

**TOWN OF COVENTRY
CONNECTICUT**



**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

FOR THE YEAR ENDED JUNE 30, 2022

ANNUAL COMPREHENSIVE FINANCIAL REPORT
OF THE
TOWN OF COVENTRY, CONNECTICUT
FISCAL YEAR ENDED JUNE 30, 2022

Department of Finance
Amanda L. Backhaus, CPA
Finance Director

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INTRODUCTORY SECTION



Town of Coventry

1712 Main Street • Coventry, CT 06238 • Fax (860) 742-8911

December 26, 2022

To the Members of the Town Council, Board of Education, Superintendent of Schools and Citizens of the Town of Coventry:

State law requires that all local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to the requirement, we hereby issue the Annual Comprehensive Financial Report of the Town of Coventry for the fiscal year ended June 30, 2022.

This report consists of management's representations concerning the finances of the Town of Coventry. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the Town of Coventry 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 reliable information for the preparation of the Town of Coventry's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh the benefits, the Town of Coventry's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Town of Coventry's financial statements have been audited by CliftonLarsonAllen LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Town of Coventry for the fiscal year ended June 30, 2022, are free of material misstatement. The independent audit involved examining, on a test basis, evidence to support the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based on the audit, that there was a reasonable basis for rendering an unmodified opinion that the Town of Coventry's financial statements for the fiscal year ended June 30, 2022, are fairly presented in conformity with GAAP. The independent auditors report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the forms of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The Town of Coventry's MD&A can be found immediately following the report of the independent auditors.

Profile of the Town of Coventry

Incorporated in 1712 and named after the City of Coventry in Warwickshire, England, the Town encompasses approximately 37.3 square miles within Tolland County, with an estimated population of 12,500. The Town is located within Tolland County and is known as the “gateway to the quiet corner”. Bounded by the Towns of Vernon and Bolton on the west, Mansfield on the east, Tolland on the north and Andover and Columbia on the south, the Town is located 19 miles east of Hartford and 6 miles northwest of Willimantic.

Coventry traditionally has been both an agricultural and industrial community, as there are several mills along the rivers of the Town which were active in the 19th and early 20th centuries. Little industry remains in Town. During the early part of this century, the Town became a tourist destination when many vacation homes were developed along the shores of Coventry Lake (Lake Wangambug). The Town currently enjoys two public beaches and a public boat launch on this 375-acre lake. Also in town are two 18-hole golf courses. The Town has seen a great deal of residential growth in recent years but still possesses strong rural and historic character, honoring our status as the birthplace of revolutionary war hero Nathan Hale.

The Town adopted its first charter on October 2, 1967, effective November 4, 1969. A seven-member Town Council with a Chief Administrative Officer replaced a three-person Board of Selectmen, Board of Finance form of government. Revisions to the Charter were adopted on November 6, 1973, at which time the title of Chief Administrative Office was changed to Town Manager. Policy-making and legislative authority are vested in the governing Town Council. The Council elects a Council Chair and appoints a Town Manager to administer the non-educational functions of the Town. An elected Board of Education appoints a Superintendent of Schools to administer the Town’s school system. An organizational chart outlining the town government, as well as a listing of principal town officials can be found later in this section.

The Town of Coventry provides its residents with a complete level of municipal services in the functional areas of police, public works, health and social services, recreations and parks, planning and zoning and a K-12 public education system. In addition, the Town is the primary support for two volunteer fire services and the Booth and Dimock Library. Sewers are provided to approximately 1000 homeowners and businesses primarily in the area around Coventry Lake. The Town contracts for refuse and recyclable collection, as well as health and sanitation services available from membership in the Eastern Highland Health district.

The annual budget serves as the foundation for the Town’s financial planning and control. Budgetary controls are maintained with the objective to ensure compliance with legal provisions embodied in the annual appropriated budget, approved by budget referendum. The Town maintains an encumbrance accounting system as one technique of accomplishing budgetary controls. As seen in the schedules in the financial section of this report, the Town continues to meet its responsibility for sound financial management. In addition to budgetary schedules, Note 2 in the Notes to Basic Financial Statements describes the budget process used by the Town.

Local Economy

Coventry offers a comfortable mix of residential rural living while providing easy access to the full spectrum of conveniences and opportunities available in the diverse market place found east of the Connecticut River. The Town has a diversity of land and property to support future growth and development, while at the same time taking care to maintain the character of the community.

The Town has several focus areas for development. One is the Route 44 corridor with convenient access to routes 1-84 and 1-384, and a traffic count of 20,000 per day. The other area is the historic Coventry Village with its multiple mill sites, shops and restaurants, and access to water and sewer. Currently, the economic base is primarily dominated by small and home-based businesses.

The Town offers affordable land and housing and maintains a stronger housing market than other area communities. The Grand List trend continues to show growth year over year. The Building Department reports increased permit activity, reflecting the continued prosperity of the tax base.

A profile generated by the Connecticut Economic Resource Center in 2021 shows the Town of Coventry has a median household income (2019) of \$96,143 much higher than the state level of \$78,444. The Town is served by two banks, several bed and breakfast facilities, one grocery store and two chain pharmacies. Cumberland Farms and Dollar General recently purchased property along the Route 44 corridor and opened to the public in the fall of 2020. A dental and oral surgeon office is being constructed with intent to be operational next year.

Long-Term Financial Planning

The Fiscal Management Policy adopted by the Town Council sets an unassigned fund balance goal equal to 15% of General Fund expenditures. At the close of the current fiscal year, unassigned fund balance for the General Fund when expressed as a percentage of the final approved budget appropriation is 13.34%. \$175,000 of unassigned General Fund resources was included in the 22/23 budget. This was done as part of a comprehensive COVID 19 Financial Response Plan that was adopted by the Town Council in June 2020 with a multi-year phase out of use of fund balance.

The Town of Coventry prepares a six-year capital improvement plan to assist management and policy decision makers in the capital budget setting process. The capital budget is funded through a combination of current operating appropriation, long-term bonding, short-term borrowing, and grants and contributions. Management has been very successful in acquiring grants to reduce the burden on the local property tax base. In FY 21/22, the Town of Coventry used grant funding to complete bridge repair, road repair and maintenance, provide transportation for the elderly and housing rehab, streaming network equipment for public access, partially fund school construction projects such as boiler replacement and fire door repair, educational food services, preschool assistance and special education funding assistance. Opportunities for grant funding are pursued whenever they are presented and are aligned with Town goals.

Financial Planning and Policies

During FY 21/22 the Town of Coventry invested its available cash in short-term certificates of deposit, in municipal money markets and the Connecticut State Treasury Short Term Investment Fund (STIF). STIF is an investment pool managed by the State of Connecticut, Office of the State Treasurer. These options were chosen because they offer liquidity of investments, competitive yields, and offer the combination with low risk. This is compliant with the guidelines set forth in the Investment Policy adopted by the Town Council.

Interest income for the General Fund in FY 21/22 totaled \$18,533 compared to \$33,528 in 20/21, due to a decrease in interest rates.

Major Initiatives

FY 21/22 was another busy year for the Town of Coventry. Work continued on the School Energy bonded project, including additional planning for HVAC upgrades. We continued to make progress on the repairs to the High School walls. The Town is actively working on three Local Transportation Capital Improvement Program grants: Swamp Road Intersection Realignment (\$1,353,000), South St Roadway and Pedestrian Improvements (\$1,580,400), and Roadway Reconstruction at South Street and Swamp Road (\$2,936,295). The Town is also working on a Community Connectivity grant to expand the current sidewalks in Town (\$399,840). Construction work began for both the Library expansion project and the proposed Softball Field addition. FY 21/22 marked year three in our road bond, with significant improvements to roads and infrastructure being completed. The Town continues to work on allocating and spending its American Rescue Plan Act funding (\$3,668,206). Major initiatives completed with these funds thus far include relocating the Town's transfer station, funding EMS services, fund Library roof replacement, purchasing an ambulance and contributing to the Softball Field addition.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Coventry for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2021. This is the thirteenth year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, the Town published an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both generally accepted accounting principles and applicable legal requirements.

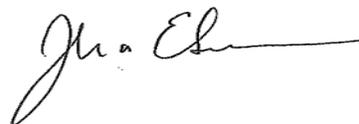
A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Programs requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report could not have been accomplished without the dedicated services of the entire staff of the Finance Department, in particular Town Accountant, Debbie Kratochvil, and Assistant to the Town Accountant, Christine Small. Recognition is also due to the School Business Manager for the Board of Education Robert Carroll, and his staff, Celeste Bedard, Tina Moriarty, and Kate Arey. A special note of thanks goes to the audit team of CliftonLarsonAllen LLP for their guidance and assistance. Due credit should also be given to the Superintendent of Schools, the Town Council and the Board of Education for their interest and support in planning and conducting the operations of the government in a responsible and progressive manner.

Respectfully submitted,



Amanda L. Backhaus, CPA
Finance Director

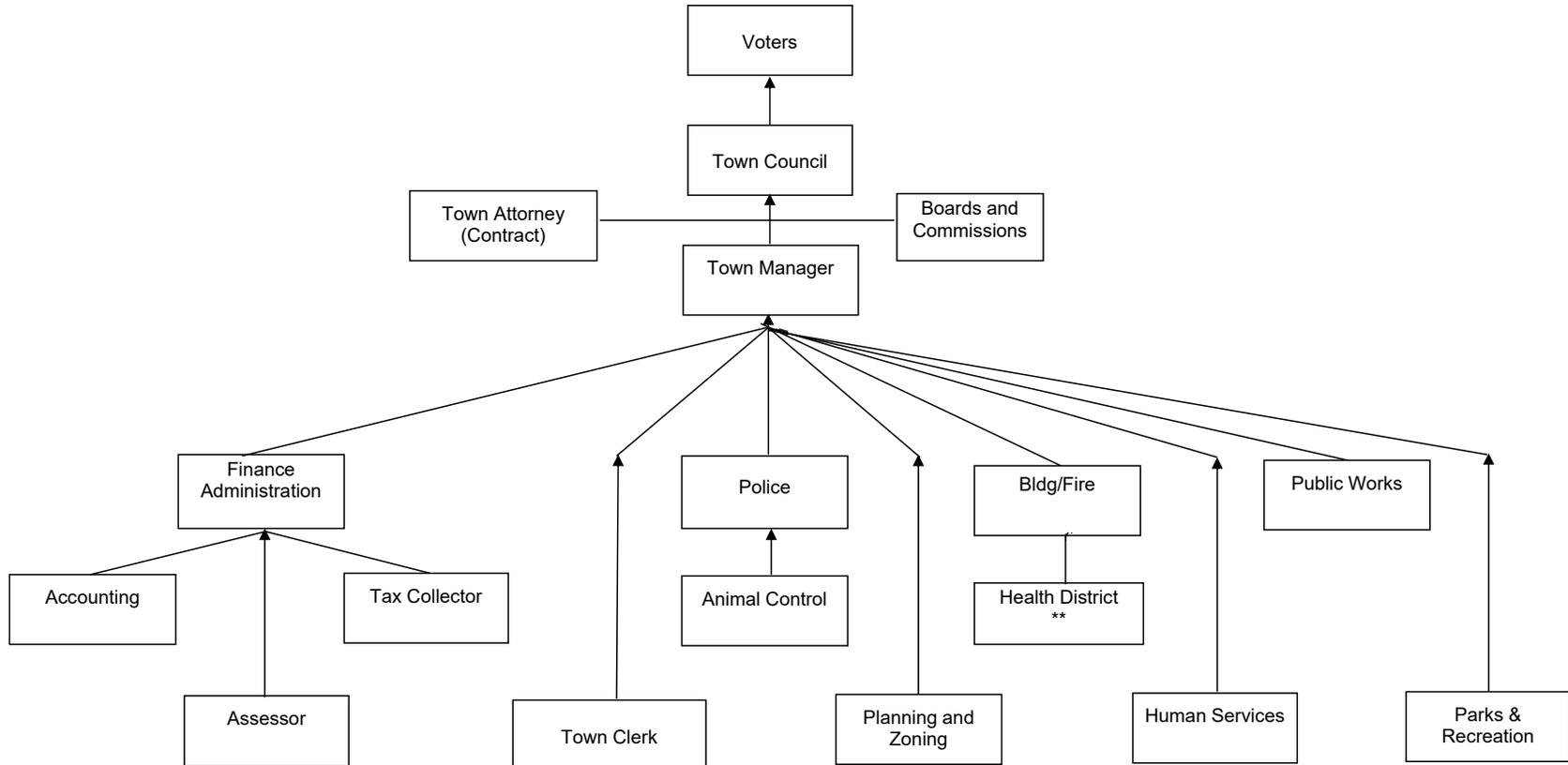


John A. Elsesser
Town Manager

Organizational Chart

Town of Coventry, Connecticut

FY 2021/22



**Employee of Eastern Highlands Health District

TOWN OF COVENTRY, CONNECTICUT

LISTING OF PRINCIPAL OFFICIALS

Town Council

Lisa Thomas, Chair
Marty Milkovic, Vice Chair
Jonathan Hand, Secretary
Julie Blanchard

John French
Robyn Gallagher
Matthew Kyer

Registrar of Voters

Scott Francis

Town Manager

Marge Roach

Finance Director

John Elsesser

Town Accountant

Amanda Backhaus

Tax Assessor

Vacant

Collector of Revenue

John Preisner

Building Official

Carrie Zahner

Fire Marshal

Steven Prattson

Human Services Director

Bud Meyers

Youth Services Coordinator

Annemarie Sundgren

Police Chief

Vacant

Public Works Director

Eric Peterson

Town Engineer

William Watkins

Parks and Recreation Director

Todd Penney

Director of Planning and Development

Lesley Munshower

Zoning Enforcement Officer

Eric Trott

Town Clerk

Vacant

Lori Tollmann

Board of Education

Jennifer Beausoleil, Chairman
Eugene Marchand, Vice-Chairman
Mary Kortmann, Secretary
Peter DePaola
Superintendent of Schools

Emma Eaton
Courtney Rossignol
Christina Williams

Dr. David Petrone



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Town of Coventry
Connecticut**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION



INDEPENDENT AUDITORS' REPORT

Town Council
Town of Coventry, Connecticut

Report on the Audit of the Financial Statements

Opinions

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

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

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

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the Town of Coventry, Connecticut as of and for the year ended June 30, 2021 (not presented herein), and have issued our report thereon dated December 26, 2021 which contained unmodified opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information. The General Fund Balance Sheet for the year ended June 30, 2021 is presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the 2021 financial statements. The information was subjected to the audit procedures applied in the audit of the 2021 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the General Fund Balance Sheet is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2021.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 26, 2022, on our consideration of the Town of Coventry, 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 Coventry, 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 Coventry, Connecticut's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

West Hartford, Connecticut
December 26, 2022

**TOWN OF COVENTRY, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022**

This discussion and analysis of the Town of Coventry, Connecticut's (the Town) financial performance is provided by management to provide an overview of the Town's financial activities for the fiscal year ended June 30, 2022. Please read this MD&A in conjunction with the Town's financial statements, Exhibits I to IX.

Financial Highlights

- Net position of the Town of Coventry's governmental activities increased by \$7.6 million.
- During the year, the Town had \$54.3 million in revenues for governmental programs. Of this, % was generated from property tax revenues (Table 2).
- Total cost of all of the Town's programs was \$46.7 million with no new programs added this year. This is a decrease of approximately \$10.5 million from the prior year. This decrease is largely attributable to changes in the pension and OPEB expense related to the teacher retirement board plan, as well as the OPEB expense on the Town's OPEB plan.
- The Town's total general obligation bonded debt increased by \$2.96 million or 21.4% due scheduled repayments offset by the issuance of \$4,180,000 of new debt.
- The General Fund reports a GAAP fund balance this year of \$6,480,497 less an assigned balance for encumbrances of \$356,953, an assigned balance for the fiscal year 2023 budget of \$175,000, a committed balance of \$46,192, a non-spendable balance of \$192,457, and a restricted balance of \$11,407, leaving an unassigned fund balance of \$5,698,488. The Fiscal Management policy of the Town Council sets a target of fund balance at 15%. At the close of the current fiscal year, unassigned fund balance for the General Fund when expressed as a percentage of General Fund governmental expenditures is 12.42%.
- The State of Connecticut contributed \$3,865,862 and \$90,971 on behalf of Coventry certified staff to the teachers' retirement fund pension and OPEB, respectively.

Overview of the Financial Statements

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

Government-Wide Financial Statements

The analysis of the Town as a whole begins on Exhibits I and II. The statement of net position and the statement of activities report information about the Town and about its activities for the current period. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. These two statements report the Town's net position and changes in them. The Town's net position, defined as the difference between assets and liabilities, is one way to measure the Town's financial health, or financial position. Over time, increases or decreases in the Town's net position are one indicator of whether its financial health is improving or deteriorating. The reader needs to consider other nonfinancial factors, however, such as changes in the Town's property tax base and the condition of the Town's capital assets, to assess the overall health of the Town.

**TOWN OF COVENTRY, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2022**

Government-Wide Financial Statements (Continued)

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

Fund Financial Statements

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

- *Governmental Funds (Exhibits III and IV)* - Most of the Town's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Town's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Town's programs. The relationship (or differences) between governmental activities (reported in the statement of net position and the statement of activities) and governmental funds is described in a reconciliation at the bottom of the fund financial statements.
- *Proprietary Funds (Exhibits V to VII)* - When the Town charges customers for the services it provides, whether to outside customers or to other units of the Town, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the statement of net position and the statement of activities. The Town's proprietary funds consist of the Town's internal service fund used to report activities to pay for the dental and medical self-insurance costs.
- *Fiduciary Funds (Exhibits VIII and IX)* - The Town is the trustee, or fiduciary, for its employees' pension plans. It is also responsible for other assets that, because of a trust arrangement, can be used only for the trust beneficiaries. All of the Town's fiduciary activities are reported in separate statements of fiduciary net position and changes in fiduciary net position. These activities are excluded from the Town's other financial statements because the Town cannot use these assets to finance its operations. The Town is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

**TOWN OF COVENTRY, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2022**

Government-Wide Financial Analysis

The Town's combined net position increased from a year ago. The analysis below focuses on the net position (Table 1) and changes in net position (Table 2) of the Town's governmental activities.

**TABLE 1
NET POSITION**

| | Governmental Activities | |
|---|----------------------------|----------------|
| | 2022 | 2021 |
| Assets: | | |
| Current Assets | \$ 28,499,081 | \$ 23,391,993 |
| Capital Assets, Net of Accumulated Depreciation | 120,147,332 | 119,947,506 |
| Total Assets | 148,646,413 | 143,339,499 |
| Deferred Outflows of Resources | 6,675,308 | 2,846,715 |
| Liabilities: | | |
| Long-Term Liabilities Outstanding | 36,034,960 | 30,702,910 |
| Other Liabilities | 4,582,814 | 4,227,194 |
| Total Liabilities | 40,617,774 | 34,930,104 |
| Deferred Inflows of Resources | 1,532,850 | 5,704,909 |
| Net Position: | | |
| Net Investment in Capital Assets | 97,999,198 | 101,222,555 |
| Restricted | 6,467,582 | 7,682,783 |
| Unrestricted | 8,704,317 | (3,354,137) |
| Total Net Position | \$ 113,171,097 | \$ 105,551,201 |

Overall, net position increased by \$7.6 million or 7.2% over the prior year net position (\$113.2 million compared to \$105.5 million). Unrestricted net position - the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation or other legal requirements - changed from (\$3.4) million at June 30, 2021 to \$8.7 million at June 30, 2022. This increase was driven by the increase in net position as well as the release of restrictions on funds designated for capital projects. The largest portion of the Town of Coventry's net position (\$98 million or 86.6%) reflects its investment in capital assets (e.g., land, buildings, vehicles, furniture and equipment, water systems and infrastructure) less related debt used to acquire those assets that is still outstanding. These capital assets are a fundamental part of our service delivery to our citizens but are not available for future spending since the capital assets themselves cannot be used to liquidate these liabilities.

**TOWN OF COVENTRY, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2022**

Government-Wide Financial Analysis (Continued)

Changes in governmental net position can be explained as follows:

- Increase in current net position of \$7.6 million as outlined in Table II.
- Total assets increased during the fiscal year by \$5.3 million, or 3.7%. The main driver behind this increase was an increase in cash of \$4 million and an increase the advance to plan administer of \$728 thousand. This advance is related to the Town's self-funded health insurance account.
- Increase in deferred outflows of resources in the amount of \$3.8 million or 134.5%, and an decrease to deferred inflows of resources in the amount of \$4.2 million or 73.1%, both due to actual versus projected variables relating to the Town's pension and OPEB plans.
- Increase in total liabilities of \$5.7 million or 16.3% caused by the issuance of \$4.1 million in general obligation bonds, and an increase to the Total pension liabilities of \$2.9 million.

**TABLE 2
CHANGE IN NET POSITION**

| | Governmental Activities | |
|--|----------------------------|----------------|
| | 2022 | 2021 |
| Revenues: | | |
| Program Revenues: | | |
| Charges for Services | \$ 4,576,380 | \$ 3,943,250 |
| Operating Grants and Contributions | 14,678,462 | 19,457,584 |
| Capital Grants and Contributions | 1,847,250 | 1,962,078 |
| General Revenues: | | |
| Property Taxes | 32,907,015 | 32,278,687 |
| Grants and Contributions Not Restricted to Specific Purposes | 228,691 | 73,462 |
| Unrestricted Investment Earnings | 30,988 | 40,669 |
| Total Revenues | 54,268,786 | 57,755,730 |
| Expenses: | | |
| General Government | 825,329 | 3,021,286 |
| Public Safety | 5,194,900 | 4,510,971 |
| Public Works | 8,836,063 | 6,875,339 |
| Human Services | 577,032 | 454,257 |
| Culture and Recreation | 1,200,829 | 995,922 |
| Education | 29,469,409 | 40,763,701 |
| Debt Service | 545,328 | 598,254 |
| Total Expenses | 46,648,890 | 57,219,730 |
| Change in Net Position | 7,619,896 | 536,000 |
| Beginning Net Position | 105,551,201 | 105,015,201 |
| Ending Net Position | \$ 113,171,097 | \$ 105,551,201 |

**TOWN OF COVENTRY, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2022**

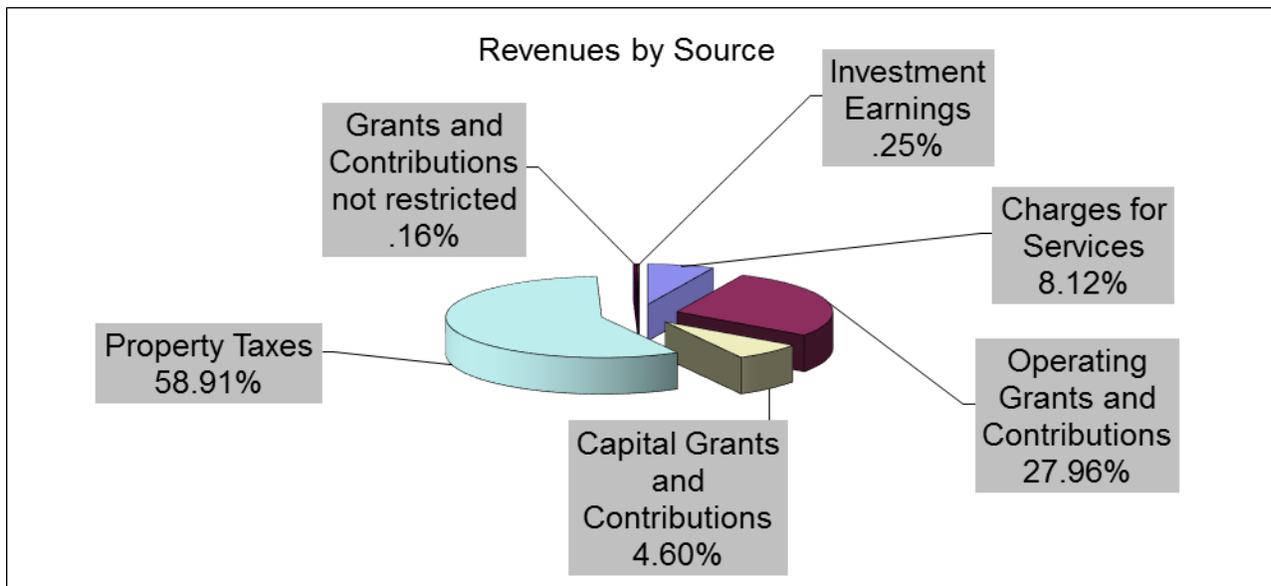
Government-Wide Financial Analysis (Continued)

Revenues

The Town's total revenues were \$54.3 million. Major revenue changes include the following:

- Program revenues: Charges for services increased by \$633,130. Recreation charges increased \$237 thousand due to increased activity as COVID restrictions were released. EMS charges increased \$48 thousand due to increases in call volume. Preschool revenues were \$102 thousand higher than the prior year.
- Operating grants and contributions decreased by \$4.7 million or 24.4%. This decrease was a result in a decrease to the State Teacher's Retirement Pension expense of \$5.4 million, offset by an increase in educational grants received during COVID.
- Capital grants and contributions increased by \$115 thousand or 5.6% which included LOTCIP projects for Swamp Road and South Road.
- General revenues: Property taxes increased over the previous year by 1.9% due to grand list growth. Investment earnings totaled \$31 thousand, a decrease of \$9.5 thousand, or 23.8%, from the prior year due to market conditions.

