N/A	34,570,307	97.95
2015	35.52	34,396,661	33,651,746	97.84	N/A	33,651,746	97.84
2014	34.83	33,586,134	32,796,233	97.65	N/A	32,796,233	97.65
2013	30.69	33,046,915	32,262,602	97.63	N/A	32,262,602	97.63
2012	30.1	32,068,276	31,303,545	97.62	N/A	31,303,545	97.62

Source: Town of Granby, Office of Tax Collector

TABLE 9

TOWN OF GRANBY, CONNECTICUT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(In Thousands)

Fiscal Year	General Bonded Debt Bonds General Obligation Bonds	Accumulated Resources Restricted for Debt Repayment	Net Bonded Debt	Ratio of Net General Bonded Debt to Estimated Actual Taxable Value	Bonded Debt Per Capita (not rounded)	Other Debt Capital Leases	Total Debt	Debt Per Capita (not rounded)	Percentage of Debt to Personal Income
2021	\$ 12,892	\$ 113	\$ 12,779	0.89%	\$ 1,182	\$ 2,018	\$ 14,910	\$ 1,368	2.08%
2020	10,776	151	10,626	0.75%	947	1,997	12,774	1,123	1.75%
2019	13,109	173	12,936	0.93%	1,158	2,113	15,222	1,344	2.19%
2018	15,982	205	15,777	1.14%	1,407	2,137	18,119	1,595	2.69%
2017	18,850	176	18,674	1.35%	1,667	1,937	20,787	1,838	3.49%
2016	21,713	237	21,476	1.56%	1,920	1,826	23,539	2,081	3.71%
2015	24,571	294	24,277	1.77%	2,178	1,795	26,366	2,337	4.22%
2014	26,804	366	26,438	1.94%	2,384	1,786	28,590	2,543	4.56%
2013	29,137	429	28,708	1.88%	2,575	1,784	30,921	2,733	5.11%
2012	22,063	499	21,564	1.43%	1,954	1,636	23,699	2,099	3.93%

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

TOWN OF GRANBY, CONNECTICUT
STATEMENT OF DEBT LIMITATION
JUNE 30, 2021

Total tax collections (including interest and lien fees) for year ended June 30, 2020					\$ 39,903,596
Reimbursements for revenue loss for the year ended June 30, 2020:					
Tax relief for the elderly					<u>68,100</u>
Base					<u>\$ 39,971,696</u>
	General Purpose	Schools	Sewers	Urban Renewal	Pension Deficit
Debt Limitation					
2-1/4 times base	\$ 89,936,316	\$	\$	\$	\$
4-1/2 times base		179,872,632			
3-3/4 times base			149,893,860		
3-1/4 times base				129,908,012	
3 times base					119,915,088
Total debt limitation	<u>89,936,316</u>	<u>179,872,632</u>	<u>149,893,860</u>	<u>129,908,012</u>	<u>119,915,088</u>
Indebtedness:					
Bonds and notes payable	5,732,550	6,622,450			
Bonds authorized and unissued	<u>12,366,000</u>	<u>5,050,000</u>			
Net indebtedness	<u>18,098,550</u>	<u>11,672,450</u>	<u>-</u>	<u>-</u>	<u>-</u>
Debt Limitation in Excess of Outstanding and Authorized Debt	<u>\$ 71,837,766</u>	<u>\$ 168,200,182</u>	<u>\$ 149,893,860</u>	<u>\$ 129,908,012</u>	<u>\$ 119,915,088</u>

Note: In no case shall total indebtedness exceed \$279,801,872 or seven times annual receipts from taxation

TOWN OF GRANBY, CONNECTICUT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(In Thousands)