The following chart shows the breakdown of revenues by source:



**TOWN OF COVENTRY, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2022**

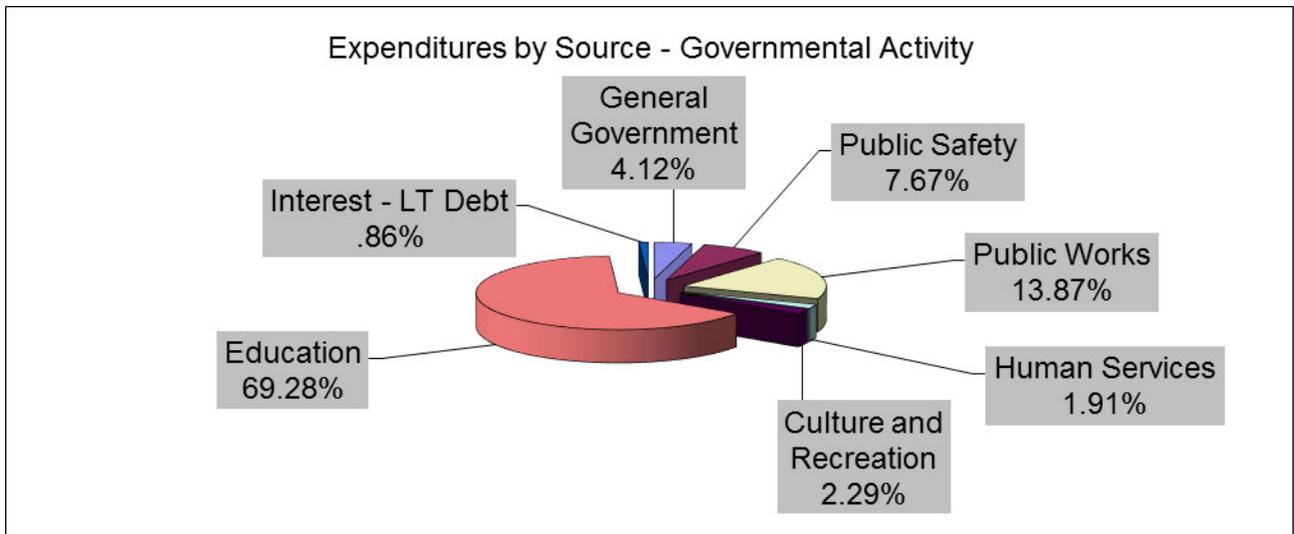
Government-Wide Financial Analysis (Continued)

Expenses

The total cost of all programs and services was \$46.7 million, a decrease of \$10.5 million from the prior year. The following is an explanation of the major changes:

- Decrease to the Town's net OPEB liability of \$845 thousand based on the most recent actuarial valuation.
- Decrease to the to the State Teacher's Retirement Pension expense of \$5.4 million.
- Increase to the Town's net pension liability of \$2.9 million based on the most recent actuarial valuation.

The following chart shows expenses by function:



**TOWN OF COVENTRY, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2022**

Government-Wide Financial Analysis (Continued)

Expenses (Continued)

Table 3 presents the cost of each of the Town's programs - general government, public safety, public works, human services, culture and recreation, education and debt service - 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.

The General Government function includes costs related to overall governmental administration, and includes recording of legally required documents, computer system management, finance system management, assessment and collection of taxes, elections, land use planning and economic development.

Public Safety encompasses a full service police department, volunteer fire services and an ambulance service with contracted paramedic services.

Public Works includes the maintenance of Town roadways, repairs of the town fleet, maintenance at town parks and athletic facilities, management of the Town's cemeteries, code enforcement and engineering services. The solid waste and sewer operating programs are supported by user fees. This program is self-supporting and reduces the overall burden on the property tax.

Human Services include general family services, youth services and elderly services. In addition, this function incorporates the Community Development Block Grant program, which provides grants and no-interest loans for home improvement and community construction projects.

Culture and Recreation funds a grant to the Booth-Dimock Memorial Library and provides support for the full parks and recreation program. The General Fund provided \$30,000 of the costs of summer life guards in the Recreation Fund. The balance is supported by the fees charged for a variety of programs offered to Town residents, summer camps for youth, full waterfront services at Coventry Lake and miscellaneous programs offered at the Town parks.

**TABLE 3
GOVERNMENTAL ACTIVITIES**

| | Total Cost of Services | | Net Cost of Services | |
|------------------------|------------------------|----------------------|------------------------|------------------------|
| | 2022 | 2021 | 2022 | 2021 |
| General Government | \$ 825,329 | \$ 3,021,286 | \$ 366,613 | \$ (2,049,250) |
| Public Safety | 5,194,900 | 4,510,971 | (4,629,597) | (3,890,816) |
| Public Works | 8,836,063 | 6,875,339 | (5,163,874) | (3,391,336) |
| Human Services | 577,032 | 454,257 | (374,016) | (348,355) |
| Culture and Recreation | 1,200,829 | 995,922 | (635,951) | (612,070) |
| Education | 29,469,409 | 40,763,701 | (14,564,645) | (20,966,737) |
| Debt Service | 545,328 | 598,254 | (545,328) | (598,254) |
| Total | <u>\$ 46,648,890</u> | <u>\$ 57,219,730</u> | <u>\$ (25,546,798)</u> | <u>\$ (31,856,818)</u> |

**TOWN OF COVENTRY, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2022**

Town Funds Financial Analysis - Governmental Funds

At the close of the fiscal year the Town of Coventry reported (as presented in the balance sheet - Exhibit III) a combined fund balance of \$17.6 million, which is an increase from last year's total of \$13.5 million. The changes are explained as follows:

- General Fund balance increased by \$27,477, a 0.4% increase. This is due to revenues in excess of current year expenditures. Tax Revenues collected exceeded budgetary expectation by \$105 thousand. In addition, there was significant savings in Police Operations and Fleet Maintenance budgets due to employee vacancies.
- Sewer Assessment fund balance increased \$13,480 or 6.7% due to increased collections of sewer assessments. Upon the completion of the sewer expansion project around the lake, increased debt service requirements will cause this fund to shrink until all assessments have been collected and all debt has been paid.
- CDBG fund balance decreased \$34,949. This fund uses grant monies to support its projects and only spends funds on hand for new loan projects. Several outstanding loans were repaid during the year. In addition, DOH approved a senior center upgrade project which began during the year.
- Capital Projects fund balance increased by \$3.58 million or 86.4%. The Town issued \$4.18 million in general obligation bonds for school roof replacement, library renovation and creation of a softball field. Significant expenditures related to those projects were incurred during the year, as well as additional road work from a road bond issued in FY2020.
- Miscellaneous Grant fund balance increased by \$174,635. This is due to the timing of grant payments. The Town anticipates to receive full reimbursement from the State of Connecticut in the next fiscal year.
- Non-major Governmental Funds fund balance increased \$340,182 or 12.1%. The major changes were as follows: Recreation increased by \$107 thousand due to grant revenue and increased programming; COVRRRA decreased by \$149 thousand due to increases in the cost of trash, the School lunch fund increased \$404 thousand increased due to increased grant revenues due to COVID, the Sewer Use Fund decreased \$166 thousand due to an increase in the transfer out to assist with Clean Water Loan payments, the EMS fund decreased by \$89 thousand due to increase ambulance coverage obtained through a service contract and the Preschool Fund increased \$205 thousand.

General Fund Budget Highlights

The final adopted budgeted for fiscal year 2022 included the use of fund balance of \$508,548. Final results were an increase to fund balance of \$87,254. Overall, revenues were under final budget appropriations by \$87,898. Of this, \$11,469 was a result of the cancellation of prior year encumbrances. Taxes were over budgeted projections by \$105 thousand due conservative collection rates used in the budget process. Operating grants were \$119,007 over final budget, due to the Coronavirus Relief Funds. Conveyance tax and building permits were over budget by \$64,251 and \$57,352, respectively, due to increased activity town-wide.

Expenditures were within final budget authorization, with an ending positive variance of \$175,152. Public works was under budget by \$31,618 due to vacancy savings and a light winter. Public Safety was under budget by \$52,275 primarily due to vacancy savings.

**TOWN OF COVENTRY, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2022**

Throughout the fiscal year, the Town Council approved appropriation increases of \$308,548 which were used to fund the match on the landfill venting grant, the Town Manager's intern, engineering for a LOTCIP grant, to create a sick and severance fund, to fund the deficit in the EMS fund, EV charging stations and to fund an additional transfer to CNREF.

Capital Assets and Debt Administration

Capital Assets

At June 30, 2022, the Town had \$120.1 million invested in a broad range of capital assets, including land, buildings, park facilities, vehicles and equipment, roads and bridges as shown in Table 4. This amount represents a net decrease (including additions and deductions) of \$38.5 thousand.

**TABLE 4
CAPITAL ASSETS (Net of Depreciation)**

| | Governmental Activities | |
|-----------------------------------|----------------------------|----------------|
| | 2022 | 2021 |
| Land | \$ 3,759,669 | \$ 3,690,669 |
| Buildings | 33,543,874 | 34,356,880 |
| Improvements Other Than Buildings | 3,498,266 | 2,915,540 |
| Equipment | 5,743,786 | 6,042,524 |
| Infrastructure | 71,495,177 | 70,598,554 |
| Construction in Progress | 2,106,560 | 2,581,749 |
| Total | \$ 120,147,332 | \$ 120,185,916 |

This year's major additions included:

- Purchase of property
- Dump Truck
- Board of Education Kubotas (2)
- Police cruisers (2)
- Public Works large mower
- Public Works radio upgrades
- Replacement of Service Vehicle 418
- Self-contained breathing apparatus replacements
- Keyless access to Town Hall and Fire Departments
- Town Hall and BOE recording equipment
- School HVAC and energy upgrades
- Softball Field engineering
- CHS wall repair
- Library renovation
- Road repair/replacement from bonding
- Swamp Road realignment
- South Street Road Improvements

**TOWN OF COVENTRY, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2022**

More detailed information about the Town's capital assets is presented in Note 1 and Note 5 to the financial statements.

Capital Assets and Debt Administration (Continued)

Long-Term Debt

At June 30, 2022, the Town had \$16,815,000 in general obligation bonds outstanding versus \$13,855,000 last year – an increase of \$2,960,000 due to scheduled repayments of \$1,220,000 and new debt issues of \$4,180,000. Clean Water Fund Loans of \$2,621,395 are a reduction of \$493,575 from the last fiscal year balance of \$3,114,970. The Town's rating was increase to AA+ by Standard and Poors in September 2019.

The State limits the amount of general obligation debt that cities can issue based on a formula determined under State Statutes based on type of debt and tax base. The Town's outstanding general obligation debt is significantly below the state-imposed limit.

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

Economic Factors and Next Year's Budgets and Rates

The Town's elected and appointed officials considered many factors when setting the fiscal year 2022 budget tax rates. The relatively low ratio of commercial to residential property places a high burden on the residential taxpayer. Opportunities to relieve this burden through the implementation of fees or the application for grant monies are always pursued.

During the budget process the Town Council considered the uncertainty of State aid to municipalities, an improving real estate market, the low interest rate environment, and general taxpayer sentiment when adopting the General Fund budget for 2022-2023. Additional consideration was given due to economic circumstances relating to the COVID 19 pandemic. The final proposed budget had a 3.37% increase for General Government, a 1.44% increase for Education, an increase of .048% in Capital expenditures and a 5.41% increase for Debt Service. It also added a transfer to fund ambulance operations of \$362,500. The adopted budget General Fund budget is \$43,703,945, a total increase of 3.02% from the original fiscal year 2022 budget.

The property tax revenue increase needed was 3.91% from the previous year to fund this budget. The mil rate for the Town remained flat at 31.15, with grand list growth causing an increase in expected tax revenue. The budget was approved by the voters at the first adjourned Town Meeting on June 28, 2022.

The Town will use budget revenues to finance programs currently offered. No new programs are proposed. The adopted budget for 2022-2023 includes the use of \$175,000 of unassigned fund balance to offset expenditures. Council policy has established a goal for an unassigned general fund balance of 15% of expenditures. General Fund unassigned fund balance as of June 30, 2022 is 12.42% when expressed as a percentage of General Fund governmental expenditures.

**TOWN OF COVENTRY, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2022**

Contacting the Town's Financial Management

This financial report is designed to provide citizens, taxpayers, customers, investors and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Finance Director, Town of Coventry, 1712 Main Street, Coventry, Connecticut, 06238.

BASIC FINANCIAL STATEMENTS

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

| | <u>Governmental Activities</u> |
|---|------------------------------------|
| ASSETS | |
| Cash and Cash Equivalents | \$ 16,123,657 |
| Investments | 4,131,274 |
| Receivables, Net | 5,468,742 |
| Inventory | 42,874 |
| Prepaid Items | 195,157 |
| Due from Fiduciary Funds | 54,060 |
| Advance to Plan Administrator | 2,483,317 |
| Capital Assets Not Being Depreciated | 5,866,229 |
| Capital Assets Being Depreciated, Net of Accumulated Depreciation | 114,281,103 |
| Total Assets | <u>148,646,413</u> |
| DEFERRED OUTFLOWS OF RESOURCES | |
| Deferred Outflows Related to Pensions | 1,975,888 |
| Deferred Outflows Related to OPEB | 4,622,310 |
| Deferred Charge on Refunding | 77,110 |
| Total Deferred Outflows of Resources | <u>6,675,308</u> |
| LIABILITIES | |
| Accounts Payable and Accrued Liabilities | 2,133,299 |
| Unearned Revenue | 2,449,515 |
| Noncurrent Liabilities: | |
| Due Within One Year | 2,497,916 |
| Due in More Than One Year | 33,537,044 |
| Total Liabilities | <u>40,617,774</u> |
| DEFERRED INFLOWS OF RESOURCES | |
| Lease Receivables | 12,632 |
| Deferred Inflows Related to Pensions | 34,868 |
| Deferred Inflows Related to OPEB | 1,485,350 |
| Total Deferred Inflows of Resources | <u>1,532,850</u> |
| NET POSITION | |
| Net Investment in Capital Assets | 97,999,198 |
| Restricted for: | |
| Trust Purposes - Nonexpendable | 13,595 |
| Trust Purposes - Expendable | 20,075 |
| Capital Projects | 1,729,525 |
| Debt Service | 1,476,085 |
| Unspent Grants | 2,874,610 |
| Other Purposes | 353,692 |
| Unrestricted | <u>8,704,317</u> |
| Total Net Position | <u><u>\$ 113,171,097</u></u> |

See accompanying Notes to Financial Statements.

**TOWN OF COVENTRY, CONNECTICUT
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2022**

| 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 | \$ 825,329 | \$ 789,047 | \$ 402,895 | \$ - | \$ 366,613 |
| Public Safety | 5,194,900 | 511,809 | 25,744 | 27,750 | (4,629,597) |
| Public Works | 8,836,063 | 1,927,417 | - | 1,744,772 | (5,163,874) |
| Human Services | 577,032 | 57,445 | 145,571 | - | (374,016) |
| Culture and Recreation | 1,200,829 | 347,309 | 142,841 | 74,728 | (635,951) |
| Education | 29,469,409 | 943,353 | 13,961,411 | - | (14,564,645) |
| Interest on Long-Term Debt | 545,328 | - | - | - | (545,328) |
| Total Governmental Activities | <u>\$ 46,648,890</u> | <u>\$ 4,576,380</u> | <u>\$ 14,678,462</u> | <u>\$ 1,847,250</u> | (25,546,798) |
| GENERAL REVENUES | | | | | |
| | | | | | 32,907,015 |
| | | | | | 228,691 |
| | | | | | 30,988 |
| | | | | | <u>33,166,694</u> |
| CHANGE IN NET POSITION | | | | | |
| | | | | | 7,619,896 |
| | | | | | <u>105,551,201</u> |
| NET POSITION - END OF YEAR | | | | | |
| | | | | | <u>\$ 113,171,097</u> |

See accompanying Notes to Financial Statements.

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

| | General | Sewer Assessment | CDBG Grant | Capital Projects | Miscellaneous Grants Fund | Nonmajor Governmental Funds | Total Governmental Funds |
|--|---------------------|---------------------|---------------------|---------------------|---------------------------------|-----------------------------------|--------------------------------|
| ASSETS | | | | | | | |
| Cash and Cash Equivalents | \$ 1,996,561 | \$ 200,498 | \$ 217,903 | \$ 7,826,427 | \$ 2,282,301 | \$ 3,460,021 | \$ 15,983,711 |
| Investments | 4,125,361 | - | - | - | - | 5,913 | 4,131,274 |
| Receivables, Net | 876,220 | 995,184 | 2,139,769 | 176,684 | 180,511 | 1,068,165 | 5,436,533 |
| Due from Other Funds | 839,233 | - | - | - | - | - | 839,233 |
| Other | 192,457 | - | - | - | - | 2,700 | 195,157 |
| Inventories | - | - | - | - | - | 42,874 | 42,874 |
| Total Assets | <u>\$ 8,029,832</u> | <u>\$ 1,195,682</u> | <u>\$ 2,357,672</u> | <u>\$ 8,003,111</u> | <u>\$ 2,462,812</u> | <u>\$ 4,579,673</u> | <u>\$ 26,628,782</u> |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | | | | | | | |
| LIABILITIES | | | | | | | |
| Accounts and Other Payables | \$ 820,629 | \$ - | \$ 73,175 | \$ 111,756 | \$ 374,279 | \$ 235,432 | \$ 1,615,271 |
| Accrued Payroll | - | - | - | - | 295 | 58,734 | 59,029 |
| Due to Other Funds | - | - | - | - | - | 391,173 | 391,173 |
| Unearned Revenue | 35,208 | - | - | 37,362 | 2,072,619 | 304,326 | 2,449,515 |
| Total Liabilities | <u>855,837</u> | <u>-</u> | <u>73,175</u> | <u>149,118</u> | <u>2,447,193</u> | <u>989,665</u> | <u>4,514,988</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | | | | |
| Unavailable Revenue: | | | | | | | |
| Property Taxes | 693,498 | - | - | - | - | - | 693,498 |
| Special Assessments | - | 983,948 | - | - | - | - | 983,948 |
| Sewer Receivable | - | - | - | - | - | 42,891 | 42,891 |
| COVRRRA Receivable | - | - | - | - | - | 72,296 | 72,296 |
| Loans Receivable | - | - | 2,139,769 | - | - | - | 2,139,769 |
| Grants Receivable | - | - | - | 128,205 | 176,160 | - | 304,365 |
| Lease Receivable | - | - | - | - | - | 12,632 | 12,632 |
| Other Receivables | - | - | - | - | - | 299,466 | 299,466 |
| Total Deferred Inflows of Resources | <u>693,498</u> | <u>983,948</u> | <u>2,139,769</u> | <u>128,205</u> | <u>176,160</u> | <u>427,285</u> | <u>4,548,865</u> |
| FUND BALANCES | | | | | | | |
| Nonspendable | 192,457 | - | - | - | - | 56,469 | 248,926 |
| Restricted | 11,407 | 211,734 | 144,728 | 1,729,525 | - | 928,511 | 3,025,905 |
| Committed | 46,192 | - | - | 5,996,263 | - | 2,481,186 | 8,523,641 |
| Assigned | 531,953 | - | - | - | - | - | 531,953 |
| Unassigned | 5,698,488 | - | - | - | (160,541) | (303,443) | 5,234,504 |
| Total Fund Balances | <u>6,480,497</u> | <u>211,734</u> | <u>144,728</u> | <u>7,725,788</u> | <u>(160,541)</u> | <u>3,162,723</u> | <u>17,564,929</u> |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances | <u>\$ 8,029,832</u> | <u>\$ 1,195,682</u> | <u>\$ 2,357,672</u> | <u>\$ 8,003,111</u> | <u>\$ 2,462,812</u> | <u>\$ 4,579,673</u> | <u>\$ 26,628,782</u> |

See accompanying Notes to Financial Statements.

**TOWN OF COVENTRY, CONNECTICUT
BALANCE SHEET
GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2022**

RECONCILIATION TO THE STATEMENT OF NET POSITION

Fund Balances - Total Governmental Funds (Exhibit III) \$ 17,564,929

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

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

| | |
|--------------------------------|---------------------|
| Governmental Capital Assets | 182,205,355 |
| Less: Accumulated Depreciation | <u>(62,058,023)</u> |
| Net Capital Assets | 120,147,332 |

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

| | |
|---|-----------|
| Property Tax Receivables Greater Than 60 Days | 498,163 |
| Interest Receivable on Property Taxes | 195,335 |
| Assessments Receivable | 983,948 |
| Sewer Use Receivable | 42,891 |
| Mortgage Loans | 2,139,769 |
| COVRA and Other Receivables | 371,762 |
| Grants Receivable | 304,365 |
| Deferred Outflows Related to Pensions | 1,975,888 |
| Deferred Outflows Related to OPEB | 4,622,310 |

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.

1,929,427

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

| | |
|--------------------------------------|--------------------|
| Net Pension Liability | (6,393,722) |
| Bonds and Notes Payable | (19,436,395) |
| Interest Payable on Bonds and Notes | (126,954) |
| Compensated Absences | (999,301) |
| Notes payable | (1,577,045) |
| Lease payable | (339,509) |
| Bond Premium | (803,430) |
| Net OPEB Liability | (6,437,133) |
| Deferred Charge on Refunding | 77,110 |
| Landfill Postclosure Liability | (48,425) |
| Deferred Inflows Related to Pensions | (34,868) |
| Deferred Inflows Related to OPEB | <u>(1,485,350)</u> |

Net Position of Governmental Activities as Reported on the Statement of Net Position (Exhibit I)

\$ 113,171,097

See accompanying Notes to Financial Statements.

TOWN OF COVENTRY, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2022

| | General | Sewer Assessments | CDBG Grant | Capital Projects | Miscellaneous Grants Fund | Nonmajor Governmental Funds | Total Governmental Funds |
|--|---------------------|----------------------|-------------------|---------------------|---------------------------------|-----------------------------------|--------------------------------|
| REVENUES | | | | | | | |
| Property Taxes | \$ 32,863,240 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 32,863,240 |
| Intergovernmental | 12,876,409 | - | - | 29,477 | 1,524,707 | 3,284,095 | 17,714,688 |
| Charges for Services | 803,959 | 302,302 | 57,445 | - | - | 3,606,883 | 4,770,589 |
| Investment Earnings | 18,533 | 171 | - | 2,710 | - | 8,053 | 29,467 |
| Miscellaneous | - | - | - | 81,791 | - | 212,919 | 294,710 |
| Total Revenues | <u>46,562,141</u> | <u>302,473</u> | <u>57,445</u> | <u>113,978</u> | <u>1,524,707</u> | <u>7,111,950</u> | <u>55,672,694</u> |
| EXPENDITURES | | | | | | | |
| Current: | | | | | | | |
| General Government | 1,887,179 | - | - | 83,302 | 142,718 | 30,500 | 2,143,699 |
| Public Safety | 2,497,460 | - | - | - | 72,279 | 849,380 | 3,419,119 |
| Public Works | 2,634,217 | - | - | - | 26,764 | 2,334,734 | 4,995,715 |
| Human Services | 306,681 | - | 92,394 | - | 25,246 | 8,377 | 432,698 |
| Culture and Recreation | 594,775 | - | - | - | 31,600 | 437,889 | 1,064,264 |
| Insurance and Sundry | 2,437,002 | - | - | - | - | - | 2,437,002 |
| Education | 32,721,486 | - | - | - | - | 3,039,969 | 35,761,455 |
| Debt Service | 2,789,656 | - | - | - | - | - | 2,789,656 |
| Capital Outlay | - | - | - | 2,722,916 | 1,054,565 | 160,942 | 3,938,423 |
| Total Expenditures | <u>45,868,456</u> | <u>-</u> | <u>92,394</u> | <u>2,806,218</u> | <u>1,353,172</u> | <u>6,861,791</u> | <u>56,982,031</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | 693,685 | 302,473 | (34,949) | (2,692,240) | 171,535 | 250,159 | (1,309,337) |
| OTHER FINANCING SOURCES (USES) | | | | | | | |
| Issuance of General Obligation Bonds | - | - | - | 4,180,000 | - | - | 4,180,000 |
| Bond Premium | - | - | - | 295,308 | - | - | 295,308 |
| Issuance of Leases Payable | - | - | - | 159,720 | - | - | 159,720 |
| Issuance of Notes Payable | - | - | - | 776,500 | - | - | 776,500 |
| Transfers In | 529,720 | - | - | 902,078 | 3,100 | 290,750 | 1,725,648 |
| Transfers Out | (1,195,928) | (288,993) | - | (40,000) | - | (200,727) | (1,725,648) |
| Total Other Financing Sources (Uses) | <u>(666,208)</u> | <u>(288,993)</u> | <u>-</u> | <u>6,273,606</u> | <u>3,100</u> | <u>90,023</u> | <u>5,411,528</u> |
| NET CHANGE IN FUND BALANCES | 27,477 | 13,480 | (34,949) | 3,581,366 | 174,635 | 340,182 | 4,102,191 |
| Fund Balances - Beginning of Year | <u>6,453,020</u> | <u>198,254</u> | <u>179,677</u> | <u>4,144,422</u> | <u>(335,176)</u> | <u>2,822,541</u> | <u>13,462,738</u> |
| FUND BALANCES - END OF YEAR | <u>\$ 6,480,497</u> | <u>\$ 211,734</u> | <u>\$ 144,728</u> | <u>\$ 7,725,788</u> | <u>\$ (160,541)</u> | <u>\$ 3,162,723</u> | <u>\$ 17,564,929</u> |

See accompanying Notes to Financial Statements.

**TOWN OF COVENTRY, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED JUNE 30, 2022**

RECONCILIATION TO THE STATEMENT OF ACTIVITIES

| | | |
|---|----|-------------|
| Net change in Fund Balances - Total Governmental Funds (Exhibit IV) | \$ | 4,102,191 |
| Amounts reported for governmental activities in the statement of activities (Exhibit II) are different because: | | |
| Governmental funds report capital outlays as expenditures. In the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense: | | |
| Capital Outlay | | 2,906,374 |
| Depreciation and Amortization Expense | | (2,892,625) |
| 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. | | |
| | | (52,333) |
| Change in Deferred Outflows Related to Pensions | | 907,367 |
| Change in Deferred Outflows Related to OPEB | | 2,938,575 |
| 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, Interest and Lien Revenue - Accrual Basis Change | | 43,775 |
| Sewer Use and Assessment Receivable - Accrual Basis Change | | (257,882) |
| Loans and Other Receivables - Accrual Basis Change | | (41,127) |
| Amortization of Bond Premiums | | 70,645 |
| COVRRA and Other Receivables | | 58,258 |
| Grants Receivable | | (46,159) |
| The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are amortized and deferred in the statement of activities. The details of these differences in the treatment of long-term debt and related items are as follows: | | |
| Bond Principal Payments | | 1,220,000 |
| Clean Water Fund Principal Payments | | 493,575 |
| Bond Issuance | | (4,180,000) |
| Premiums on Bond Issuance | | (295,308) |
| Notes Payable Payments | | 470,128 |
| Notes Payable Financing | | (776,500) |
| Lease Payable Payments | | 58,621 |
| Lease Payable Financing | | (159,720) |
| 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 | | 41,118 |
| Accrued Interest | | 7,329 |
| Amortization of Deferred Charge on Refunding | | (17,349) |
| Net Other Postemployment Benefit Expense | | 845,834 |
| Net Pension Expense | | (2,900,958) |
| Change in Deferred Inflows Related to Pensions | | 1,503,253 |
| Change in Deferred Inflows Related to OPEB | | 2,681,438 |
| Landfill Postclosure Care | | 18,925 |
| 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. | | |
| | | 872,451 |
| Change in Net Position of Governmental Activities as Reported on the Statement of Activities (Exhibit II) | \$ | 7,619,896 |

See accompanying Notes to Financial Statements.

**TOWN OF COVENTRY, CONNECTICUT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2022**

| | <u>Governmental Activities</u> <u>Internal</u> <u>Service Funds</u> |
|-------------------------------|---|
| ASSETS | |
| Current Assets: | |
| Cash and Cash Equivalents | \$ 139,946 |
| Accounts Receivable | 32,209 |
| Advance to Plan Administrator | 2,483,317 |
| Total Assets | <u>2,655,472</u> |
| LIABILITIES | |
| Current Liabilities: | |
| Claims Payable | 332,045 |
| Due to Other Funds | 394,000 |
| Total Liabilities | <u>726,045</u> |
| NET POSITION | |
| Unrestricted | <u><u>\$ 1,929,427</u></u> |

See accompanying Notes to Financial Statements.

TOWN OF COVENTRY, CONNECTICUT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2022

| | Governmental Activities |
|-----------------------------------|----------------------------|
| | Internal Service Funds |
| OPERATING REVENUES | |
| Employer Contributions | \$ 5,059,536 |
| Employee Contributions | 1,203,121 |
| Total Operating Revenues | 6,262,657 |
| OPERATING EXPENSES | |
| Administrative Expense | 778,519 |
| Employee Benefits | 4,613,208 |
| Total Operating Expenses | 5,391,727 |
| OPERATING INCOME | 870,930 |
| NONOPERATING REVENUE | |
| Investment Income | 1,521 |
| | 872,451 |
| CHANGE IN NET POSITION | 872,451 |
| Net Position - Beginning of Year | 1,056,976 |
| | 1,056,976 |
| NET POSITION - END OF YEAR | \$ 1,929,427 |

See accompanying Notes to Financial Statements.

**TOWN OF COVENTRY, CONNECTICUT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2022**

| | Governmental Activities |
|--|----------------------------|
| | Internal Service Funds |
| CASH FLOWS FROM OPERATING ACTIVITIES | |
| Cash Received from Users | \$ 6,230,448 |
| Cash Payments to Providers of Benefits | (6,182,994) |
| Net Cash Provided by Operating Activities | 47,454 |
| CASH FLOWS FROM INVESTING ACTIVITIES | |
| Investment Income | 1,521 |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | 48,975 |
| Cash and Cash Equivalents - Beginning of Year | 90,971 |
| CASH AND CASH EQUIVALENTS - END OF YEAR | \$ 139,946 |
| RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES | |
| Operating Income | \$ 870,930 |
| Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities | |
| (Increase) Decrease in Accounts Receivable | (32,209) |
| (Increase) Decrease in Advance to Plan Administrator | (728,421) |
| Increase (Decrease) in Claims Payable | (62,846) |
| Net Cash Provided by Operating Activities | \$ 47,454 |

See accompanying Notes to Financial Statements.

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

| | Pension Trust Fund |
|---------------------------------|--------------------------|
| | |
| ASSETS | |
| Cash and Cash Equivalents | \$ 101,650 |
| Mutual Funds | 9,919,211 |
| Guaranteed Investment Contracts | 6,233,942 |
| Total Assets | 16,254,803 |
| LIABILITIES | |
| Due to Other Funds | 54,060 |
| Accounts Payable | 73,893 |
| Total Liabilities | 127,953 |
| NET POSITION | |
| Restricted for Pensions | \$ 16,126,850 |

See accompanying Notes to Financial Statements.

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

| | <u>Pension Trust Fund</u> |
|-------------------------------------|-----------------------------------|
| ADDITIONS: | |
| Contributions: | |
| Employer | \$ 892,800 |
| Plan Members | 276,045 |
| Total Contributions | <u>1,168,845</u> |
| Investment Income: | |
| Change in Fair Value of Investments | (1,161,070) |
| Total Additions | 7,775 |
| DEDUCTIONS: | |
| Benefits | 2,007,134 |
| Administration | 87,368 |
| Total Deductions | <u>2,094,502</u> |
| CHANGE IN NET POSITION | (2,086,727) |
| Net Position - Beginning of Year | <u>18,213,577</u> |
| NET POSITION - END OF YEAR | <u><u>\$ 16,126,850</u></u> |

See accompanying Notes to Financial Statements.

**TOWN OF COVENTRY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The Town was incorporated in 1712 and operates under a Council/Manager form of government adopted by Charter in 1967. The seven-member Town Council is the legislative body responsible for enacting ordinances, budget preparation and establishing a property tax mill rate. The Town Manager serves as the Chief Executive Officer in charge of the daily operation of the Town organization in accordance with Council policy and regulation. A seven-member Board of Education, a separately elected body, is responsible for the educational policy of the Coventry Public School system.

The Town provides the following services: general government, public safety, public works, human services, culture and recreation, and education.

The Town has the power to incur indebtedness by issuing bonds or notes as provided by the Connecticut General Statutes.

B. Government-Wide and Fund Financial Statements

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

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

**TOWN OF COVENTRY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The fund financial statements provide information about the Town's funds, including its fiduciary funds. Separate statements for each fund category – governmental, proprietary and fiduciary – are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

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

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the pension trust 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 tax revenues to be available if they are collected within 60 days of the end of the current fiscal period, and other revenues to be available if they are collected within 90 days of the end of the current fiscal year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

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

The Town reports the following major governmental funds:

General Fund

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 COVENTRY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Sewer Assessment Fund

The Sewer Assessment Fund accounts for the extension and maintenance of sewer lines. The major source of revenue for this fund is sewer assessment charges.

CDBG Grant Fund

The CDBG Grant Fund accounts for the Community Development Block Grant program grants and loans. The major sources of revenue for this fund are capital grants and repayments on loans.

Capital Projects Fund

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. The major sources of financing for this fund are the issuance of general obligation bonds and capital grants.

Miscellaneous Grants Fund

The Miscellaneous Grants Fund accounts for the various grant funded projects and programs. The major sources of revenue for this fund are state and federal grants.

Additionally, the Town reports the following fund types:

Internal Service Fund

The Internal Service Fund accounts for the self-insured activities of the Town.

Pension Trust Fund

The Pension Trust Fund accounts for resources held in trust for the members and beneficiaries of the Town of Coventry Retirement System.

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

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.

**TOWN OF COVENTRY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Pension Trust Fund (Continued)

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

D. Deposits and Investments

Cash and cash equivalents include short-term, highly liquid investments with original maturities of three months or less when purchased.

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." All property tax receivables are shown net of an allowance for uncollectibles. An amount of \$268,907 has been established as an allowance for uncollectible taxes. At June 30, 2022, this represents 15.23% of all property taxes receivable.

Property taxes become an enforceable lien and are assessed on property as of October 1; however, the legal right to attach property does not exist until July 1. Property assessments are made at 70% of the market value. Real estate taxes are billed on July 1 and are payable in semiannual installments on July 1 and January 1. Personal property and motor vehicle taxes are billed and due July 1, and motor vehicle supplement taxes are billed and due January 1. Liens are effective on the assessment date and are continued by filing before the end of the year following the due date.

Upon completion of projects, sewer assessments are levied and assessed to the users each October. Usage charges are billed in May and November. Assessments and user charges are due and payable within 30 days, and delinquent amounts are subject to interest at prevailing rates. Liens are filed on all properties until the assessment is paid in full.

**TOWN OF COVENTRY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Inventories and Prepaid Items

Inventories are reported at cost using the first-in first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

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

G. Capital Assets

Capital assets, which include property, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial individual cost of more than \$10,000 for land, \$5,000 for furniture and equipment, and \$100,000 for infrastructure. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value.

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

Capital assets of the Town are depreciated using the straight-line method over the following estimated useful lives:

| | |
|----------------------------|----------------|
| Buildings and Improvements | 10 to 50 Years |
| System Infrastructure | 40 to 75 Years |
| Furniture and Equipment | 3 to 20 Years |

H. Leases

Lessee

The Town is a lessee for noncancellable leases of equipment. The Town recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the applicable governmental activities or business-type activities in the government-wide and in the proprietary fund financial statements.

At the commencement of a lease, the Town initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

**TOWN OF COVENTRY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Leases (Continued)

Lessee (Continued)

Key estimates and judgments related to leases include how the Town determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The Town uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the Town generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease.
- Lease payments included in the measurement of the lease liability are composed of fixed payments and the purchase option price that the Town is reasonably certain to exercise.

The Town monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Lessor

The Town is a lessor for a noncancellable lease of a building. The Town recognizes a lease receivable and a deferred inflow of resources in the applicable governmental activities or business-type activities in the government-wide and in the governmental and proprietary fund financial statements.

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

**TOWN OF COVENTRY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Leases (Continued)

Lessor (Continued)

Key estimates and judgments include how the Town determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The Town uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease.
- Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The Town monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

I. Deferred Outflows/Inflows of Resources

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

**TOWN OF COVENTRY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Deferred Outflows/Inflows of Resources (Continued)

A deferred inflow of resources related to pension and OPEB results from differences between expected and actual experience, changes in assumptions or other inputs. These amounts are deferred and included in pension and OPEB expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension and OPEB plans (active employees and inactive employees). In addition, for governmental funds, the Town reports unavailable revenue, which arises only under the modified accrual basis of accounting. The governmental funds report unavailable revenues from several sources: property taxes, special assessments, sewer receivables, COVRA receivables, grant receivables, other receivables, and long-term loans. These amounts are deferred and recognized as an inflow of resources (revenue) in the period in which the amounts become available.

J. Compensated Absences

Town and Board of Education employees earn vacation and sick time based upon years of service and the terms of various union contracts.

All compensated absences are accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured. Expenditures for compensated absences are recognized in the governmental fund financial statements in the current year to the extent they are paid during the year or the vested amount is expected to be paid with available resources.

K. Net Pension Liability

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

M. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the 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 funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

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

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

**TOWN OF COVENTRY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Equity (Continued)

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

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

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

Committed Fund Balance – This represents amounts constrained for a specific purpose by a government using its highest level of decision-making authority (Town of Coventry Town Council). The Town Council may commit resources, when a member puts forth a resolution and this resolution is passed by the Council, prior to the end of the fiscal year. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.

Assigned Fund Balance – This represents amounts constrained for the intent to be used for a specific purpose by the Town Manager who has been delegated authority to assign amounts by ordinance within the Town Charter.

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

The Town has a minimum fund balance policy that establishes a goal for unassigned fund balance in the General Fund at 15% of the General Fund expenditures.

O. Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities including disclosures of contingent assets and liabilities and reported revenues, expenses and expenditures during the fiscal year. Accordingly, actual results could differ from those estimates.

**TOWN OF COVENTRY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

P. Adoption of New Accounting Standards

GASB Statement No. 87, Leases

In June 2017, the GASB issued GASB Statement No. 87, *Leases*. This standard requires the recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and as inflows of resources or outflows of resources recognized based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this standard, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. The Town adopted the requirements of the guidance effective July 1, 2021 and has applied the provisions of this standard to the beginning of the period of adoption.

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

The Town adheres to the following procedures in establishing the budgetary data included in the General Fund financial statements:

- The Town Manager prepares an operating, capital, and debt service budget from information provided by various Town departments. The Board of Education also prepares an operating budget. The budget includes the proposed expenditures and the means to finance them.
- These budgets are presented at a public hearing before being amended and adopted by the Town Council. The Council's operating or General Fund budget is submitted to a Town meeting that approves, rejects, or reduces the budget, which is subsequently adjourned to a referendum for ratification.
- Expenditures are budgeted by function, department and object. The legal level of budgetary control, the level at which expenditures may not exceed appropriations, is established by function and department. Upon request, the Town Council may, by resolution, transfer any unencumbered appropriation, balance or portion thereof from one department, commission, board, or office to another. No transfer shall be made from any appropriations for debt service and other statutory charges. Transfers between line items within a department may be made with the approval of the Town Manager.
- The Town Council can make additional appropriations, subject to fund balance availability and other restrictions, up to 1.5% of the current year's property tax levy. Additional appropriations can be made when unanticipated revenue is made available for specific purposes. Additional appropriations during the year were \$308,548 from fund balance. All additional appropriations were made in accordance with Charter provisions.

**TOWN OF COVENTRY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)

A. Budgetary Information (Continued)

- Appropriations not encumbered at the end of the fiscal year lapse. Encumbrances for capital additions lapse at the end of three years (if there is no activity), and all other encumbrances lapse at the end of one year.
- Formal budgetary integration is employed as a management control device during the year for the General Fund.
- The General Fund budget is prepared on a modified accrual basis of accounting except for encumbrances, which are recognized as a valid and proper charge against a budget appropriation in the year in which the purchase order, contract or other commitment is issued. Encumbrances outstanding at year-end are reflected in budgetary reports as expenditures in the current year. Additionally, the Town does not budget for revenues or expenditures associated with pension contributions made by the state of Connecticut on behalf of Town of Coventry teachers or for expenditures reimbursed by the state of Connecticut for excess costs related to certain special education students.

B. Deficit Fund Equity

The Miscellaneous grants fund, a major governmental fund, had a deficit of \$160,541 as of June 30, 2022, which will be eliminated in future years by the receipt of federal and state grant funds. The EMS services fund, a nonmajor governmental fund, had a fund deficit of \$275,134 as of June 30, 2022. This deficit will be eliminated in future years by the receipt of charges for services revenues.

NOTE 3 CASH, CASH EQUIVALENTS, AND INVESTMENTS

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

The Connecticut General Statutes (Section 7-400) permit municipalities to invest in: 1) obligations of the United States and its agencies, 2) highly rated obligations of any state of the United States or of any political subdivision, authority, or agency thereof, and 3) shares or other interests in custodial arrangements or pools maintaining constant net 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.

**TOWN OF COVENTRY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

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

The Statutes (Sections 3-24f and 3-27f) also provide for investment in shares of the state Short-Term Investment Fund (STIF). This investment pool is 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.

A. Deposits

Deposit Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, the Town’s deposit will not be returned. The Town 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.

Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, \$13,477,584 of the Town’s bank balance of \$17,962,803 was exposed to custodial credit risk as follows:

| | |
|--|---------------|
| Uninsured and Uncollateralized | \$ 11,978,396 |
| Uninsured and Collateral Held by the Pledging Bank’s Trust Department, Not in the Town’s Name | 1,499,188 |
| Total Amount Subject to Custodial Credit Risk | \$ 13,477,584 |

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.

**TOWN OF COVENTRY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

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

A. Deposits (Continued)

Cash Equivalents

Cash equivalents are short-term, highly liquid investments that are both readily convertible to known amounts of cash and purchased within 90 days of maturity. At June 30, 2022, the Town's cash equivalents amounted to \$1,370,736. 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. 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.

| | |
|---|----------------------|
| | Standard & Poor's |
| State Short-Term Investment Fund (STIF) | AAAm |

B. Investments

Investments as of June 30, 2022, in all funds are as follows:

| | Fair Value | Less Than 1 | 1 - 10 | More Than 10 |
|---------------------------------|-----------------|-------------|--------------|--------------|
| Interest-Bearing Investments | | | | |
| Certificate of Deposit | \$ 2,990,097 | \$ 743,255 | \$ 2,246,842 | \$ - |
| U.S. Government Securities | 233,903 | - | 233,903 | - |
| Total | \$ 3,224,000 | \$ 743,255 | \$ 2,480,745 | \$ - |
| Other Investments: | | | | |
| Mutual Funds | \$ 10,820,572 * | | | |
| Common Stock | 5,913 | | | |
| Guaranteed Investment Contracts | 6,233,942 | | | |
| Total Investments | \$ 20,284,427 | | | |

* Not Rated

**TOWN OF COVENTRY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

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

B. Investments (Continued)

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

| | June 30, 2022 | Fair Value Measurements Using | | |
|--|----------------------|-------------------------------|-------------|-------------|
| | | Level 1 | Level 2 | Level 3 |
| Investments by Fair Value Level: | | | | |
| U.S. Government Securities | \$ 233,903 | \$ 233,903 | \$ - | \$ - |
| Common Stock | 5,913 | 5,913 | - | - |
| Mutual Funds | 10,820,572 | 10,820,572 | - | - |
| Total Investments by Fair Value Level | 11,060,388 | <u>\$ 11,060,388</u> | <u>\$ -</u> | <u>\$ -</u> |
| Total Investments Measured at Fair Value | 11,060,388 | | | |
| Investments Measured at Contract Value: | | | | |
| Guaranteed Investment Contracts | 6,233,942 | | | |
| Investments Measured at Amortized Cost: | | | | |
| Certificates of Deposit | 2,990,097 | | | |
| Total Investments | <u>\$ 20,284,427</u> | | | |

Debt and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. Commercial and residential mortgage-backed securities classified in Level 3 are valued using discounted cash flow techniques. Collateralized debt obligations classified in Level 3 are valued using consensus pricing.