	FISCAL YEAR									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Debt limitation	\$ 279,802	\$ 269,187	\$ 258,002	\$ 253,001	\$ 245,196	\$ 238,835	\$ 233,144	\$ 229,251	\$ 222,205	\$ 218,289
Total net debt applicable to limit	<u>29,771</u>	<u>10,195</u>	<u>12,480</u>	<u>16,844</u>	<u>19,664</u>	<u>22,479</u>	<u>25,289</u>	<u>27,624</u>	<u>29,959</u>	<u>32,034</u>
Legal Debt Margin	<u>\$ 250,031</u>	<u>\$ 258,992</u>	<u>\$ 245,522</u>	<u>\$ 236,157</u>	<u>\$ 225,532</u>	<u>\$ 216,356</u>	<u>\$ 207,855</u>	<u>\$ 201,627</u>	<u>\$ 192,246</u>	<u>\$ 186,255</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	<u>10.64%</u>	<u>3.79%</u>	<u>4.84%</u>	<u>6.66%</u>	<u>8.02%</u>	<u>9.41%</u>	<u>10.85%</u>	<u>12.05%</u>	<u>13.48%</u>	<u>14.68%</u>

Source: Annual comprehensive financial report - Schedule of Debt Limitation

Note: See Table 10 for calculation of current year debt limitation

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

Calendar Year	Population(1)	Per Capita Income(5)	Median Age(2)	School Enrollment(3)	Unemployment Rate(4)	Total Personal Income(2)
2021	10,903	\$ 55,211	46.2	1,723	5.00%	\$ 65,720
2020	11,375	54,714	47.7	1,785	4.30%	64,337
2019	11,323	52,140	47.7	1,863	2.60%	61,353
2018	11,357	52,112	47.2	1,862	3.10%	59,343
2017	11,310	52,984	47.1	1,826	3.70%	52,648
2016	11,310	56,042	46.7	1,876	3.40%	52,648
2015	11,284	55,309	45.8	1,953	3.50%	52,648
2014	11,243	55,814	44.6	1,959	4.50%	52,648
2013	11,316	53,437	44.6	2,025	6.00%	52,648
2012	11,291	53,437	44.6	2,205	5.80%	52,648

(1) Source: Connecticut Department of Public Health and Census

(2) Source: Bureau of Economic Analysis

(3) Source: Annual Budget

(4) Source: Connecticut Department of Labor

(5) Source: Census ACS

U.S. Census - American Fact Finder

U.S. BEA data

Board of Education

Connecticut Department of Labor

U.S. Census data

TABLE 13

**TOWN OF GRANBY, CONNECTICUT
PRINCIPAL EMPLOYERS
2021 AND 2011**

Employer	Nature of Business	2021		2011	
		Employees	Rank	Employees	Rank
Hscm	Advertising - Direct Mail	500-999	1	N/A	
Town of Granby	Local Municipal Government	300-375	2	467	1
Meadow Brook Nursing Home	Medical Services	100-249	3	131	4
Imperial Nursery/Monrovia	Nursery Production	100-249	4	275	3
Stop and Shop	Supermarket	100-249	5	130	5
Geissler's Supermarket	Retail Sales	100-249	6	97	6
Salmon Brook Vet Hospital	Veterinary Hospital	50-99	7	68	7
Stateline Propane	Service/fabrication	50-99	8	50	8
High Meadow - Seasonal	Entertainment	50-99	9	N/A	
YMCA of Metropolitan Hartford	Youth Organizations & Centers	50-99	10	284	2
TJ Maxx	Retail			49	9
CVS	Retail			40	10
Total		-		1,591	

Source: Town of Granby, Community Development Office/Assessor
Employees are full and part-time. Total town employment is based on full-time.

TABLE 14

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

	FULL-TIME EQUIVALENT TOWN GOVERNMENT EMPLOYEES AS OF JUNE 30,									
	2021*	2020	2019	2018	2017	2016	2015	2014	2013	2012
Function/Program										
General government	14.46	11	11	11	11	11	11	11	11	11
Police	20.48	23	23	23	23	23	23	23	22	22
Fire	0.57	0	0	0	0	0	0	0	0	0
Refuse collection	0	0	0	0	0	0	0	0	0	0
Other public works	16.43	16	16	16	16	16	16	16	16	16
Social-Senior-Youth Services	6.8	4	4	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Parks and recreation	3	2	2	2	2	2	2	2	2	2
Library	4	4	4	4	4	4	4	4	4	4
Education	<u>299.1</u>	<u>295.5</u>	<u>294.4</u>	<u>290.4</u>	<u>295.2</u>	<u>304.2</u>	<u>298.8</u>	<u>299.6</u>	<u>315.2</u>	<u>317.9</u>
Total	<u>364.84</u>	<u>355.5</u>	<u>354.4</u>	<u>346.4</u>	<u>351.2</u>	<u>360.2</u>	<u>354.8</u>	<u>355.6</u>	<u>370.2</u>	<u>372.9</u>

*Includes Regular Town Part-Time Employees

TABLE 15

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

Function/Program	FISCAL YEAR									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
General government:										
Building permits issued	1,200	1,315	2,430	1,155	900	954	993	1,047	889	1025
Building inspections conducted	1,520	1,490	2,475	1,393	1,310	1,325	1,300	1,275	1,120	994
Police:										
Physical arrests	42	60	104	157	129	166	114	206	206	140
Parking violations	19	26	12	2	0	0	15	0	0	0
Traffic violations	121	359	570	610	774	871	1,327	1,241	1,488	1,465
Fire:										
Emergency responses	229	184	182	209	246	224	212	210	211	281
Fires extinguished	23	24	24	24	40	16	10	21	73	25
Inspections	143	141	170	168	133	151	168	130	92	103
Refuse collection:										
Refuse collected (tons per day)	12.85	12.16	11.96	12.19	11.84	12	12.1	12.2	14.5	14.3
Recyclables collected (tons per day)	9.24	9.57	9.45	5.113	4.98	5.4	5.44	5.5	4.5	4.1
Other public works:										
Street resurfacing (miles)	5	3.2	3.66	3.67	3.32	3.74	0	3.5	3.6	1.75
Potholes repaired	165	174	195	162	153	138	162	142	150	145
Parks and recreation:										
Athletic field permits issued	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Community center admissions	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Library:										
Volumes in collection	63,254*	68,592*	70,371	70,376	70,077	74,696	69,405	70,298	71,270	74,340
Total volumes borrowed	64,719**	77,861**	97,814	97,157	114,999	112,148	142,701	130,409	132,215	146,424
Water:										
New connections	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Water main breaks	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Average daily consumption (thousands of gallons)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Peak daily consumption (thousands of gallons)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Wastewater:										
Average daily sewage treatment (thousands of gallons)	135,000	133,000	132,000	135,000	139,000	115,000	135,000	120,000	130,000	130,000
Transit:										
Total route miles	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Passengers	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Source: Annual Reports, Budgets, and Department records

* Including digital titles

** The Library buildings were closed to the public for a portion of the fiscal year

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

Function/Program	FISCAL YEAR									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	11	11	11	11	10	10	10	10	10	9
Fire stations	3	3	3	3	3	3	3	3	3	3
Refuse collection:										
Collection trucks	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Other public works:										
Streets (miles)	95.9	95.9	95.9	95.9	95.9	95.9	95.70	95.70	95.70	95.70
Highways (miles)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Streetlights	153	153	153	152	152	151	151	151	151	151
Traffic signals	6	6	6	6	6	6	6	6	6	6
Parks and recreation:										
Acreage	161.8	161.8	161.8	161.8	161.8	161.8	161.8	161.8	161.8	161.8
Playgrounds	2	2	2	2	2	2	2	2	2	2
Baseball/softball diamonds	6	6	6	6	6	6	6	6	6	6
Soccer/football fields	10	10	10	10	10	10	10	10	10	10
Community centers	1	1	1	1	1	1	1	1	1	1
Water:										
Water mains (miles)	6	6	6	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Fire hydrants	36	36	36	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Storage capacity (thousands of gallons)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Wastewater:										
Sanitary sewers (miles)	5.31	5.31	5.31	5.31	5.31	5.31	5.31	5.31	5.31	5.31
Storm sewers (miles)	11.6	11.6	11.6	11.4	11.4	11.4	11.4	11.4	11.4	11.4
Treatment capacity (thousands of gallons)	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000
Transit - mini-buses	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Source: Annual Reports, Budgets and Department records