**TOWN OF COVENTRY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

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

B. Investments (Continued)

Guaranteed Investment Contracts

The Town has entered into a guaranteed investment contract with Brighthouse Life Insurance Company (Brighthouse). Brighthouse maintains the contributions in a general account. The account is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. Brighthouse is contractually obligated to repay the principal and a specified interest rate that is guaranteed to the Town. Because the guaranteed investment contract is fully benefit-responsive, contract value is the relevant measurement attribute for the guaranteed investment contract. The guaranteed investment contract is presented on the face of the statements of net position at contract value. Contract value, as reported to the Town by Brighthouse, represents contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses. There are no reserves against contract value for credit risk of the contract issuer or otherwise. The contract is a traditional investment contract. The crediting interest rate is based on a formula agreed upon with the issuer. Such interest rates are reviewed on an annual basis for resetting. The guaranteed investment contract does not permit the insurance company to terminate the agreement prior to the scheduled maturity date. There are no unfunded commitments under the contract. The contract allows redemption at any time with no notice.

Interest Rate Risk

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

Credit Risk – Investments

As indicated above, state statutes limit the investment options of cities and towns. The Town's investment policy provides investment guidelines and lists prohibited investments.

Concentration of Credit Risk

The Town's investment policy does not allow for 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, 2022, the Town had \$5,913 in uninsured and unregistered securities held by the counterparty, or by its trust department or agent that were not in the Town's name.

**TOWN OF COVENTRY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 4 RECEIVABLES

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

| | General | Sewer Assessment | CDBG Grant | Capital Projects | Miscellaneous Grants | Nonmajor and Other Funds | Total |
|---------------------------------------|-------------------|---------------------|---------------------|---------------------|-------------------------|--------------------------------|---------------------|
| Receivables: | | | | | | | |
| Interest | \$ 359,099 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 359,099 |
| Taxes | 690,314 | - | - | - | - | - | 690,314 |
| Accounts | 75,539 | - | - | 9,566 | - | 527,037 | 612,142 |
| Intergovernmental | 20,175 | - | - | 167,118 | 180,511 | 560,705 | 928,509 |
| Special Assessments | - | 995,184 | - | - | - | - | 995,184 |
| Loans | - | - | 2,139,769 | - | - | - | 2,139,769 |
| Leases | - | - | - | - | - | 12,632 | 12,632 |
| Gross Receivables | <u>1,145,127</u> | <u>995,184</u> | <u>2,139,769</u> | <u>176,684</u> | <u>180,511</u> | <u>1,100,374</u> | <u>5,737,649</u> |
| Less Allowance for Uncollectibles: | | | | | | | |
| Taxes | (105,143) | - | - | - | - | - | (105,143) |
| Delinquent Interest | <u>(163,764)</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>(163,764)</u> |
| Net Total Receivables | <u>\$ 876,220</u> | <u>\$ 995,184</u> | <u>\$ 2,139,769</u> | <u>\$ 176,684</u> | <u>\$ 180,511</u> | <u>\$ 1,100,374</u> | <u>\$ 5,468,742</u> |

NOTE 5 LEASE RECEIVABLES

The Town, acting as lessor, leases facilities under long-term noncancelable lease agreements. The leases expire at various dates through 2026. During the year ended June 30, 2022, the Town recognized \$3,848 and \$560 in lease revenue and interest revenue respectively, pursuant to these contracts.

The future minimum lease payments to be received under lease agreements are as follows:

| <u>Year Ending June 30,</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|-----------------------------|------------------|-----------------|------------------|
| 2023 | \$ 4,211 | \$ 456 | \$ 4,667 |
| 2024 | 2,686 | 314 | 3,000 |
| 2025 | 2,805 | 195 | 3,000 |
| 2026 | 2,930 | 70 | 3,000 |
| Total | <u>\$ 12,632</u> | <u>\$ 1,035</u> | <u>\$ 13,667</u> |

**TOWN OF COVENTRY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 6 CAPITAL ASSETS

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

| | Beginning Balance* | Increases | Decreases | Ending Balance |
|---|-----------------------|---------------------|-----------------------|-----------------------|
| Governmental Activities: | | | | |
| Capital Assets Not Being Depreciated or Amortized: | | | | |
| Land | \$ 3,690,669 | \$ 69,000 | \$ - | \$ 3,759,669 |
| Construction in Progress | 2,581,749 | 1,630,295 | (2,105,484) | 2,106,560 |
| Total Capital Assets Not Being Depreciated or Amortized | 6,272,418 | 1,699,295 | (2,105,484) | 5,866,229 |
| Capital Assets Being Depreciated and Amortized: | | | | |
| Buildings | 53,450,151 | - | - | 53,450,151 |
| Improvements Other Than Buildings | 3,479,977 | 387,088 | (10,000) | 3,857,065 |
| Right to use Equipment | 238,410 | 474,043 | - | 712,453 |
| Furniture and Equipment | 11,069,970 | 360,599 | (425,990) | 11,004,579 |
| Infrastructure | 105,224,045 | 2,090,833 | - | 107,314,878 |
| Total Capital Assets Being Depreciated and Amortized | 173,462,553 | 3,312,563 | (435,990) | 176,339,126 |
| Less Accumulated Depreciation and Amortization for: | | | | |
| Buildings | (19,093,271) | (813,006) | - | (19,906,277) |
| Improvements Other Than Buildings | (802,847) | (123,428) | 8,521 | (917,754) |
| Right to use Equipment | - | (153,498) | - | (153,498) |
| Furniture and Equipment | (5,027,446) | (608,483) | 375,136 | (5,260,793) |
| Infrastructure | (34,625,491) | (1,194,210) | - | (35,819,701) |
| Total Accumulated Depreciation and Amortization | (59,549,055) | (2,892,625) | 383,657 | (62,058,023) |
| Total Capital Assets Being Depreciated or Amortized, Net | 113,913,498 | 419,938 | (52,333) | 114,281,103 |
| Governmental Activities Capital Assets, Net | \$ 120,185,916 | \$ 2,119,233 | \$ (2,157,817) | \$ 120,147,332 |

*Includes July 1, 2021 Right to use Equipment balance related to the implementation of GASB 87, *Leases*.

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

| | |
|--|---------------------|
| Governmental Activities: | |
| General Government | \$ 72,818 |
| Public Safety | 291,058 |
| Public Works | 1,664,619 |
| Human Services | 7,048 |
| Culture and Recreation | 79,236 |
| Education | 777,846 |
| Total Depreciation and Amortization Expense - Governmental Activities | \$ 2,892,625 |

**TOWN OF COVENTRY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 7 FUND BALANCES

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

| | Major Funds | | | | | Nonmajor Governmental Funds | Total |
|----------------------------|---------------------|----------------------|-------------------|---------------------|---------------------------------|-----------------------------------|----------------------|
| | General Fund | Sewer Assessments | CDBG Grant | Capital Projects | Miscellaneous Grants Fund | | |
| Fund Balances: | | | | | | | |
| Nonspendable: | | | | | | | |
| Inventory | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 42,874 | \$ 42,874 |
| Prepaid Items | 192,457 | - | - | - | - | - | 192,457 |
| Permanent Fund Principal | - | - | - | - | - | 13,595 | 13,595 |
| Restricted for: | | | | | | | |
| Capital Projects | - | - | - | 1,729,525 | - | - | 1,729,525 |
| Unspent Grant Balances | - | - | 144,728 | - | - | 285,748 | 430,476 |
| Debt Repayments | - | 211,734 | - | - | - | 280,403 | 492,137 |
| Other | 11,407 | - | - | - | - | 115,309 | 126,716 |
| Student Activities | - | - | - | - | - | 247,051 | 247,051 |
| Committed to: | | | | | | | |
| Capital Projects | 6,192 | - | - | 5,996,263 | - | 27,340 | 6,029,795 |
| Sick and Severance | 40,000 | - | - | - | - | - | 40,000 |
| Public Safety | - | - | - | - | - | 7,511 | 7,511 |
| Public Works | - | - | - | - | - | 986,118 | 986,118 |
| Recreation | - | - | - | - | - | 116,625 | 116,625 |
| Farmer's Market | - | - | - | - | - | 64,460 | 64,460 |
| Education | - | - | - | - | - | 1,279,132 | 1,279,132 |
| Assigned to: | | | | | | | |
| Subsequent Year's Budget | 175,000 | - | - | - | - | - | 175,000 |
| General Government | 33,509 | - | - | - | - | - | 33,509 |
| Public Safety | 9,443 | - | - | - | - | - | 9,443 |
| Public Works | 34,450 | - | - | - | - | - | 34,450 |
| Human Services | 400 | - | - | - | - | - | 400 |
| Insurance and Sundry | 38,726 | - | - | - | - | - | 38,726 |
| Education | 240,425 | - | - | - | - | - | 240,425 |
| Unassigned | 5,698,488 | - | - | - | (160,541) | (303,443) | 5,234,504 |
| Total Fund Balances | \$ 6,480,497 | \$ 211,734 | \$ 144,728 | \$ 7,725,788 | \$ (160,541) | \$ 3,162,723 | \$ 17,564,929 |

Encumbrances of \$356,953, \$766,697, \$2,914,452, \$6,867, and \$436,941 at June 30, 2022, are contained in the above table in the assigned category of the General Fund, the restricted and committed categories of the Capital Projects Fund, the restricted and unassigned categories of the Miscellaneous Grants fund, the restricted category of the CDBG grant fund, and the restricted and committed categories of the Nonmajor Governmental Funds, respectively.

**TOWN OF COVENTRY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 8 INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

At June 30, 2022, the Internal Service Fund, the Pension Trust Fund, and the Nonmajor Governmental Funds owed the General Fund \$394,000, \$54,060, and \$391,173, respectively, which resulted from regularly recurring transactions and represented a temporary balance.

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

| | Transfers In | | | | Total |
|-----------------------------|-------------------|-------------------|-----------------|-------------------|---------------------|
| | General | Capital | Miscellaneous | Nonmajor | |
| Transfers Out: | | | | | |
| General Fund | \$ - | \$ 902,078 | \$ 3,100 | \$ 290,750 | \$ 1,195,928 |
| Sewer Assessment | 288,993 | - | - | - | 288,993 |
| Capital Projects Fund | 40,000 | - | - | - | 40,000 |
| Nonmajor Governmental Funds | 200,727 | - | - | - | 200,727 |
| Total | <u>\$ 529,720</u> | <u>\$ 902,078</u> | <u>\$ 3,100</u> | <u>\$ 290,750</u> | <u>\$ 1,725,648</u> |

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

NOTE 9 LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities for the year ended June 30, 2022:

| | Beginning Balance* | Additions | Reductions | Ending Balance | Due Within One Year |
|--|-----------------------|---------------------|---------------------|----------------------|------------------------|
| Bonds and Loans Payable: | | | | | |
| General Obligation Bonds | \$ 13,855,000 | \$ 4,180,000 | \$ 1,220,000 | \$ 16,815,000 | \$ 1,410,000 |
| Premium on Issuance | 578,767 | 295,308 | 70,645 | 803,430 | - |
| Loans Payable - Clean Water Fund | 3,114,970 | - | 493,575 | 2,621,395 | 503,537 |
| Total | <u>17,548,737</u> | <u>4,475,308</u> | <u>1,784,220</u> | <u>20,239,825</u> | <u>1,913,537</u> |
| Other Liabilities: | | | | | |
| Notes payable | 1,270,673 | 776,500 | 470,128 | 1,577,045 | 401,195 |
| Lease payable | 238,410 | 159,720 | 58,621 | 339,509 | 65,095 |
| Landfill Postclosure | 67,350 | - | 18,925 | 48,425 | 18,925 |
| Total OPEB Liability | 7,282,967 | - | 845,834 | 6,437,133 | - |
| Net Pension Liability | 3,492,764 | 2,900,958 | - | 6,393,722 | - |
| Compensated Absences | 1,040,419 | 23,647 | 64,765 | 999,301 | 99,164 |
| Total Governmental Activities Long-Term Liabilities | <u>\$ 30,941,320</u> | <u>\$ 8,336,133</u> | <u>\$ 3,242,493</u> | <u>\$ 36,034,960</u> | <u>\$ 2,497,916</u> |

*Amount includes July 1, 2021 lease payable balance related to the implementation of GASB 87, *Leases*.

General obligation bonds allocable to sewer projects are secured by the full faith and credit of the Town but are substantially liquidated by sewer assessments. The remaining liabilities above have typically been liquidated by the General Fund.

**TOWN OF COVENTRY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 9 LONG-TERM LIABILITIES (CONTINUED)

General Obligation Bonds

A summary of general obligation bonds outstanding at June 30, 2022, is as follows:

| Description | Date of Issue | Date of Maturity | Interest Rate (%) | Amount of Original Issue | Balance Outstanding June 30, 2022 |
|---|---------------|------------------|-------------------|--------------------------|-----------------------------------|
| 2015 Refunding School Asbestos GO | 3/24/2015 | 2025 | 0.0 % | \$ 465,000 | \$ 102,000 |
| 2015 Refunding Water System GO | 3/24/2015 | 2025 | 2.00% | 455,000 | 102,000 |
| 2015 Refunding Parker Bridge GO | 3/24/2015 | 2025 | 2.34% | 215,000 | 47,000 |
| 2015 Refunding General Obligation | 3/24/2015 | 2025 | 2.00% | 100,000 | 24,000 |
| 2010 Refunding Bonds Series B | 2/9/2010 | 2025 | 2-4% | 2,605,000 | 330,000 |
| 2010 Refunding Bonds Series B | 2/9/2010 | 2025 | 2-4% | 1,200,000 | 300,000 |
| 2015 Refunding PW garage GO | 3/24/2015 | 2031 | 2.34% | 3,350,000 | 1,377,000 |
| 2015 Refunding School Roof GO | 3/24/2015 | 2031 | 3.55% | 1,600,000 | 693,000 |
| 2015 Refunding NCFD GO | 3/24/2015 | 2032 | 2.88% | 1,675,000 | 865,000 |
| 2016 Road Bonds | 3/1/2016 | 2036 | 2.41% | 3,000,000 | 2,320,000 |
| 2016 Pucker Street Bridge | 3/1/2016 | 2036 | 2.41% | 400,000 | 300,000 |
| 2020 Road Bond | 9/16/2019 | 2038 | 2.00-5.00% | 4,000,000 | 3,400,000 |
| 2020 School Building Energy Efficiency Bond | 9/16/2019 | 2038 | 2.00-5.00% | 2,570,000 | 2,180,000 |
| 2020 Jones Crossing Bond | 9/16/2019 | 2038 | 2.00-5.00% | 700,000 | 595,000 |
| 2022 School Roofs | 6/1/2022 | 2042 | 4.00-5.00% | 3,105,000 | 3,105,000 |
| 2022 Library Renovation | 6/1/2022 | 2042 | 4.00-5.00% | 750,000 | 750,000 |
| 2022 Softball Complex | 6/1/2022 | 2042 | 4.00-5.00% | 325,000 | 325,000 |
| Total | | | | | <u>\$ 16,815,000</u> |

Bonds and Notes Payable

Annual debt service requirements to maturity on general obligation bonds are as follows as of June 30, 2022:

| <u>Year Ending June 30,</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|-----------------------------|----------------------|---------------------|----------------------|
| 2023 | \$ 1,410,000 | \$ 380,521 | \$ 1,790,521 |
| 2024 | 1,405,000 | 337,596 | 1,742,596 |
| 2025 | 1,235,000 | 295,946 | 1,530,946 |
| 2026 | 1,225,000 | - | 1,225,000 |
| 2027 | 1,080,000 | 256,296 | 1,336,296 |
| 2028-2032 | 5,145,000 | 828,950 | 5,973,950 |
| 2033-2037 | 3,570,000 | 341,575 | 3,911,575 |
| 2038-2042 | 1,745,000 | 53,550 | 1,798,550 |
| Total | <u>\$ 16,815,000</u> | <u>\$ 2,494,434</u> | <u>\$ 19,309,434</u> |

**TOWN OF COVENTRY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 9 LONG-TERM LIABILITIES (CONTINUED)

Clean Water Fund Loan Payable

The Town is currently participating in the State of Connecticut Clean Water Fund Loan program. The loan matures on June 30, 2027, has an outstanding balance as of June 30, 2022 of \$2,621,395, and is payable monthly with interest at 2%.

Annual debt service requirements to maturity on Clean Water Fund loans are as follows as of June 30, 2022:

| <u>Year Ending June 30,</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|-----------------------------|---------------------|-------------------|---------------------|
| 2023 | \$ 503,537 | \$ 47,829 | \$ 551,366 |
| 2024 | 513,701 | 37,665 | 551,366 |
| 2025 | 524,070 | 27,297 | 551,367 |
| 2026 | 534,648 | 16,719 | 551,367 |
| 2027 | 545,439 | 5,927 | 551,366 |
| Total | <u>\$ 2,621,395</u> | <u>\$ 135,437</u> | <u>\$ 2,756,832</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:

| <u>Category</u> | <u>Debt Limit</u> | <u>Indebtedness</u> | <u>Balance</u> |
|-----------------|-------------------|---------------------|----------------|
| General Purpose | \$ 72,607,136 | \$ 10,283,000 | \$ 62,324,136 |
| Schools | 145,214,271 | 10,862,000 | 134,352,271 |
| Sewers | 121,011,893 | 1,759,318 | 119,252,575 |
| Urban Renewal | 104,876,974 | - | 104,876,974 |
| Pension Deficit | 96,809,514 | - | 96,809,514 |

The total overall statutory debt limit for the Town is equal to seven times annual receipts from taxation or \$225,888,866. Amounts above do not include \$102,000 of Water System Improvement bonds issued, which are excluded from the Town's statutory debt limit pursuant to Connecticut General Statutes.

Bond Authorizations

At June 30, 2022, debt authorized but unissued is as follows:

| <u>Project</u> | <u>Appropriation/ Authorization</u> | <u>Prior Bonds Issued</u> | <u>Paydown Grants Expected/ Received</u> | <u>Authorized But Unissued Debt</u> |
|---------------------------------|---|-----------------------------------|--|---|
| Sewers: | | | | |
| Wangumbaug Lake Sewer Extension | \$ 17,800,000 | \$ 9,815,810 | \$ 7,892,591 | \$ 91,599 |
| Schools: | | | | |
| Energy Efficiency and Code Work | 3,000,000 | 2,570,000 | - | 430,000 |
| School Roof Replacement | 6,500,000 | - | 2,600,000 | 3,900,000 |
| Fire Alarm System Replacement | 180,000 | - | 180,000 | - |
| General Purpose: | | | | |
| Library Renovation | 750,000 | - | 750,000 | - |

**TOWN OF COVENTRY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 9 LONG-TERM LIABILITIES (CONTINUED)

Notes Payable

Future minimum note obligations and the net present value of these minimum note payments as of June 30, 2022, are as follows:

| <u>Year Ending June 30,</u> | <u>Governmental Activities</u> |
|--|------------------------------------|
| 2023 | \$ 435,978 |
| 2024 | 305,022 |
| 2025 | 260,047 |
| 2026 | 208,293 |
| 2027 | 151,688 |
| Thereafter | <u>340,896</u> |
| Total Minimum Note Payments | 1,701,924 |
| Less: Amount Representing Interest | <u>(124,879)</u> |
| Present Value of Minimum Note Payments | <u>\$ 1,577,045</u> |

Landfill Postclosure

State and federal laws and regulations require the Town to place a final cover on its landfill site and to perform certain maintenance and monitoring functions at the site for 30 years after closure. The Town's landfill has stopped accepting waste, closure has been completed, and monitoring is continuing. The remaining postclosure costs are estimated to be \$48,425 over the next four years. Actual costs may be higher due to inflation, changes in technology, or changes in regulations. The Town pays for the costs of monitoring on an ongoing basis through the COVRRRA Fund.

Lease Liability

The Town leases equipment under long-term, noncancelable lease agreements. The leases expire at various dates through 2030.

Total minimum lease payments under lease agreements are as follows:

| <u>Year Ending June 30,</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|-----------------------------|-------------------|------------------|-------------------|
| 2023 | \$ 65,095 | \$ 11,830 | \$ 76,925 |
| 2024 | 67,398 | 9,526 | 76,924 |
| 2025 | 69,787 | 7,137 | 76,924 |
| 2026 | 28,786 | 5,240 | 34,026 |
| 2027 | 26,560 | 4,100 | 30,660 |
| 2028-2032 | <u>81,883</u> | <u>5,309</u> | <u>87,192</u> |
| Total | <u>\$ 339,509</u> | <u>\$ 43,142</u> | <u>\$ 382,651</u> |

**TOWN OF COVENTRY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 10 PENSION PLANS

Defined Benefit Plan

A. Plan Description

The Town of Coventry Employee Retirement System (CERS or the Plan) is a single-employer retirement system established and administered by the Town to provide pension benefits to substantially all Town and Board of Education employees, except for professional employees of the Board of Education who are covered under the State of Connecticut Teachers Retirement System. The CERS is a defined benefit plan. The CERS is considered to be a part of the Town's financial reporting entity and is included in the Town's basic financial statements as a pension trust fund. Contribution provisions and benefit provisions of the CERS are established by and can be amended by the Town Council subject to ratification of various bargaining units. A separate stand-alone financial report for the CERS is not issued by the Town.

Management of the Plan rests with the Pension Committee, which consists of no fewer than three, nor more than five, members all appointed by the Town Council.

All employees except for sworn officers of the police department are included as participants in the Plan on the first July 1 following the attainment of age 21 and the completion of two years of service. Sworn officers of the police department are included on their dates of hire. No employees are included before the effective date. Police and nonunion employees are vested 100% after five years, and all other employees are vested after 10 years.

Benefits are calculated on a percentage of earnings times years of service. The percentage varies by group. The Plan also provides for early retirement, deferred retirement and disability retirement. Participants have a nonforfeitable right to accrued benefits at the date of termination of employment, provided that they have completed the years required for 100% vesting. Normal retirement age varies from 45 to 65 based on the bargaining unit.

The accrued benefit is paid in the form of a monthly life annuity. Benefits will be actuarially adjusted to reflect any other form of annuity payable. Administrative costs for the Plan are paid from the Plan investment earnings.

The membership of the Plan consisted of the following at July 1, 2021:

| | |
|---|------------|
| Retired Members | 59 |
| Terminated Plan Members Entitled to but Not Yet Receiving Benefits | 26 |
| Active Plan Members | 135 |
| Total | <u>220</u> |

**TOWN OF COVENTRY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 10 PENSION PLANS (CONTINUED)

Defined Benefit Plan (Continued)

B. Summary of Significant Accounting Policies

Plan financial statements are prepared using the accrual basis of accounting. Employee contributions are recognized in the period in which employee services are performed. Employer contributions are recognized when due and the employer has made a formal commitment to provide contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

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

C. Investments

Investment Policy

The Pension Committee recommended the adoption of an investment policy to the Town Council. The current policy was adopted in August 2007. The goals of the policy are to create a framework for a well-diversified asset mix that can be expected to generate acceptable long-term returns at a level of risk suitable to the Town. The following was the adopted asset allocation as of July 1, 2022:

| <u>Asset Class</u> | <u>Target Allocation</u> |
|------------------------|--------------------------|
| U.S. Large Cap | 11.03 % |
| U.S. Large Cap Value | 10.09 |
| U.S. Mid-Cap | 6.04 |
| U.S. Small Value | 2.85 |
| U.S. Micro Cap | 2.95 |
| International Large | 11.93 |
| International Small | 5.94 |
| Emerging Large | 4.36 |
| Emerging Small | 1.51 |
| U.S. REITS | 1.64 |
| International REITS | 1.54 |
| Fixed Income (MetLife) | 40.00 |
| Cash | 0.12 |
| Total | <u>100.00 %</u> |

Concentrations

The pension plan held fixed income investments of \$6,233,942 with MetLife representing 5% or more of the pension trust fund's fiduciary net position as of June 30, 2022.

**TOWN OF COVENTRY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 10 PENSION PLANS (CONTINUED)

Defined Benefit Plan (Continued)

C. Investments (Continued)

Rate of Return

For the year ended June 30, 2022, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was (6.39)%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

D. Net Pension Liability of the Town

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

| | |
|-----------------------------|---------------------|
| Total Pension Liability | \$ 22,520,572 |
| Plan Fiduciary Net Position | 16,126,850 |
| Net Pension Liability | <u>\$ 6,393,722</u> |

| | |
|---|--------|
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 71.61% |
|---|--------|

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of July 1, 2021, rolled forward to June 30, 2022, using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|---------------------------|---|
| Inflation | 2.40% |
| Salary Increases | 3.0%, Average, Including Inflation |
| Investment Rate of Return | 7.10%, Net of Pension Plan Investment Expense, Including Inflation |

Mortality rates were based on the Pub-2010 Public Retirement Plans Amount-Weighted Mortality Tables (with separate tables for General Employees, Public Safety, and Teachers), projected to the valuation date with Scale MP-2021, prior was based on the Pub-2010 Public Retirement Plans Amount-Weighted Mortality Tables (with separate tables for General Employees, Public Safety, and Teachers), projected to the valuation date with Scale MP-2020.

The actuarial assumptions used in the July 1, 2021 valuation were based on standard tables adjusted for certain Plan features.

**TOWN OF COVENTRY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 10 PENSION PLANS (CONTINUED)

Defined Benefit Plan (Continued)

D. Net Pension Liability of the Town (Continued)

Actuarial Assumptions (Continued)

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 the July 1, 2021 valuation (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> |
|------------------------|---|
| U.S. Large Cap | 4.75 % |
| U.S. Large Cap Value | 5.00 |
| U.S. Mid-Cap | 5.00 |
| U.S. Small Value | 5.50 |
| U.S. Micro Cap | 6.25 |
| International Large | 6.25 |
| International Small | 6.75 |
| Emerging Large | 7.00 |
| Emerging Small | 7.50 |
| U.S. REITS | 4.00 |
| International REITS | 4.00 |
| Fixed Income (MetLife) | 1.20 |
| Cash | (2.15) |

**TOWN OF COVENTRY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 10 PENSION PLANS (CONTINUED)

Defined Benefit Plan (Continued)

D. Net Pension Liability of the Town (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.10%. The projection of cash flows used to determine the discount rate assumed that Plan member contributions will be made at the current contribution rate and that Town contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current Plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

| | Increase (Decrease) | | |
|---|----------------------------|--------------------------------|--------------------------|
| | Total Pension Liability | Plan Fiduciary Net Position | Net Pension Liability |
| | (a) | (b) | (a)-(b) |
| Balances - June 30, 2021 | \$ 21,706,341 | \$ 18,213,577 | \$ 3,492,764 |
| Changes for the Year: | | | |
| Service Cost | 605,291 | - | 605,291 |
| Interest on Total Pension Liability | 1,546,108 | - | 1,546,108 |
| Differences Between Expected and Actual Experience | 584,612 | - | 584,612 |
| Changes in Assumptions | 85,354 | - | 85,354 |
| Employer Contributions | - | 892,800 | (892,800) |
| Member Contributions | - | 276,045 | (276,045) |
| Net Investment Income (Loss) | - | (1,161,070) | 1,161,070 |
| Benefit Payments, Including Refund to Employee Contributions | (2,007,134) | (2,007,134) | - |
| Administrative Expenses | - | (87,368) | 87,368 |
| Net Changes | <u>814,231</u> | <u>(2,086,727)</u> | <u>2,900,958</u> |
| Balances - June 30, 2022 | <u>\$ 22,520,572</u> | <u>\$ 16,126,850</u> | <u>\$ 6,393,722</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 discount rate of 7.10%, as well as what the Town's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.10%) or one percentage point higher (8.10%) than the current rate:

| | 1% Decrease | Current Discount Rate | 1% Increase |
|-----------------------|--------------|--------------------------|--------------|
| Net Pension Liability | \$ 8,865,447 | \$ 6,393,722 | \$ 4,335,346 |

**TOWN OF COVENTRY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 10 PENSION PLANS (CONTINUED)

Defined Benefit Plan (Continued)

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

For the year ended June 30, 2022, the Town recognized pension expense of \$1,383,138. At June 30, 2022, the Town reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|--------------------------------------|-------------------------------------|
| Differences Between Expected and Actual Experience | \$ 691,182 | \$ 11,298 |
| Changes of Assumptions | 635,376 | 23,570 |
| Net Difference Between Projected and Actual Earning on Pension Plan Investments | 649,330 | - |
| Total | \$ 1,975,888 | \$ 34,868 |

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, | Amount |
|----------------------|--------------|
| 2023 | \$ 673,110 |
| 2024 | 367,891 |
| 2025 | (43,209) |
| 2026 | 693,576 |
| 2027 | 197,906 |
| Thereafter | 51,746 |
| Total | \$ 1,941,020 |

F. Funding Policy

The Town's funding policy provides for periodic contributions at rates that, when expressed as a percentage of annual covered payroll, are designed to accumulate sufficient assets to pay benefits when due. The contribution rate for normal costs of the Plan was determined using the projected unit credit method. Town employees contribute a percentage of payroll equal to one half of the normal cost, adjusted annually, not to exceed 4%, except for police employees who are required to contribute a rate equal to 7.0% for police of covered payroll. For the year ended June 30, 2022, the Town contributed \$617,847 to the Plan.

**TOWN OF COVENTRY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 10 PENSION PLANS (CONTINUED)

Connecticut Teachers Retirement System – Pension

A. Plan Description

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

B. Benefit Provisions

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

Normal Retirement

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

Early Retirement

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

Disability Retirement

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

**TOWN OF COVENTRY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 10 PENSION PLANS (CONTINUED)

Connecticut Teachers' Retirement System – Pension (Continued)

C. Contributions

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

Employer (School Districts)

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

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

For the year ended June 30, 2022, the amount of "on-behalf" contributions made by the state was \$3,865,862 and is recognized in the General Fund as intergovernmental revenues and education expenditures.

Employees

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

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

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

At June 30, 2022, the Town reports no amounts for its proportionate share of the net pension liability, and related deferred outflows and inflows, due to the statutory requirement that the state pay 100% of the required contribution. The amount recognized by the Town as its proportionate share of the net pension liability, the related state support, and the total portion of the net pension liability that was associated with the Town were as follows:

| | | |
|---|----|---------------|
| Town's Proportionate Share of the Net Pension Liability | \$ | - |
| State's Proportionate Share of the Net Pension Liability Associated with the Town | | 46,168,424 |
| Total | | \$ 46,168,424 |

**TOWN OF COVENTRY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 10 PENSION PLANS (CONTINUED)

Connecticut Teachers' Retirement System – Pension (Continued)

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

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

For the year ended June 30, 2022, the Town recognized pension expense and revenue of \$2,980,279 in Exhibit II.

E. Actuarial Assumptions

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

| | |
|---------------------------|---|
| Inflation | 2.50% |
| Salary Increases | 3.0% to 6.5%, Including Inflation |
| Investment Rate of Return | 6.9%, Net of Pension Plan Investment Expense, Including Inflation |

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

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

Assumption changes since the prior year are as follows:

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

Benefit changes since the prior year are as follows:

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

Cost-of-Living Allowance

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

**TOWN OF COVENTRY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 10 PENSION PLANS (CONTINUED)

Connecticut Teachers' Retirement System – Pension (Continued)

E. Actuarial Assumptions (Continued)

Cost-of-Living Allowance (Continued)

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

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

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 | | <u>100.00 %</u> |

**TOWN OF COVENTRY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 10 PENSION PLANS (CONTINUED)

Connecticut Teachers' Retirement System – Pension (Continued)

F. Discount Rate

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

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

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

H. Pension Plan Fiduciary Net Position

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

I. Other Information

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

NOTE 11 OTHER POSTEMPLOYMENT BENEFITS

Other Postemployment Benefits – Town of Coventry

A. Plan Description

The Town, in accordance with various collective bargaining agreements, is committed to providing medical benefits to certain eligible retirees and their spouses, under a single employer plan. The Post-Retirement Medical Program (RMP) covers Town and Board of Education employees. All Town of Coventry employees are eligible to purchase medical insurance. The benefits include individual, two-person, or family coverage under the Blue Cross Health Plan (or equivalent), including hospitalization, surgical, prescriptions, dental, and major medical. Employees who choose to participate must pay the full premium cost. Board of Education employees may also purchase life insurance at the full premium cost. Spouses can continue coverage after the retiree's death.

**TOWN OF COVENTRY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 11 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Other Postemployment Benefits – Town of Coventry (Continued)

A. Plan Description (Continued)

The Town OPEB plan is administered by the Town. The Town does not issue a separate stand-alone financial statement for this program.

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

| | |
|--|-----|
| Inactive Employees Currently Receiving Benefit Payments | 41 |
| Active Employees | 369 |
| Total | 410 |

B. Funding Policy

The Town funding and payment of postemployment benefits are accounted for in the General Fund on a pay-as-you-go basis. The Town has not established a trust fund to irrevocably segregate assets to fund the liability associated with postemployment benefits in accordance with GASB guidelines. The Town is currently developing a funding strategy to provide for normal cost and the amortization of the accrued liability. Although a trust fund may not be established in the future to exclusively control the funding and reporting of postemployment benefits, the Town anticipates a commitment to fund normal cost and a long-term approach to the amortization of the actuarial accrued liability. The goal is to absorb, within the budgetary process, the actual cost of benefits in the determination of the costs of providing services to taxpayers.

The Town's funding strategy for postemployment obligations are based upon characteristics of benefits on four distinct groups of employees established within their respective collective bargaining units and/or contracts and include the following:

Teachers

- Eligible for Medical, Dental, and Life Coverage if age 50 with 25 years of service or age 55 with 20 years of service or age 60 with 10 years of service.
- Retirees pay full cost of insurance and spouse can continue coverage after retiree's death.

Police

- Eligible for Medical and Dental Coverage if age 45 and 20 years for sworn Police, and rule of 85 for nonsworn employees.
- Retirees pay full cost of insurance and spouse can continue coverage after retiree's death.

**TOWN OF COVENTRY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 11 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Other Postemployment Benefits – Town of Coventry (Continued)

B. Funding Policy (Continued)

Town Employees (Non-Police)

- Eligible for Medical and Dental Coverage if age 62 with 10 years of service.
- Retirees pay full cost of insurance and spouse can continue coverage after retiree's death.

Board of Education (Other Than Teachers)

- Eligible for Dental and Life Coverage if age 62 with 10 years of service.
- Retirees pay full cost of insurance and spouse can continue coverage after retiree's death.

C. Total OPEB Liability

The Town's total OPEB liability of \$6,437,133 was measured as of June 30, 2022, and was determined by an actuarial valuation as of July 1, 2021.

D. Actuarial Assumptions and Other Inputs

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

| | |
|--|--|
| Inflation | 2.60% |
| Salary Increases | Graded by service for Teachers and Administrators, 3.00% for all others |
| Discount Rate | 3.54% |
| Healthcare Cost Trend Rates | 10.00% for 2020, decreasing to an ultimate rate of 4.10% after 53 years |
| Retirees' Share of Benefit-Related Costs | 100% of projected health insurance premiums for retirees for all except Town Manager, whose benefits will be discounted 2.25% per year of service not to exceed 75% discount |

The discount rate was based on the 20-year tax-exempt municipal bond yield.

Mortality rates for Teachers and Administrators were based on Pub-2010 Mortality Table for Employees and Healthy Annuitants with generational projection of future improvements with Scale MP-2019.

The actuarial assumptions used in the July 1, 2020 valuation were based on the standard tables modified for certain plan features such as eligibility, where applicable and input from the plan sponsor.

**TOWN OF COVENTRY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 11 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Other Postemployment Benefits – Town of Coventry (Continued)

E. Changes in the Total OPEB Liability

| | Total OPEB Liability |
|--|-------------------------|
| Balance - July 1, 2021 | \$ 7,282,967 |
| Changes for the Year: | |
| Service Cost | 281,855 |
| Interest on Total OPEB Liability | 161,248 |
| Changes in Assumptions or Other Inputs | (1,088,649) |
| Benefit Payments | (200,288) |
| Net Changes | (845,834) |
| Balance - June 30, 2022 | \$ 6,437,133 |

As of June 30, 2022, the Town increased the discount rate from 2.16% to 3.54%.

F. Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

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

| | 1% Decrease | Current Discount Rate | 1% Increase |
|----------------------|--------------|-----------------------------|--------------|
| Total OPEB Liability | \$ 7,202,007 | \$ 6,437,133 | \$ 5,780,563 |

G. Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

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

| | 1% Decrease | Healthcare Cost Trend Rates | 1% Increase |
|----------------------|--------------|-----------------------------------|--------------|
| Total OPEB Liability | \$ 5,580,633 | \$ 6,437,133 | \$ 7,464,968 |

**TOWN OF COVENTRY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 11 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Other Postemployment Benefits – Town of Coventry (Continued)

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

For the year ended June 30, 2022, the Town recognized OPEB expense of \$8,361. At June 30, 2022, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|--------------------------------------|-------------------------------------|
| Differences Between Expected and Actual Experience | \$ 1,470,550 | \$ 1,002,948 |
| Changes of Assumptions or Other Inputs | 3,151,760 | 482,402 |
| Total | \$ 4,622,310 | \$ 1,485,350 |

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

| Year Ending June 30, | Amount |
|----------------------|----------------|
| 2023 | \$ (434,742) |
| 2024 | (434,742) |
| 2025 | (434,742) |
| 2026 | (434,742) |
| 2027 | (411,766) |
| Thereafter | (986,226) |
| Total | \$ (3,136,960) |

Other Postemployment Benefit – Connecticut State Teachers Retirement Plan

A. Plan Description

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

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

**TOWN OF COVENTRY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 11 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

**Other Postemployment Benefit – Connecticut State Teachers’ Retirement Plan
(Continued)**

B. Benefit Provisions

There are two types of the healthcare 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 and B is eligible to continue healthcare 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 and B is eligible to either continue healthcare 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 and 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 healthcare coverage or elect to not enroll in a CTRB sponsored healthcare coverage option must wait two years to re-enroll.

Survivor Healthcare 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.

**TOWN OF COVENTRY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 11 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

**Other Post Employment Benefit – Connecticut State Teachers’ Retirement Plan
(Continued)**

C. Eligibility

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

Credited Service

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

Normal Retirement

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

Early Retirement

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

Proratable Retirement

Age 60 with 10 years of Credited Service.

Disability Retirement

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

Termination of Employment

Ten or more years of Credited Service.

D. Contributions

State of Connecticut

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

**TOWN OF COVENTRY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 11 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

**Other Post Employment Benefit – Connecticut State Teachers’ Retirement Plan
(Continued)**

D. Contributions (Continued)

Employer (School Districts)

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

For the year ended June 30, 2022, the amount of “on-behalf” contributions made by the state was \$90,971 and is recognized in the General Fund as intergovernmental revenues and education expenditures.

Employees/Retirees

The cost of providing plan benefits is financed on a pay-as-you-go basis as follows:

- Active teachers’ pay for one-third of the plan costs through a contribution of 1.25% of their pensionable salaries, and retired teachers pay for one-third of the plan costs through monthly premiums, which helps reduce the cost of health insurance for eligible retired members and dependents.

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

At June 30, 2022, the Town reports no amounts for its proportionate share of the net OPEB liability, and related deferred outflows and inflows, due to the statutory requirement that the state pay 100% of the required contribution. The amount recognized by the Town as its proportionate share of the net OPEB liability, the related state support and the total portion of the net OPEB liability that was associated with the Town was as follows:

| | | |
|--|----|--------------|
| Town's Proportionate Share of the Net OPEB Liability | \$ | - |
| State's Proportionate Share of the Net OPEB Liability Associated with the Town | | 5,029,965 |
| Total | | \$ 5,029,965 |

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

For the year ended June 30, 2022, the Town recognized OPEB expense and revenue of \$(185,741) in Exhibit II.

**TOWN OF COVENTRY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 11 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

**Other Post Employment Benefit – Connecticut State Teachers’ Retirement Plan
(Continued)**

F. Actuarial Assumptions

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

| | |
|---|--|
| Inflation | 2.50% |
| Healthcare Costs Trend Rate | 5.125% for 2020, Decreasing to an Ultimate Rate of 4.50% by 2023 |
| Salary Increases | 3.00% to 6.50%, Including Inflation |
| Investment Rate Of Return | 2.17%, Net of OPEB Plan Investment Expense, Including Inflation |
| Year Fund Net Position Will be Depleted | 2023 |

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

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

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

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

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

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

**TOWN OF COVENTRY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 11 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

**Other Post Employment Benefit – Connecticut State Teachers’ Retirement Plan
(Continued)**

F. Actuarial Assumptions (continued)

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

G. Discount Rate

The discount rate used to measure the total OPEB liability was 2.17%. The projection of cash flows used to determine the discount rate was performed in accordance with GASB 75. The projection was based on an actuarial valuation performed as of June 30, 2020.

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

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

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

**TOWN OF COVENTRY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 11 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

**Other Post Employment Benefit – Connecticut State Teachers’ Retirement Plan
(Continued)**

H. Sensitivity of the Net OPEB Liability to Changes in the Healthcare 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 healthcare cost trend rate or the discount rate would only impact the amount recorded by the state of Connecticut.

I. OPEB Plan Fiduciary Net Position

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

J. Other Information

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

NOTE 12 RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors or omissions; injuries to employees; or natural disasters. The Town purchases commercial insurance for all risks of loss. There are no significant reductions in insurance coverage from the prior year. The amount of claim settlements has not exceeded insurance coverage for each of the past three years.

A. Dental Insurance Internal Service Fund

The Town’s dental self-insurance fund is used to account for dental insurance coverage for Town employees. The Town examines the coverage on a yearly basis to determine adequate coverage and minimize risk. A schedule of changes in the claims liability for the years ended June 30, 2022 and 2021, is presented below:

| | Claims Payable July 1 | Claims and Changes in Estimates | Claims Paid | Claims Payable June 30 |
|-----------|-----------------------------|---------------------------------------|----------------|------------------------------|
| 2020-2021 | \$ - | \$ 193,639 | \$ 193,639 | \$ - |
| 2021-2022 | - | 170,696 | 170,696 | - |

**TOWN OF COVENTRY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 12 RISK MANAGEMENT (CONTINUED)

B. Health Insurance Internal Service Fund

The Coventry Health Insurance Fund (the Fund), which has been recorded as an Internal Service Fund, was established to provide medical and dental health coverage for all eligible Town and Board of Education employees. The Fund is substantially funded by the Town's General Fund based upon estimates for the number of employees and type of coverage (single or family) as well as trends in the costs of coverage and costs of administration. The program's general objectives are to provide the members of the health insurance program with lower costs for coverage and to develop a systematic method to control health costs through wellness initiatives.

The Town and Board of Education participate in the Eastern Connecticut Health Insurance Program. This group consists of five entities, the Towns and Boards of Education of Coventry, Tolland, Plainfield and Putnam and also including EASTCONN, a regional educational service center. This partnership is the first in the state of Connecticut and was formed with a goal to reduce costs through collaboration. A third party administers the plan for which the Fund pays a fee. The Fund has purchased individual stop loss coverage of \$175,000 per claim.

The Town's health self-insurance fund is used to account for medical insurance coverage for Town and Board of Education employees. The Town examines the coverage on a yearly basis to determine adequate coverage and minimize risk. A schedule of changes in the claims liability for the years ended June 30, 2022 and 2021, is presented below.

| | Claims Payable July 1 | Claims and Changes in Estimates | Claims Paid | Claims Payable June 30 |
|-----------|-----------------------------|---------------------------------------|----------------|------------------------------|
| 2020-2021 | \$ 447,468 | \$ 5,537,178 | \$ 5,589,755 | \$ 394,891 |
| 2021-2022 | 394,891 | 4,442,512 | 4,505,358 | 332,045 |

NOTE 13 COMMITMENTS AND CONTINGENCIES

The Town is currently a defendant in a number of lawsuits. The outcome and eventual liability to the Town, if any, in these matters is not known at this time. The Town's management, based upon consultation with legal counsel, estimates that potential claims against the Town, not covered by insurance, resulting from such litigation would not materially affect the financial position of the Town.

REQUIRED SUPPLEMENTARY INFORMATION

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

| | Original Budget | Final Budget | Actual | Variance With Final Budget Positive (Negative) |
|--|--------------------|-------------------|-------------------|---|
| Property Taxes: | | | | |
| Current Taxes | \$ 31,967,303 | \$ 31,967,303 | \$ 31,899,159 | \$ (68,144) |
| Delinquent Taxes | 270,000 | 270,000 | 313,773 | 43,773 |
| Interest and Penalties | 180,000 | 180,000 | 194,239 | 14,239 |
| Supplemental Motor Vehicles | 340,000 | 340,000 | 456,069 | 116,069 |
| Total Property Taxes | <u>32,757,303</u> | <u>32,757,303</u> | <u>32,863,240</u> | <u>105,937</u> |
| Intergovernmental: | | | | |
| General Government: | | | | |
| Disability Exemption | 1,600 | 1,600 | 1,563 | (37) |
| Grant in Lieu of Taxes | 23,414 | 23,414 | 18,556 | (4,858) |
| Pequot State Property | 13,336 | 13,336 | 13,336 | - |
| Veterans Additional Tax Relief | 7,200 | 7,200 | 6,672 | (528) |
| Emergency Management Performance Grant | 13,037 | 13,037 | 13,037 | - |
| Telephone Access Grant | 18,400 | 18,400 | 16,437 | (1,963) |
| Youth Services Grant | 14,000 | 14,000 | 14,587 | 587 |
| Municipal Revenue Sharing | 10,533 | 10,533 | 17,127 | 6,594 |
| Lake Management Grant | 26,940 | 26,940 | - | (26,940) |
| Municipal Assistance Grant | 113,156 | 113,156 | 113,156 | - |
| Municipal CRF | - | - | 116,766 | 116,766 |
| American Rescue Plan Funding | 150,000 | 150,000 | 150,000 | - |
| Total General Government | <u>391,616</u> | <u>391,616</u> | <u>481,237</u> | <u>89,621</u> |
| Education: | | | | |
| Education Cost Sharing Grant | 7,952,911 | 7,952,911 | 7,981,654 | 28,743 |
| Adult Education | 10,957 | 10,957 | 11,600 | 643 |
| Total Education | <u>7,963,868</u> | <u>7,963,868</u> | <u>7,993,254</u> | <u>29,386</u> |
| Investment Earnings | 50,000 | 50,000 | 18,533 | (31,467) |
| Local Revenues: | | | | |
| Housing Authority PILOT | 40,000 | 40,000 | 43,097 | 3,097 |
| Finance: | | | | |
| Insurance Reimbursement and Claims | 20,000 | 20,000 | 38,332 | 18,332 |
| Conveyance Tax | 135,000 | 135,000 | 199,251 | 64,251 |
| Preschool Administration | 1,000 | 1,000 | 1,291 | 291 |
| Town Clerk: | | | | |
| Office Receipts | 100,000 | 100,000 | 124,997 | 24,997 |
| Assessor: | | | | |
| Copy Charges | 500 | 500 | 189 | (311) |

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

| | Original Budget | Final Budget | Actual | Variance With Final Budget Positive (Negative) |
|--|----------------------|----------------------|----------------|---|
| Local Revenues (Continued): | | | | |
| Development/Planning: | | | | |
| Zoning Permits | \$ 11,000 | \$ 11,000 | \$ 13,050 | \$ 2,050 |
| Planning and Zoning | - | - | (1,292) | (1,292) |
| Zoning Board of Appeals | - | - | 1,547 | 1,547 |
| Inland Wetlands | - | - | 2,600 | 2,600 |
| Regulations and Maps | 500 | 500 | 217 | (283) |
| Permits | 100 | 100 | (2,390) | (2,490) |
| Building Department: | | | | |
| Building Permits | 211,000 | 211,000 | 268,352 | 57,352 |
| Fire Inspection | 1,500 | 1,500 | 900 | (600) |
| Blasting Permit | 50 | 50 | - | (50) |
| Police Services: | | | | |
| Warden Receipts | 500 | 500 | 480 | (20) |
| Dog License | 9,000 | 9,000 | 10,331 | 1,331 |
| Fingerprinting | 2,000 | 2,000 | 2,238 | 238 |
| Local Parking Fines | 500 | 500 | 70 | (430) |
| Permits | 7,500 | 7,500 | 6,975 | (525) |
| Other | 1,200 | 1,200 | 1,140 | (60) |
| Municipal Surcharge | 2,500 | 2,500 | 868 | (1,632) |
| Miscellaneous: | | | | |
| Miscellaneous Unanticipated | - | - | 44,801 | 44,801 |
| Rents | 30,000 | 30,000 | 32,510 | 2,510 |
| Total Local Revenues | <u>573,850</u> | <u>573,850</u> | <u>789,554</u> | <u>215,704</u> |
| Total Revenues | 41,736,637 | 41,736,637 | 42,145,818 | 409,181 |
| OTHER FINANCING SOURCES | | | | |
| Transfers In: | | | | |
| Use of Fund Balance | 200,000 | 508,548 | - | (508,548) |
| Cancellation of Prior Year Encumbrances | - | - | 11,469 | 11,469 |
| Release BOE COVID Funds | - | - | - | - |
| Sewer Assessment Fund | 478,993 | 478,993 | 478,993 | - |
| Police Special Services | 7,500 | 7,500 | 7,500 | - |
| Total Other Financing Sources | <u>686,493</u> | <u>995,041</u> | <u>497,962</u> | <u>(497,079)</u> |
| Total Revenues and Other Financing Sources | <u>\$ 42,423,130</u> | <u>\$ 42,731,678</u> | 42,643,780 | <u>\$ (87,898)</u> |

Budgetary revenues are different from GAAP revenues because:

| | |
|---|------------------|
| Cancellation of prior year encumbrances are recognized as budgetary revenue | (11,469) |
| The town budgets certain grants directly against expenditure accounts | 445,085 |
| The town budgets certain revenues directly against expenditure accounts | 14,405 |
| Sick and Severance Fund Transfers are not budgeted | 40,000 |
| The town budgets for certain transfers net | 3,227 |
| State OPEB On-Behalf Payments | 90,971 |
| State Pension On-Behalf Payments | <u>3,865,862</u> |

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

\$ 47,091,861

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

| | Original Budget | Final Budget | Actual | Variance With Final Budget Positive (Negative) |
|--|--------------------|-----------------|-----------|---|
| General Government: | | | | |
| Town Council | \$ 38,620 | \$ 41,150 | \$ 41,031 | \$ 119 |
| Town Manager | 236,784 | 257,284 | 255,402 | 1,882 |
| Finance Administration | 139,220 | 140,745 | 140,148 | 597 |
| Accounting | 139,350 | 134,325 | 133,702 | 623 |
| Tax Collector | 123,985 | 153,985 | 152,085 | 1,900 |
| Assessor | 158,121 | 162,036 | 159,157 | 2,879 |
| Assessment Appeals | 850 | 435 | 361 | 74 |
| Treasurer | 27,350 | 27,350 | 27,110 | 240 |
| Information Technology | 201,500 | 205,800 | 202,558 | 3,242 |
| Planning | 159,650 | 163,420 | 163,178 | 242 |
| Zoning Board of Appeals | 23,230 | 22,430 | 22,195 | 235 |
| Conservation | 1,835 | 2,535 | 2,450 | 85 |
| Economic Development | 18,860 | 20,330 | 19,979 | 351 |
| Inland Wetlands | 96,290 | 97,150 | 97,047 | 103 |
| Planning and Zoning Commission | 1,075 | 1,075 | 953 | 122 |
| Legal Counsel | 85,000 | 100,000 | 89,223 | 10,777 |
| Probate Court | 9,035 | 9,035 | 9,034 | 1 |
| Recording/Licensing | 166,855 | 166,945 | 164,012 | 2,933 |
| Elections | 72,930 | 70,265 | 70,220 | 45 |
| Town Office Building | 94,550 | 85,350 | 76,737 | 8,613 |
| Central Services | 38,750 | 47,495 | 45,386 | 2,109 |
| Total General Government | 1,833,840 | 1,909,140 | 1,871,968 | 37,172 |
| Public Safety: | | | | |
| Police Administration | 307,660 | 259,696 | 259,525 | 171 |
| Police Operations | 1,294,228 | 1,256,947 | 1,250,468 | 6,479 |
| Police Supportive Services | 358,240 | 365,230 | 333,287 | 31,943 |
| Police Marine Patrol | 5,500 | 5,510 | 3,723 | 1,787 |
| Police Station | 66,580 | 66,580 | 61,883 | 4,697 |
| Fire Marshal | 14,500 | 9,850 | 9,825 | 25 |
| Coventry Volunteer Fire Association | 37,865 | 36,970 | 36,956 | 14 |
| North Coventry Volunteer Fire Department | 35,670 | 44,610 | 44,290 | 320 |
| N. Coventry Substation | 6,350 | 9,590 | 8,781 | 809 |
| Joint Fire Budget | 499,388 | 583,708 | 581,611 | 2,097 |
| CVFA South Street Substation | 14,835 | 14,470 | 14,158 | 312 |
| Civil Emergency Preparedness | 29,975 | 29,385 | 28,128 | 1,257 |
| Animal Control | 77,000 | 77,445 | 75,081 | 2,364 |
| Total Public Safety | 2,747,791 | 2,759,991 | 2,707,716 | 52,275 |
| Public Works: | | | | |
| Roads and Drainage | 652,305 | 666,470 | 663,472 | 2,998 |
| Public Works Building | 66,555 | 74,498 | 74,260 | 238 |
| Snow Removal | 305,350 | 278,317 | 276,898 | 1,419 |
| Facilities Maintenance | 353,165 | 327,095 | 325,169 | 1,926 |
| Public Works Administration | 249,635 | 250,915 | 250,118 | 797 |
| Fleet Maintenance | 484,096 | 494,791 | 487,157 | 7,634 |
| Street Lights | 47,000 | 48,770 | 48,238 | 532 |
| Cemetery Commission | 31,042 | 31,042 | 30,842 | 200 |
| Tree Warden | 74,750 | 96,950 | 96,846 | 104 |
| Facilities - Other | 9,170 | 4,680 | 2,639 | 2,041 |
| Engineering | 91,265 | 103,795 | 91,723 | 12,072 |
| Building Inspection | 158,165 | 197,675 | 196,064 | 1,611 |
| Building Code | 45 | 45 | 45 | - |
| Health Department | 73,080 | 70,580 | 70,534 | 46 |
| Total Public Works | 2,595,623 | 2,645,623 | 2,614,005 | 31,618 |

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

| | Original Budget | Final Budget | Actual | Variance With Final Budget Positive (Negative) |
|--|----------------------|----------------------|----------------------|---|
| Human Services: | | | | |
| Visiting Nurses | \$ 500 | \$ 500 | \$ - | \$ 500 |
| Human Services/General Administration | 192,236 | 193,286 | 184,829 | 8,457 |
| Elderly Services | 130,305 | 121,255 | 114,621 | 6,634 |
| Total Human Services | <u>323,041</u> | <u>315,041</u> | <u>299,450</u> | <u>15,591</u> |
| Culture and Recreation: | | | | |
| Booth/Dimock Library | 518,000 | 518,000 | 518,000 | - |
| Parks and Recreation, Supervision | 75,700 | 82,500 | 80,083 | 2,417 |
| Memorial Day | 3,675 | 2,675 | 2,192 | 483 |
| Total Culture and Recreation | <u>597,375</u> | <u>603,175</u> | <u>600,275</u> | <u>2,900</u> |
| Insurance and Sundry: | | | | |
| Municipal Insurance | 359,530 | 342,430 | 341,333 | 1,097 |
| Pension/Social Security | 1,020,900 | 1,007,650 | 990,479 | 17,171 |
| Health Insurance | 1,065,100 | 1,065,100 | 1,064,433 | 667 |
| Contingency | 15,000 | 28,240 | 28,231 | 9 |
| Claims and Losses | 25,000 | 78,310 | 77,357 | 953 |
| Total Insurance and Sundry | <u>2,485,530</u> | <u>2,521,730</u> | <u>2,501,833</u> | <u>19,897</u> |
| Education | 28,305,819 | 28,305,819 | 28,302,046 | 3,773 |
| Capital Outlay | 655,030 | 777,078 | 777,078 | - |
| Debt Service | 2,781,581 | 2,761,581 | 2,749,655 | 11,926 |
| Total Budgetary Expenditures | <u>42,325,630</u> | <u>42,599,178</u> | <u>42,424,026</u> | <u>175,152</u> |
| OTHER FINANCING USES | | | | |
| Transfers Out: | | | | |
| Matching Funds | 2,500 | 2,500 | 2,500 | - |
| Parks and Recreation Fund | 30,000 | 30,000 | 30,000 | - |
| Land Acquisition Fund | 15,000 | 15,000 | 15,000 | - |
| Capital and Nonrecurring Fund | 50,000 | 85,000 | 85,000 | - |
| Total Other Financing Uses | <u>97,500</u> | <u>132,500</u> | <u>132,500</u> | <u>-</u> |
| Total Expenditures and Other Financing Uses | <u>\$ 42,423,130</u> | <u>\$ 42,731,678</u> | 42,556,526 | <u>\$ 175,152</u> |
| Budgetary expenditures are different from GAAP expenditures because: | | | | |
| 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 | | | 89,530 | |
| Reserve for matching fund expenditures and transfers, net | | | 2,005 | |
| Excess cost grants are netted for budgetary reporting | | | 445,085 | |
| The town budgets certain revenues directly against expenditure accounts | | | 14,405 | |
| State OPEB On-Behalf Payments | | | 90,971 | |
| State Pension On-Behalf Payments | | | <u>3,865,862</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>\$ 47,064,384</u> | |

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

| | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Total Pension Liability: | | | | | | | | | |
| Service Cost | \$ 605,291 | \$ 574,628 | \$ 558,327 | \$ 588,285 | \$ 565,374 | \$ 553,015 | \$ 509,257 | \$ 494,424 | \$ 472,429 |
| Interest | 1,546,108 | 1,528,934 | 1,472,095 | 1,384,667 | 1,279,723 | 1,232,383 | 1,112,799 | 1,073,988 | 1,035,694 |
| Differences Between Expected and Actual Experience | 584,612 | 83,691 | (18,778) | 322,672 | 252,167 | (98,117) | 453,936 | (144,868) | - |
| Changes of Assumptions | 85,354 | 571,770 | 203,314 | (68,458) | 275,569 | (45,764) | 129,540 | - | - |
| Benefit Payments, Including Refunds of Member Contributions | (2,007,134) | (1,697,017) | (1,257,720) | (813,323) | (1,173,150) | (877,530) | (440,070) | (1,409,674) | (618,211) |
| Net Change in Total Pension Liability | 814,231 | 1,062,006 | 957,238 | 1,413,843 | 1,199,683 | 763,987 | 1,765,462 | 13,870 | 889,912 |
| Total Pension Liability - Beginning | 21,706,341 | 20,644,335 | 19,687,097 | 18,273,254 | 17,073,571 | 16,309,584 | 14,544,122 | 14,530,252 | 13,640,340 |
| Total Pension Liability - Ending | 22,520,572 | 21,706,341 | 20,644,335 | 19,687,097 | 18,273,254 | 17,073,571 | 16,309,584 | 14,544,122 | 14,530,252 |
| Plan Fiduciary Net Position: | | | | | | | | | |
| Contributions - Employer | 892,800 | 724,037 | 678,722 | 631,502 | 568,278 | 617,847 | 565,362 | 673,765 | 1,097,988 |
| Contributions - Member | 276,045 | 262,001 | 259,747 | 261,267 | 249,086 | 270,830 | 245,912 | 239,053 | 221,335 |
| Net Investment Income (Loss) | (1,161,070) | 4,836,891 | (712,930) | (29,739) | 1,008,061 | 1,712,604 | (47,620) | 159,678 | 1,768,049 |
| Benefit Payments, Including Refunds of Member Contributions | (2,007,134) | (1,697,017) | (1,257,720) | (813,323) | (1,173,150) | (877,530) | (440,070) | (1,409,674) | (618,211) |
| Administrative Expense | (87,368) | (92,107) | (41,282) | (26,410) | (16,843) | (23,173) | (36,641) | (28,694) | (34,485) |
| Net Change in Plan Fiduciary Net Position | (2,086,727) | 4,033,805 | (1,073,463) | 23,297 | 635,432 | 1,700,578 | 286,943 | (365,872) | 2,434,676 |
| Plan Fiduciary Net Position - Beginning | 18,213,577 | 14,179,772 | 15,253,235 | 15,229,938 | 14,594,506 | 12,893,928 | 12,606,985 | 12,972,857 | 10,538,181 |
| Plan Fiduciary Net Position - Ending | 16,126,850 | 18,213,577 | 14,179,772 | 15,253,235 | 15,229,938 | 14,594,506 | 12,893,928 | 12,606,985 | 12,972,857 |
| Net Pension Liability - Ending | <u>\$ 6,393,722</u> | <u>\$ 3,492,764</u> | <u>\$ 6,464,563</u> | <u>\$ 4,433,862</u> | <u>\$ 3,043,316</u> | <u>\$ 2,479,065</u> | <u>\$ 3,415,656</u> | <u>\$ 1,937,137</u> | <u>\$ 1,557,395</u> |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 71.61% | 83.91% | 68.69% | 77.48% | 83.35% | 85.48% | 79.06% | 86.68% | 89.28% |
| Covered Payroll | \$ 7,343,619 | \$ 7,296,574 | \$ 7,426,436 | \$ 6,878,308 | \$ 6,819,574 | \$ 6,536,271 | \$ 6,317,675 | \$ 5,828,844 | \$ 5,849,479 |
| Net Pension Liability as a Percentage of Covered Payroll | 87.07% | 47.87% | 87.05% | 64.46% | 44.63% | 37.93% | 54.07% | 33.23% | 26.62% |

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

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

| | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
|--|-------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|-------------------|------------------|
| Actuarially Determined Contribution | \$ 724,037 | \$ 724,037 | \$ 678,722 | \$ 631,502 | \$ 568,278 | \$ 617,847 | \$ 566,352 | \$ 673,765 | \$ 728,299 | \$ 1,079,026 |
| Contributions in Relation to the Actuarially Determined Contribution | <u>892,800</u> | <u>724,037</u> | <u>678,722</u> | <u>631,502</u> | <u>568,278</u> | <u>617,847</u> | <u>566,352</u> | <u>673,765</u> | <u>1,097,988</u> | <u>1,097,988</u> |
| Contribution Deficiency (Excess) | <u>\$ 168,763</u> | <u>\$ -</u> | <u>\$ 369,689</u> | <u>\$ 18,962</u> |
| Covered Payroll | \$ 7,343,619 | \$ 7,296,574 | \$ 7,426,436 | \$ 6,878,308 | \$ 6,819,574 | \$ 6,536,271 | \$ 6,317,675 | \$ 5,828,844 | \$ 5,849,479 | \$ 5,811,077 |
| Contributions as a Percentage of Covered Payroll | 12.16% | 9.92% | 9.14% | 9.18% | 8.33% | 9.45% | 8.96% | 11.56% | 18.77% | 18.89% |

Notes to Schedule:

Valuation Date: July 1, 2021

Measurement Date: June 30, 2022

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

Methods and Assumptions Used to Determine

Contribution Rates:

| | |
|-------------------------------|--|
| Actuarial Cost Method | Entry Age Normal |
| Amortization Method | Level Percentage of Salary - Open |
| Remaining Amortization Period | 15 Years |
| Asset Valuation Method | Asset Gains and Losses are Recognized Over a Four-year Period at 25% Per Year. |
| Inflation | 2.40% |
| Salary Increases | 3.00% |
| Investment Rate of Return | Pre-Retirement 7.25% Per Year, Post-Retirement 6.90% |
| Retirement Age | Police Sworn: 45/20 Non-Uniformed Police: Rule of 85 Non-Police Bargaining Unit Employees: 10% at 60, increasing to 100% at 65 Nonbargaining Unit Employees: 62/5 |
| Mortality | Current: Pub-2010 Public Retirement Plans Amount-Weighted Mortality Tables (with separate tables for General Employees, Public Safety and Teachers), Projected to the valuation date with Scale MP-2021 Prior: Pub-2010 Public Retirement Plans Amount-Weighted Mortality Tables (with separate tables for General Employees, Public Safety and Teachers), Projected to the valuation date with Scale MP-2020 |

**TOWN OF COVENTRY, CONNECTICUT
SCHEDULE OF INVESTMENT RETURNS
LAST NINE FISCAL YEARS***

| | <u>2022</u> | <u>2021</u> | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Annual Money-Weighted Rate of Return, Net of Investment Expense | -6.39% | 35.31% | -4.67% | -0.19% | 6.81% | 13.15% | -0.37% | 1.25% | 15.71% |

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

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

| | <u>2022</u> | <u>2021</u> | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Town's Proportion of the Net Pension Liability | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Town's Proportionate Share of the Net Pension Liability | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| State's Proportionate Share of the Net Pension Liability Associated With the Town | <u>46,168,424</u> | <u>58,292,841</u> | <u>54,264,077</u> | <u>41,840,756</u> | <u>41,168,926</u> | <u>43,433,532</u> | <u>34,183,863</u> | <u>31,555,211</u> |
| Total | <u>\$ 46,168,424</u> | <u>\$ 58,292,841</u> | <u>\$ 54,264,077</u> | <u>\$ 41,840,756</u> | <u>\$ 41,168,926</u> | <u>\$ 43,433,532</u> | <u>\$ 34,183,863</u> | <u>\$ 31,555,211</u> |
| Town's Covered Payroll | \$ 14,388,599 | \$ 13,922,583 | \$ 13,445,593 | \$ 13,396,480 | \$ 13,040,396 | \$ 12,962,869 | \$ 12,733,792 | \$ 12,100,327 |
| Town's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 60.77% | 49.24% | 52.00% | 57.69% | 55.93% | 52.26% | 59.50% | 61.51% |

Notes to Schedule:

| | |
|---------------------------------------|---|
| Changes in Benefit Terms | None |
| Changes of Assumptions | None |
| Actuarial Cost Method | Entry Age |
| Amortization Method | Level Percent of Pay, Closed, Grading to a Level Dollar Amortization Method for the June 30, 2024 Valuation |
| Single Equivalent 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 10 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 COVENTRY, CONNECTICUT
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
LAST FIVE FISCAL YEARS*

| | <u>2022</u> | <u>2021</u> | <u>2020</u> | <u>2019</u> | <u>2018</u> |
|--|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| Total OPEB Liability: | | | | | |
| Service Cost | \$ 281,855 | \$ 569,867 | \$ 353,250 | \$ 315,871 | \$ 421,300 |
| Interest | 161,248 | 186,042 | 257,475 | 346,872 | 317,034 |
| Changes of Benefit Terms | | | | | |
| Differences Between Expected and Actual Experience | - | 1,236,192 | - | (2,467,530) | - |
| Changes of Assumptions and Other Inputs | (1,088,649) | (2,473,533) | 418,937 | 343,445 | (360,004) |
| Benefit Payments | <u>(200,288)</u> | <u>(166,900)</u> | <u>(201,345)</u> | <u>(164,264)</u> | <u>(166,825)</u> |
| Net Change in Total OPEB Liability | (845,834) | (648,332) | 828,317 | (1,625,606) | 211,505 |
| Total OPEB Liability - Beginning | <u>7,282,967</u> | <u>7,931,299</u> | <u>7,102,982</u> | <u>8,728,588</u> | <u>8,517,083</u> |
| Total OPEB Liability - Ending | <u><u>\$ 6,437,133</u></u> | <u><u>\$ 7,282,967</u></u> | <u><u>\$ 7,931,299</u></u> | <u><u>\$ 7,102,982</u></u> | <u><u>\$ 8,728,588</u></u> |
| Covered Employee Payroll | \$ 21,073,024 | \$ 21,073,024 | \$ 21,659,935 | \$ 21,659,935 | \$ 20,377,472 |
| Total OPEB Liability as a Percentage of Covered-Employee Payroll | 30.55% | 34.56% | 36.62% | 32.79% | 42.83% |

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

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

| | <u>2022</u> | <u>2021</u> | <u>2020</u> | <u>2019</u> | <u>2018</u> |
|--|---------------------|---------------------|---------------------|---------------------|----------------------|
| Town's Proportion of the Net Pension Liability | 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>5,029,965</u> | <u>8,694,379</u> | <u>8,462,788</u> | <u>8,364,261</u> | <u>10,596,428</u> |
| Total | <u>\$ 5,029,965</u> | <u>\$ 8,694,379</u> | <u>\$ 8,462,788</u> | <u>\$ 8,364,261</u> | <u>\$ 10,596,428</u> |
| Town's Covered Payroll | \$ 14,388,599 | \$ 13,922,583 | \$ 13,445,593 | \$ 13,396,480 | \$ 13,040,396 |
| 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% |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 6.11% | 2.50% | 2.08% | 1.49% | 2.50% |

Notes to Schedule:

Changes in Benefit Terms
Changes of Assumptions

None
Based on the procedure described in GASB 75, the discount rate used to measure plan obligations for financial accounting purposes as of June 30, 2021 was updated to equal the Municipal Bond Index Rate as of June 30, 2021;

Expected annual per capita claims costs were updated to better reflect anticipated medical and prescription drug claim experience based on scheduled premium increases through calendar year 2024

Actuarial Cost Method
Amortization Method
Remaining Amortization Period
Asset Valuation Method
Investment Rate of Return
Price Inflation

Entry Age
Level Percent of Payroll Over an Open Period
30 Years
Market Value of Assets
3.00%, Net of Investment Related Expense, Including Price Inflation
2.75%

Notes:

- This schedule is intended to show information for 10 years. Additional years' information will be displayed as it becomes available.
- The measurement date is one year earlier than the employer's reporting date.

SUPPLEMENTAL, COMBINING, AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

GENERAL FUND

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

**TOWN OF COVENTRY, CONNECTICUT
COMPARATIVE BALANCE SHEETS
GENERAL FUND
JUNE 30, 2022 AND 2021**

| | 2022 | 2021 |
|--|--------------|--------------|
| ASSETS | | |
| Cash and Cash Equivalents | \$ 1,996,561 | \$ 2,811,016 |
| Investments | 4,125,361 | 4,117,020 |
| Property Taxes Receivable (Net of Allowance of \$268,907 in 2022 and \$287,784 in 2021) | 780,506 | 754,258 |
| Grants Receivable | 20,175 | 17,431 |
| Accounts Receivable | 75,539 | 38,445 |
| Due from Other Funds | 839,233 | 555,069 |
| Prepaid Items | 192,457 | 62,071 |
| Total Assets | \$ 8,029,832 | \$ 8,355,310 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE | | |
| LIABILITIES | | |
| Accounts Payable and Accrued Liabilities | \$ 820,629 | \$ 1,071,230 |
| Unearned Revenue | 35,208 | 181,337 |
| Total Liabilities | 855,837 | 1,252,567 |
| DEFERRED INFLOWS OF RESOURCES | | |
| Unavailable Revenue - Property Taxes | 693,498 | 649,723 |
| FUND BALANCE | | |
| Nonspendable | 192,457 | 62,071 |
| Restricted | 11,407 | 11,597 |
| Committed | 46,192 | 5,697 |
| Assigned | 531,953 | 658,425 |
| Unassigned | 5,698,488 | 5,715,230 |
| Total Fund Balance | 6,480,497 | 6,453,020 |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balance | \$ 8,029,832 | \$ 8,355,310 |

**TOWN OF COVENTRY, CONNECTICUT
SCHEDULE OF PROPERTY TAXES LEVIED, COLLECTED, AND OUTSTANDING
GENERAL FUND
YEAR ENDED JUNE 30, 2022**

| Grand List | Uncollected Taxes | Lawful Corrections | | Transfers to Suspense | Adjusted Taxes Collectible | Collections | | | | Uncollected Taxes |
|--------------|----------------------|--------------------|-------------------|-----------------------|----------------------------|----------------------|-------------------|-----------------|----------------------|-------------------|
| | July 1, 2021 | Additions | Deductions | | | Taxes | Interest | Liens | Total | June 30, 2022 |
| 2020 | \$ 32,799,361 | \$ 37,023 | \$ 79,185 | \$ - | \$ 32,757,199 | \$ 32,374,823 | \$ 98,921 | \$ 1,150 | \$ 32,474,894 | \$ 382,376 |
| 2019 | 353,982 | 6,484 | 6,222 | - | 354,244 | 212,677 | 44,952 | 1,926 | 259,555 | 141,567 |
| 2018 | 151,198 | 358 | 7,292 | 41,270 | 102,994 | 73,229 | 23,196 | 802 | 97,227 | 29,765 |
| 2017 | 36,953 | - | 2,573 | - | 34,380 | 17,335 | 8,373 | 338 | 26,046 | 17,045 |
| 2016 | 23,716 | - | 2,557 | - | 21,159 | 6,171 | 4,256 | 218 | 10,645 | 14,988 |
| 2015 | 20,974 | - | 3,825 | - | 17,149 | 800 | 696 | 31 | 1,527 | 16,349 |
| 2014 | 15,603 | - | 4,960 | - | 10,643 | 34 | 38 | 30 | 102 | 10,609 |
| 2013 | 10,802 | - | 159 | - | 10,643 | 9 | 9 | 24 | 42 | 10,634 |
| 2012 | 10,386 | - | - | - | 10,386 | - | - | - | - | 10,386 |
| 2011 | 8,296 | - | - | - | 8,296 | - | 200 | - | 200 | 8,296 |
| 2010 | 12,699 | - | - | - | 12,699 | - | - | - | - | 12,699 |
| 2009 | 9,793 | - | - | - | 9,793 | - | - | - | - | 9,793 |
| 2008 | 8,803 | - | - | - | 8,803 | - | - | - | - | 8,803 |
| 2007 | 8,623 | - | - | - | 8,623 | - | - | - | - | 8,623 |
| 2006 | 8,381 | - | - | - | 8,381 | - | 3,700 | - | 3,700 | 8,381 |
| Total | \$ 33,479,570 | \$ 43,865 | \$ 106,773 | \$ 41,270 | \$ 33,375,392 | \$ 32,685,078 | \$ 184,341 | \$ 4,519 | \$ 32,873,938 | \$ 690,314 |

Property Taxes Receivable Considered Available:

| | |
|---------------|---------------|
| June 30, 2021 | \$ (104,535) |
| June 30, 2022 | <u>87,030</u> |

Total Property Tax Revenue \$ 32,856,433

Note: Beginning with the Grand list of 2005, the Town has begun recording overcollections as a liability.

NONMAJOR GOVERNMENTAL FUNDS

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue 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 legally restricted to expenditures for specific purposes. The Special Revenue Funds utilize the modified accrual basis of accounting. The nature and purpose of each Special Revenue Fund is as follows:

| Fund | Funding Source | Function |
|--------------------------|--------------------------------------|--|
| Town Aid Road | State Grant | Construction/Maintenance of Public Roads |
| Cemetery Commission | Sale of Lots | Maintenance and Improvements |
| School Lunch | Charges for Services/Facility Rental | School Food Service Program |
| Special Education Grants | State and Federal Grants | Educational Purposes |
| Food Bank | Donations | Assistance to those in Need |
| Tri-Centennial | Donations | Community Tri-Centennial Celebration |
| Highway Funds | Various Sources | Miscellaneous Public Works Improvements |
| Youth Services | State and Federal Grants | Drug and Alcohol Abuse Prevention |
| Police Special Services | Charges for Services | Police Traffic Control |
| Narcotics Forfeiture | Drug Enforcement Activity | Drug Enforcement and Education |
| LOCIP | State Grant | Capital Project Expenditures |
| COVRRRA | Charges for Services | Solid Waste Collection/Disposal |
| Recreation | Charges for Services | Recreational Leisure Programs |
| Sewer Operating | Charges for Services | Sewer System Operations |
| Special Police | Donations | Coventry Police and/or Survivors |
| Historic Preservation | State Grant | Document Preservation |
| Education User Fees | Charges for Services | Fees for Use of Buildings |
| EMS Services | Charges for Services | Ambulance / EMS / Fire Service |
| Preschool | Charges for Services | Preschool Program |
| Education Tuition | Charges for Services | Tuition and Fee Payments from Nonresident Students |
| Coventry Farmers Market | Charges for Services / Donations | Weekend Farmers Market June – October |
| Senior Center Donations | Donations | Senior Citizens Activities and Assistance |
| Student Activities | Charges for Services/Donations | Promote Educational and Student Activities |

Capital Projects Fund

The Capital Projects fund is used to account for the financial resources for the acquisition or construction of major capital facilities.

| Fund | Funding Source | Function |
|------------------|----------------|---------------------------------|
| Land Acquisition | Donations | Purchase of Land for Open Space |

Permanent Fund

The permanent fund is 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 |
|---------------------------------|-----------------------------|--|
| Loyzim Memorial and Scholarship | Trust and Investment Income | Scholarships to Coventry High School Seniors |
| Cemetery Trust | Trust and Investment Income | Perpetual Care |

**TOWN OF COVENTRY, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2022**

| | Special Revenue Funds | | | | | |
|--|-----------------------|------------------------|-------------------|--------------------------------|-------------------|--------------------|
| | Town Aid Road | Cemetery Commission | School Lunch | Special Education Grants | Food Bank | Tri- Centennial |
| ASSETS | | | | | | |
| Cash and Cash Equivalents | \$ 273,779 | \$ 50,971 | \$ 356,255 | \$ - | \$ 136,618 | \$ 29,661 |
| Investments | - | - | - | - | - | - |
| Receivables: | | | | | | |
| Grants and Contracts Receivable | - | - | 205,688 | 342,500 | - | - |
| Lease Receivable | - | - | - | - | - | - |
| Accounts Receivable | - | - | 2,807 | - | - | - |
| Other Assets | - | - | - | - | - | - |
| Inventories | - | - | 42,874 | - | - | - |
| Total Assets | \$ 273,779 | \$ 50,971 | \$ 607,624 | \$ 342,500 | \$ 136,618 | \$ 29,661 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | | | | | | |
| LIABILITIES | | | | | | |
| Accounts Payable | \$ 160 | \$ - | \$ - | \$ 1,263 | \$ 597 | \$ - |
| Accrued Payroll | - | - | - | 17,676 | - | - |
| Due to Other Funds | - | - | - | 121,288 | - | - |
| Unearned Revenue | - | - | 20,367 | 199,739 | - | - |
| Total Liabilities | 160 | - | 20,367 | 339,966 | 597 | - |
| DEFERRED INFLOWS OF RESOURCES | | | | | | |
| Unavailable Revenue - Sewer Receivable | - | - | - | - | - | - |
| Unavailable Revenue - COVRRRA Receivable | - | - | - | - | - | - |
| Lease Receivable | - | - | - | - | - | - |
| Unavailable Revenue - Other Receivables | - | - | - | - | - | - |
| Total Deferred Inflows of Resources | - | - | - | - | - | - |
| FUND BALANCES | | | | | | |
| Nonspendable | - | - | 42,874 | - | - | - |
| Restricted | 273,619 | 50,971 | - | 2,534 | 136,021 | 29,661 |
| Committed | - | - | 544,383 | - | - | - |
| Unassigned | - | - | - | - | - | - |
| Total Fund Balances | 273,619 | 50,971 | 587,257 | 2,534 | 136,021 | 29,661 |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances | \$ 273,779 | \$ 50,971 | \$ 607,624 | \$ 342,500 | \$ 136,618 | \$ 29,661 |

**TOWN OF COVENTRY, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2022**

| | Special Revenue Funds | | | | | | |
|--|-----------------------|-------------------|-------------------------------|-------------------------|------------------|-------------------|-------------------|
| | Highway Funds | Youth Services | Police Special Services | Narcotics Forfeiture | LOCIP | COVRRRA | Recreation |
| ASSETS | | | | | | | |
| Cash and Cash Equivalents | \$ 125,413 | \$ 2,725 | \$ 9,289 | \$ 6,870 | \$ - | \$ 176,636 | \$ 236,208 |
| Investments | - | - | - | - | - | - | - |
| Receivables: | | | | | | | |
| Grants and Contracts Receivable | - | - | - | - | 12,517 | - | - |
| Lease Receivable | - | - | - | - | - | - | 12,632 |
| Accounts Receivable | - | - | 18,376 | - | - | 72,314 | 15,800 |
| Other Assets | - | - | - | - | - | - | - |
| Inventories | - | - | - | - | - | - | - |
| Total Assets | \$ 125,413 | \$ 2,725 | \$ 27,665 | \$ 6,870 | \$ 12,517 | \$ 248,950 | \$ 264,640 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | | | | | | | |
| LIABILITIES | | | | | | | |
| Accounts Payable | - | - | 1,500 | - | 12,517 | 117,471 | 19,590 |
| Accrued Payroll | - | - | 278 | - | - | 1,388 | 32,439 |
| Due to Other Funds | - | - | - | - | - | - | - |
| Unearned Revenue | 866 | - | - | - | - | - | 83,354 |
| Total Liabilities | 866 | - | 1,778 | - | 12,517 | 118,859 | 135,383 |
| DEFERRED INFLOWS OF RESOURCES | | | | | | | |
| Unavailable Revenue - Sewer Receivable | - | - | - | - | - | - | - |
| Unavailable Revenue - COVRRRA Receivable | - | - | - | - | - | 72,296 | - |
| Lease Receivable | - | - | - | - | - | - | 12,632 |
| Unavailable Revenue - Other Receivables | - | - | 18,376 | - | - | - | - |
| Total Deferred Inflows of Resources | - | - | 18,376 | - | - | 72,296 | 12,632 |
| FUND BALANCES | | | | | | | |
| Nonspendable | - | - | - | - | - | - | - |
| Restricted | - | 2,725 | - | 6,870 | - | - | - |
| Committed | 124,547 | - | 7,511 | - | - | 57,795 | 116,625 |
| Unassigned | - | - | - | - | - | - | - |
| Total Fund Balances | 124,547 | 2,725 | 7,511 | 6,870 | - | 57,795 | 116,625 |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances | \$ 125,413 | \$ 2,725 | \$ 27,665 | \$ 6,870 | \$ 12,517 | \$ 248,950 | \$ 264,640 |

**TOWN OF COVENTRY, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2022**

| | Special Revenue Funds | | | | | | |
|--|-----------------------|--------------------------|---------------------------|-------------------|-------------------|----------------------|-------------------------------|
| | Sewer Operating | Historic Preservation | Education User Fees | EMS Services | Preschool | Education Tuition | Coventry Farmers Market |
| ASSETS | | | | | | | |
| Cash and Cash Equivalents | \$ 818,818 | \$ 34,615 | \$ 27,382 | \$ - | \$ 543,784 | \$ 197,086 | \$ 65,426 |
| Investments | - | - | - | - | - | - | - |
| Receivables: | | | | | | | |
| Grants and Contracts Receivable | - | - | - | - | - | - | - |
| Lease Receivable | - | - | - | - | - | - | - |
| Accounts Receivable | 43,163 | 96 | 2,245 | 331,977 | - | - | 8,050 |
| Other Assets | 2,700 | - | - | - | - | - | - |
| Inventories | - | - | - | - | - | - | - |
| Total Assets | \$ 864,681 | \$ 34,711 | \$ 29,627 | \$ 331,977 | \$ 543,784 | \$ 197,086 | \$ 73,476 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | | | | | | | |
| LIABILITIES | | | | | | | |
| Accounts Payable | \$ 15,169 | \$ - | \$ - | \$ 54,573 | \$ 4,705 | \$ - | \$ 7,887 |
| Accrued Payroll | 2,845 | - | - | 1,563 | 1,416 | - | 1,129 |
| Due to Other Funds | - | - | - | 269,885 | - | - | - |
| Unearned Revenue | - | - | - | - | - | - | - |
| Total Liabilities | 18,014 | - | - | 326,021 | 6,121 | - | 9,016 |
| DEFERRED INFLOWS OF RESOURCES | | | | | | | |
| Unavailable Revenue - Sewer Receivable | 42,891 | - | - | - | - | - | - |
| Unavailable Revenue - COVRRRA Receivable | - | - | - | - | - | - | - |
| Lease Receivable | - | - | - | - | - | - | - |
| Unavailable Revenue - Other Receivables | - | - | - | 281,090 | - | - | - |
| Total Deferred Inflows of Resources | 42,891 | - | - | 281,090 | - | - | - |
| FUND BALANCES | | | | | | | |
| Nonspendable | - | - | - | - | - | - | - |
| Restricted | - | 34,711 | 29,627 | 2,897 | - | - | - |
| Committed | 803,776 | - | - | 25,412 | 537,663 | 197,086 | 64,460 |
| Unassigned | - | - | - | (303,443) | - | - | - |
| Total Fund Balances | 803,776 | 34,711 | 29,627 | (275,134) | 537,663 | 197,086 | 64,460 |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances | \$ 864,681 | \$ 34,711 | \$ 29,627 | \$ 331,977 | \$ 543,784 | \$ 197,086 | \$ 73,476 |

**TOWN OF COVENTRY, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2022**

| | Special Revenue Funds | | Capital Projects | Permanent Funds | | Total Nonmajor Governmental Funds |
|--|-------------------------|--------------------|------------------|---------------------------------|------------------|-----------------------------------|
| | Senior Center Donations | Student Activities | Land Acquisition | Loyzim Memorial and Scholarship | Cemetery Trust | |
| | | | | | | |
| ASSETS | | | | | | |
| Cash and Cash Equivalents | \$ 91,749 | \$ 247,051 | \$ 1,928 | \$ 867 | \$ 26,890 | \$ 3,460,021 |
| Investments | - | - | - | 5,913 | - | 5,913 |
| Receivables: | | | | | | |
| Grants and Contracts Receivable | - | - | - | - | - | 560,705 |
| Lease Receivable | - | - | - | - | - | 12,632 |
| Accounts Receivable | - | - | - | - | - | 494,828 |
| Other Assets | - | - | - | - | - | 2,700 |
| Inventories | - | - | - | - | - | 42,874 |
| Total Assets | \$ 91,749 | \$ 247,051 | \$ 1,928 | \$ 6,780 | \$ 26,890 | \$ 4,579,673 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | | | | | | |
| LIABILITIES | | | | | | |
| Accounts Payable | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 235,432 |
| Accrued Payroll | - | - | - | - | - | 58,734 |
| Due to Other Funds | - | - | - | - | - | 391,173 |
| Unearned Revenue | - | - | - | - | - | 304,326 |
| Total Liabilities | - | - | - | - | - | 989,665 |
| DEFERRED INFLOWS OF RESOURCES | | | | | | |
| Unavailable Revenue - Sewer Receivable | - | - | - | - | - | 42,891 |
| Unavailable Revenue - COVRRRA Receivable | - | - | - | - | - | 72,296 |
| Lease Receivable | - | - | - | - | - | 12,632 |
| Unavailable Revenue - Other Receivables | - | - | - | - | - | 299,466 |
| Total Deferred Inflows of Resources | - | - | - | - | - | 427,285 |
| FUND BALANCES | | | | | | |
| Nonspendable | - | - | - | 1,524 | 12,071 | 56,469 |
| Restricted | 91,749 | 247,051 | - | 5,256 | 14,819 | 928,511 |
| Committed | - | - | 1,928 | - | - | 2,481,186 |
| Unassigned | - | - | - | - | - | (303,443) |
| Total Fund Balances | 91,749 | 247,051 | 1,928 | 6,780 | 26,890 | 3,162,723 |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances | \$ 91,749 | \$ 247,051 | \$ 1,928 | \$ 6,780 | \$ 26,890 | \$ 4,579,673 |

**TOWN OF COVENTRY, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2022**

| | Special Revenue Funds | | | | | |
|--|-----------------------|------------------------|-------------------|--------------------------------|-------------------|--------------------|
| | Town Aid Road | Cemetery Commission | School Lunch | Special Education Grants | Food Bank | Tri- Centennial |
| REVENUES | | | | | | |
| Intergovernmental | \$ 295,797 | \$ - | \$ 1,349,813 | \$ 1,057,599 | \$ - | \$ - |
| Charges for Services | - | 13,790 | 92,622 | - | - | - |
| Investments Earnings | - | 162 | 1,153 | - | 408 | 89 |
| Miscellaneous | 85,000 | - | - | - | 28,796 | - |
| Total Revenues | <u>380,797</u> | <u>13,952</u> | <u>1,443,588</u> | <u>1,057,599</u> | <u>29,204</u> | <u>89</u> |
| EXPENDITURES | | | | | | |
| Current: | | | | | | |
| General Government | - | - | - | - | - | - |
| Public Safety | - | - | - | - | - | - |
| Public Works | 444,387 | 5,955 | - | - | - | - |
| Human Services | - | - | - | - | 8,377 | - |
| Culture and Recreation | - | - | - | - | - | - |
| Education | - | - | 1,038,950 | 1,057,599 | - | - |
| Capital Outlay | - | - | - | - | - | - |
| Total Expenditures | <u>444,387</u> | <u>5,955</u> | <u>1,038,950</u> | <u>1,057,599</u> | <u>8,377</u> | <u>-</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | (63,590) | 7,997 | 404,638 | - | 20,827 | 89 |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfer In | - | - | - | - | - | 500 |
| Transfer Out | - | - | - | - | - | - |
| Total Other Financing Sources (Uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>500</u> |
| NET CHANGES IN FUND BALANCES | (63,590) | 7,997 | 404,638 | - | 20,827 | 589 |
| Fund Balances - Beginning of Year | <u>337,209</u> | <u>42,974</u> | <u>182,619</u> | <u>2,534</u> | <u>115,194</u> | <u>29,072</u> |
| FUND BALANCES - END OF YEAR | <u>\$ 273,619</u> | <u>\$ 50,971</u> | <u>\$ 587,257</u> | <u>\$ 2,534</u> | <u>\$ 136,021</u> | <u>\$ 29,661</u> |

**TOWN OF COVENTRY, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
YEAR ENDED JUNE 30, 2022**

| | Special Revenue Funds | | | | | | |
|--|-----------------------|-------------------|-------------------------------|-------------------------|----------------|------------------|-------------------|
| | Highway Funds | Youth Services | Police Special Services | Narcotics Forfeiture | LOCIP | COVRRRA | |
| REVENUES | | | | | | | |
| Intergovernmental | \$ - | \$ - | \$ - | \$ 2,816 | \$ 136,090 | \$ - | \$ 82,790 |
| Charges for Services | 87,979 | - | 52,631 | - | - | 1,205,488 | 372,472 |
| Investments Earnings | 1,814 | - | 19 | - | - | 820 | 396 |
| Miscellaneous | - | - | - | - | - | - | - |
| Total Revenues | <u>89,793</u> | <u>-</u> | <u>52,650</u> | <u>2,816</u> | <u>136,090</u> | <u>1,206,308</u> | <u>455,658</u> |
| EXPENDITURES | | | | | | | |
| Current: | | | | | | | |
| General Government | - | - | - | - | 18,647 | - | - |
| Public Safety | 500 | - | 53,110 | - | 27,750 | - | - |
| Public Works | 53,732 | - | - | - | 53,662 | 1,355,224 | - |
| Human Services | - | - | - | - | - | - | - |
| Culture and Recreation | - | - | - | - | 1,031 | - | 383,054 |
| Education | - | - | - | - | - | - | - |
| Capital Outlay | - | - | - | - | 35,000 | - | - |
| Total Expenditures | <u>54,232</u> | <u>-</u> | <u>53,110</u> | <u>-</u> | <u>136,090</u> | <u>1,355,224</u> | <u>383,054</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | 35,561 | - | (460) | 2,816 | - | (148,916) | 72,604 |
| OTHER FINANCING SOURCES (USES) | | | | | | | |
| Transfer In | 250 | - | - | - | - | - | 35,000 |
| Transfer Out | - | - | (7,500) | - | - | - | - |
| Total Other Financing Sources (Uses) | <u>250</u> | <u>-</u> | <u>(7,500)</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>35,000</u> |
| NET CHANGES IN FUND BALANCES | 35,811 | - | (7,960) | 2,816 | - | (148,916) | 107,604 |
| Fund Balances - Beginning of Year | <u>88,736</u> | <u>2,725</u> | <u>15,471</u> | <u>4,054</u> | <u>-</u> | <u>206,711</u> | <u>9,021</u> |
| FUND BALANCES - END OF YEAR | <u>\$ 124,547</u> | <u>\$ 2,725</u> | <u>\$ 7,511</u> | <u>\$ 6,870</u> | <u>\$ -</u> | <u>\$ 57,795</u> | <u>\$ 116,625</u> |

**TOWN OF COVENTRY, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
YEAR ENDED JUNE 30, 2022**

| | Special Revenue Funds | | | | | | Coventry Farmers Market |
|--|-----------------------|--------------------------|---------------------------|---------------------|-------------------|----------------------|-------------------------------|
| | Sewer Operating | Historic Preservation | Education User Fees | EMS Services | Preschool | Education Tuition | |
| REVENUES | | | | | | | |
| Intergovernmental | \$ - | \$ - | \$ - | \$ - | \$ 359,190 | \$ - | \$ - |
| Charges for Services | 512,367 | 9,381 | 4,294 | 436,176 | 442,397 | 30,788 | 63,881 |
| Investments Earnings | 2,286 | - | 12 | - | - | - | 15 |
| Miscellaneous | - | - | - | 2,594 | - | - | - |
| Total Revenues | <u>514,653</u> | <u>9,381</u> | <u>4,306</u> | <u>438,770</u> | <u>801,587</u> | <u>30,788</u> | <u>63,896</u> |
| EXPENDITURES | | | | | | | |
| Current: | | | | | | | |
| General Government | - | 11,853 | - | - | - | - | - |
| Public Safety | - | - | - | 768,020 | - | - | - |
| Public Works | 421,774 | - | - | - | - | - | - |
| Human Services | - | - | - | - | - | - | - |
| Culture and Recreation | - | - | - | - | - | - | 53,804 |
| Education | - | - | 3,880 | - | 593,386 | - | - |
| Capital Outlay | 69,197 | - | - | - | - | - | - |
| Total Expenditures | <u>490,971</u> | <u>11,853</u> | <u>3,880</u> | <u>768,020</u> | <u>593,386</u> | <u>-</u> | <u>53,804</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | 23,682 | (2,472) | 426 | (329,250) | 208,201 | 30,788 | 10,092 |
| OTHER FINANCING SOURCES (USES) | | | | | | | |
| Transfer In | - | - | - | 240,000 | - | - | - |
| Transfer Out | (190,000) | - | - | - | (3,227) | - | - |
| Total Other Financing Sources (Uses) | <u>(190,000)</u> | <u>-</u> | <u>-</u> | <u>240,000</u> | <u>(3,227)</u> | <u>-</u> | <u>-</u> |
| NET CHANGES IN FUND BALANCES | (166,318) | (2,472) | 426 | (89,250) | 204,974 | 30,788 | 10,092 |
| Fund Balances - Beginning of Year | <u>970,094</u> | <u>37,183</u> | <u>29,201</u> | <u>(185,884)</u> | <u>332,689</u> | <u>166,298</u> | <u>54,368</u> |
| FUND BALANCES - END OF YEAR | <u>\$ 803,776</u> | <u>\$ 34,711</u> | <u>\$ 29,627</u> | <u>\$ (275,134)</u> | <u>\$ 537,663</u> | <u>\$ 197,086</u> | <u>\$ 64,460</u> |

**TOWN OF COVENTRY, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
YEAR ENDED JUNE 30, 2022**

| | Special Revenue Funds | | Capital Projects | Permanent Funds | | Total Nonmajor Governmental Funds |
|--|-------------------------------|-----------------------|---------------------|---------------------------------------|-------------------|--|
| | Senior Center Donations | Student Activities | Land Acquisition | Loyzim Memorial and Scholarship | Cemetery Trust | |
| REVENUES | | | | | | |
| Intergovernmental | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 3,284,095 |
| Charges for Services | - | 282,617 | - | - | - | 3,606,883 |
| Investments Earnings | 220 | - | 108 | 470 | 81 | 8,053 |
| Miscellaneous | 91,529 | - | 5,000 | - | - | 212,919 |
| Total Revenues | 91,749 | 282,617 | 5,108 | 470 | 81 | 7,111,950 |
| EXPENDITURES | | | | | | |
| Current: | | | | | | |
| General Government | - | - | - | - | - | 30,500 |
| Public Safety | - | - | - | - | - | 849,380 |
| Public Works | - | - | - | - | - | 2,334,734 |
| Human Services | - | - | - | - | - | 8,377 |
| Culture and Recreation | - | - | - | - | - | 437,889 |
| Education | - | 346,154 | - | - | - | 3,039,969 |
| Capital Outlay | - | - | 56,745 | - | - | 160,942 |
| Total Expenditures | - | 346,154 | 56,745 | - | - | 6,861,791 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | 91,749 | (63,537) | (51,637) | 470 | 81 | 250,159 |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfer In | - | - | 15,000 | - | - | 290,750 |
| Transfer Out | - | - | - | - | - | (200,727) |
| Total Other Financing Sources (Uses) | - | - | 15,000 | - | - | 90,023 |
| NET CHANGES IN FUND BALANCES | 91,749 | (63,537) | (36,637) | 470 | 81 | 340,182 |
| Fund Balances - Beginning of Year | - | 310,588 | 38,565 | 6,310 | 26,809 | 2,822,541 |
| FUND BALANCES - END OF YEAR | <u>\$ 91,749</u> | <u>\$ 247,051</u> | <u>\$ 1,928</u> | <u>\$ 6,780</u> | <u>\$ 26,890</u> | <u>\$ 3,162,723</u> |

INTERNAL SERVICE FUNDS

INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for all of the activity associated with providing Medical and Dental insurance to all eligible Town and Board of Education employees.

- Dental Insurance fund was established to account for the self-insured dental activities of the Town and Board of Education.
- Health Insurance fund was established to account for the self-insured medical activities of the Town and Board of Education.

**TOWN OF COVENTRY, CONNECTICUT
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2022**

| | <u>Dental Insurance</u> | <u>Health Insurance</u> | <u>Total Internal Service Funds</u> |
|-------------------------------|-----------------------------|-----------------------------|---|
| ASSETS | | | |
| Cash and Cash Equivalents | \$ 139,946 | \$ - | \$ 139,946 |
| Accounts Receivable | - | 32,209 | 32,209 |
| Advance to Plan Administrator | - | 2,483,317 | 2,483,317 |
| Total Assets | <u>139,946</u> | <u>2,515,526</u> | <u>2,655,472</u> |
| LIABILITIES | | | |
| Claims Payable | - | 332,045 | 332,045 |
| Due to Other Funds | - | 394,000 | 394,000 |
| Total Liabilities | <u>-</u> | <u>726,045</u> | <u>726,045</u> |
| NET POSITION | | | |
| Unrestricted | <u>\$ 139,946</u> | <u>\$ 1,789,481</u> | <u>\$ 1,929,427</u> |

TOWN OF COVENTRY, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2022

| | Dental Insurance | Health Insurance | Total Internal Service Funds |
|-----------------------------------|---------------------|---------------------|------------------------------------|
| OPERATING REVENUES | | | |
| Employer Contributions | \$ 233,208 | \$ 4,826,328 | \$ 5,059,536 |
| Employee Contributions | - | 1,203,121 | 1,203,121 |
| Total Operating Revenues | <u>233,208</u> | <u>6,029,449</u> | <u>6,262,657</u> |
| OPERATING EXPENSES | | | |
| Administrative Expense | 13,537 | 764,982 | 778,519 |
| Employee Benefits | 170,696 | 4,442,512 | 4,613,208 |
| Total Operating Expenses | <u>184,233</u> | <u>5,207,494</u> | <u>5,391,727</u> |
| OPERATING INCOME | 48,975 | 821,955 | 870,930 |
| NONOPERATING REVENUE | | | |
| Investment Income | <u>-</u> | <u>1,521</u> | <u>1,521</u> |
| CHANGE IN NET POSITION | 48,975 | 823,476 | 872,451 |
| Net Position - Beginning of Year | <u>90,971</u> | <u>966,005</u> | <u>1,056,976</u> |
| NET POSITION - END OF YEAR | <u>\$ 139,946</u> | <u>\$ 1,789,481</u> | <u>\$ 1,929,427</u> |

**TOWN OF COVENTRY, CONNECTICUT
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2022**

| | Dental Insurance | Health Insurance | Total Internal Service Funds |
|--|---------------------|---------------------|------------------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Cash Received from Users | \$ 233,208 | \$ 5,997,240 | \$ 6,230,448 |
| Cash Payments to Providers of Benefits | (184,233) | (5,998,761) | (6,182,994) |
| Net Cash Provided by Operating Activities | 48,975 | (1,521) | 47,454 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Investment Income | - | 1,521 | 1,521 |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | | | |
| | 48,975 | - | 48,975 |
| Cash and Cash Equivalents - Beginning of Year | 90,971 | - | 90,971 |
| CASH AND CASH EQUIVALENTS - END OF YEAR | | | |
| | \$ 139,946 | \$ - | \$ 139,946 |
| RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES | | | |
| Operating Income | \$ 48,975 | \$ 821,955 | \$ 870,930 |
| Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities | | | |
| (Increase) Decrease in Accounts Receivable | - | (32,209) | (32,209) |
| (Increase) Decrease in Advance to Plan Administrator | - | (728,421) | (728,421) |
| Increase (Decrease) in Claims Payable | - | (62,846) | (62,846) |
| Net Cash Provided by Operating Activities | \$ 48,975 | \$ (1,521) | \$ 47,454 |

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.

**TOWN OF COVENTRY, CONNECTICUT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(UNAUDITED)**

| | Fiscal Year | | | | | | | | | |
|----------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
| Governmental Activities: | | | | | | | | | | |
| Net Investment in Capital Assets | \$ 97,999,198 | \$ 101,222,555 | \$ 101,222,555 | \$ 102,037,384 | \$ 101,359,144 | \$ 99,892,573 | \$ 98,581,273 | \$ 99,037,215 | \$ 97,824,048 | \$ 95,361,924 |
| Restricted | 6,467,582 | 7,682,783 | 7,682,783 | 31,910 | 30,174 | 30,356 | 5,128 | 3,994 | 4,010 | 3,536 |
| Unrestricted | 8,704,317 | (3,354,137) | (3,354,137) | 3,978,531 | 5,807,170 | 6,237,529 | 12,354,787 | 10,946,914 | 10,945,191 | 12,571,728 |
| Total Governmental Activities | | | | | | | | | | |
| Net Position | <u>\$ 113,171,097</u> | <u>\$ 105,551,201</u> | <u>\$ 105,551,201</u> | <u>\$ 106,047,825</u> | <u>\$ 107,196,488</u> | <u>\$ 106,160,458</u> | <u>\$ 110,941,188</u> | <u>\$ 109,988,123</u> | <u>\$ 108,773,249</u> | <u>\$ 107,937,188</u> |

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

| | Fiscal Year | | | | | | | | | |
|-------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
| PROGRAM EXPENSES | | | | | | | | | | |
| General Government | \$ 825,329 | \$ 3,021,286 | \$ 3,105,940 | \$ 3,120,076 | \$ 2,114,592 | \$ 2,325,920 | \$ 2,156,537 | \$ 2,484,135 | \$ 1,858,886 | \$ 1,984,348 |
| Public Safety | 5,194,900 | 4,510,971 | 4,640,962 | 4,157,498 | 3,941,988 | 3,891,121 | 3,690,030 | 3,365,991 | 3,397,462 | 3,283,643 |
| Public Works | 8,836,063 | 6,875,339 | 7,434,460 | 7,581,344 | 7,126,262 | 8,110,969 | 9,587,885 | 7,097,616 | 6,728,326 | 6,662,087 |
| Human Services | 577,032 | 454,257 | 626,509 | 986,564 | 981,549 | 577,274 | 944,061 | 586,088 | 660,061 | 413,873 |
| Culture and Recreation | 1,200,829 | 995,922 | 1,235,934 | 1,380,027 | 1,176,161 | 1,126,796 | 1,035,628 | 941,684 | 860,523 | 836,915 |
| Education | 29,469,409 | 40,763,701 | 37,365,051 | 33,299,881 | 35,584,039 | 35,409,114 | 32,494,869 | 31,327,868 | 31,847,323 | 30,666,316 |
| Debt Service | 545,328 | 598,254 | 648,600 | 388,476 | 439,219 | 396,525 | 530,530 | 629,053 | 481,934 | 742,876 |
| Total Governmental Activities | | | | | | | | | | |
| Program Expenses | 46,648,890 | 57,219,730 | 55,057,456 | 50,913,866 | 51,363,810 | 51,837,719 | 50,439,540 | 46,432,435 | 45,834,515 | 44,590,058 |
| PROGRAM REVENUES | | | | | | | | | | |
| Charges for Services: | | | | | | | | | | |
| General Government | 789,047 | 786,094 | 577,709 | 561,654 | 627,677 | 609,277 | 537,762 | 478,610 | 508,461 | 527,006 |
| Public Safety | 511,809 | 516,319 | 475,691 | 505,652 | 618,328 | 772,029 | 107,486 | 60,840 | 96,080 | 41,738 |
| Public Works | 1,927,417 | 1,793,901 | 1,656,790 | 1,677,942 | 1,785,453 | 1,685,558 | 1,643,266 | 1,557,051 | 1,660,966 | 1,643,468 |
| Human Services | 57,445 | 3,532 | 105,072 | 52,647 | 37,540 | 113,671 | 259,858 | 135,636 | 164,721 | 12,636 |
| Culture and Recreation | 347,309 | 172,811 | 314,776 | 455,260 | 392,974 | 382,192 | 433,114 | 263,029 | 258,129 | 270,101 |
| Education | 943,353 | 670,593 | 748,988 | 923,670 | 795,436 | 606,458 | 574,150 | 456,562 | 474,659 | 427,305 |
| Operating Grants and Contributions: | | | | | | | | | | |
| General Government | 402,895 | 185,640 | 42,868 | 10,499 | 8,623 | 68,920 | 14,200 | 5,000 | 55,249 | 20,716 |
| Public Safety | 25,744 | 103,836 | 19,644 | 27,405 | 9,518 | 11,160 | 28,795 | 6,209 | 6,227 | 6,154 |
| Public Works | - | - | 1,601 | 19,327 | 1,331 | - | - | 91,252 | 1,298 | 78,753 |
| Human Services | 145,571 | 55,211 | 120,051 | 207,793 | 97,437 | 38,345 | 489,502 | 83,299 | 276,209 | 70,081 |
| Culture and Recreation | 142,841 | 81,972 | 14,492 | 206,101 | 29,303 | 11,926 | 27,864 | 18,520 | 18,520 | 15,261 |
| Education | 13,961,411 | 19,030,925 | 15,784,503 | 12,086,433 | 14,506,185 | 15,478,113 | 13,778,325 | 13,112,454 | 13,985,376 | 13,595,784 |
| Interest on Long-Term Debt | - | - | - | - | - | - | - | - | - | - |
| Capital Grants and Contributions: | | | | | | | | | | |
| General Government | - | 302 | 4,615 | - | - | - | - | - | - | - |
| Public Safety | 27,750 | - | - | - | - | - | - | - | - | - |
| Public Works | 1,744,772 | 1,690,102 | 1,536,034 | 702,209 | 1,885,836 | 1,310,041 | 3,650,469 | 1,674,190 | 2,825,304 | 903,033 |
| Human Services | - | 47,159 | - | 276,104 | 523,896 | - | - | - | 4,695 | - |
| Culture and Recreation | 74,728 | 129,069 | - | - | - | - | - | - | - | - |
| Education | - | 95,446 | 96,384 | 240,956 | - | - | 13,500 | - | - | 53,937 |
| Total Governmental Activities | | | | | | | | | | |
| Program Revenues | 21,102,092 | 25,362,912 | 21,499,218 | 17,953,652 | 21,319,537 | 21,087,690 | 21,558,291 | 17,942,652 | 20,335,894 | 17,665,973 |
| NET GOVERNMENTAL EXPENSE | (25,546,798) | (31,856,818) | (33,558,238) | (32,960,214) | (30,044,273) | (30,750,029) | (28,881,249) | (28,489,783) | (25,498,621) | (26,924,085) |

**TABLE 2
(CONTINUED)**

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

| | Fiscal Year | | | | | | | | | |
|----------------------------------|---------------------|-------------------|-----------------------|-----------------------|---------------------|---------------------|-------------------|---------------------|---------------------|-------------------|
| | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
| GENERAL REVENUES | | | | | | | | | | |
| Property Taxes | \$ 32,907,015 | \$ 32,278,687 | \$ 31,921,565 | \$ 31,566,050 | \$ 30,867,144 | \$ 29,960,426 | \$ 29,571,806 | \$ 28,749,185 | \$ 27,936,255 | \$ 26,794,847 |
| Grants and Contributions Not | | | | | | | | | | |
| Restricted to Specific Purposes | 228,691 | 73,462 | 72,194 | 74,801 | 83,578 | 422,541 | 160,039 | 783,828 | 198,048 | 293,912 |
| Unrestricted Investment Earnings | 30,988 | 40,669 | 231,437 | 170,700 | 129,581 | 82,884 | 74,375 | 60,069 | 64,597 | 61,357 |
| Miscellaneous | - | - | - | - | - | 80,151 | 28,094 | 111,575 | 40,087 | 81,861 |
| Total General Revenues | <u>33,166,694</u> | <u>32,392,818</u> | <u>32,225,196</u> | <u>31,811,551</u> | <u>31,080,303</u> | <u>30,546,002</u> | <u>29,834,314</u> | <u>29,704,657</u> | <u>28,238,987</u> | <u>27,231,977</u> |
| CHANGE IN NET POSITION | <u>\$ 7,619,896</u> | <u>\$ 536,000</u> | <u>\$ (1,333,042)</u> | <u>\$ (1,148,663)</u> | <u>\$ 1,036,030</u> | <u>\$ (204,027)</u> | <u>\$ 953,065</u> | <u>\$ 1,214,874</u> | <u>\$ 2,740,366</u> | <u>\$ 307,892</u> |

**TOWN OF COVENTRY, CONNECTICUT
FUND BALANCES – GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(UNAUDITED)**

| | Fiscal Year | | | | | | | | | |
|------------------------------------|----------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
| General Fund | | | | | | | | | | |
| Nonspendable | \$ 192,457 | \$ 62,071 | \$ 52,589 | \$ 26,489 | \$ 23,329 | \$ 21,354 | \$ 417,956 | \$ 417,456 | \$ 413,375 | \$ 414,312 |
| Restricted | 11,407 | 11,597 | 14,607 | 18,297 | 34,048 | 34,048 | 37,845 | 37,845 | 37,845 | 40,054 |
| Committed | 46,192 | 5,697 | 104,248 | 2,699 | - | - | - | - | - | 2,363 |
| Assigned | 531,953 | 658,425 | 372,664 | 417,131 | 422,829 | 121,180 | 728,280 | 683,244 | 864,374 | 637,789 |
| Unassigned | 5,698,488 | 5,715,230 | 5,685,780 | 5,611,479 | 5,303,759 | 5,343,224 | 4,814,513 | 4,257,666 | 4,199,209 | 3,666,097 |
| Total General Fund | <u>\$ 6,480,497</u> | <u>\$ 6,453,020</u> | <u>\$ 6,229,888</u> | <u>\$ 6,076,095</u> | <u>\$ 5,783,965</u> | <u>\$ 5,519,806</u> | <u>\$ 5,998,594</u> | <u>\$ 5,396,211</u> | <u>\$ 5,514,803</u> | <u>\$ 4,760,615</u> |
| All Other Governmental Funds | | | | | | | | | | |
| Nonspendable | \$ 56,469 | \$ 51,020 | \$ 59,632 | \$ 41,297 | \$ 30,546 | \$ 41,612 | \$ 30,242 | \$ 12,307 | \$ 30,646 | \$ 13,687 |
| Restricted | 3,014,498 | 3,896,687 | 6,325,633 | 1,122,978 | 1,120,230 | 850,938 | 2,602,084 | 6,355,175 | 3,210,632 | 1,976,155 |
| Committed | 8,477,449 | 3,740,733 | 3,639,718 | 2,877,447 | 3,627,641 | 3,288,207 | 1,749,311 | 1,561,288 | 1,566,985 | 1,564,566 |
| Unassigned | (463,984) | (678,722) | (235,634) | - | - | - | (1,809) | (4,982,069) | (1,944,932) | (230,959) |
| Total All Other Governmental Funds | <u>\$ 11,084,432</u> | <u>\$ 7,009,718</u> | <u>\$ 9,789,349</u> | <u>\$ 4,041,722</u> | <u>\$ 4,778,417</u> | <u>\$ 4,180,757</u> | <u>\$ 4,379,828</u> | <u>\$ 2,946,701</u> | <u>\$ 2,863,331</u> | <u>\$ 3,323,449</u> |

**TOWN OF COVENTRY, CONNECTICUT
CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(UNAUDITED)**

| | Fiscal Year | | | | | | | | | |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
| REVENUES | | | | | | | | | | |
| Property Taxes | \$ 32,863,240 | \$ 32,290,548 | \$ 31,831,641 | \$ 31,520,482 | \$ 30,835,771 | \$ 30,001,160 | \$ 29,733,732 | \$ 28,619,356 | \$ 28,197,177 | \$ 27,323,143 |
| Intergovernmental | 17,714,688 | 16,245,140 | 15,226,069 | 11,618,656 | 16,998,922 | 17,324,623 | 16,745,287 | 15,377,095 | 15,281,084 | 14,397,126 |
| Charges for Services | 4,770,589 | 4,293,057 | 4,123,929 | 4,433,270 | 4,629,250 | 4,734,304 | 3,713,905 | 3,317,004 | 3,370,878 | 3,269,231 |
| Investment Earnings | 29,467 | 33,438 | 210,072 | 143,973 | 96,849 | 72,198 | 58,957 | 57,177 | 61,952 | 59,717 |
| Miscellaneous | 294,710 | 240,053 | 422,860 | 165,272 | 233,634 | 95,736 | 75,347 | 136,099 | 67,521 | 96,312 |
| Total Revenues | 55,672,694 | 53,102,236 | 51,814,571 | 47,881,653 | 52,794,426 | 52,228,021 | 50,327,228 | 47,506,731 | 46,978,612 | 45,145,529 |
| EXPENDITURES | | | | | | | | | | |
| General Government | 2,143,699 | 1,914,239 | 1,783,228 | 1,630,311 | 1,507,917 | 1,618,070 | 1,594,621 | 1,562,298 | 1,685,343 | 1,428,965 |
| Public Safety | 3,419,119 | 3,345,769 | 3,091,836 | 2,991,702 | 2,819,953 | 2,797,031 | 2,376,012 | 2,185,364 | 2,223,770 | 2,180,853 |
| Public Works | 4,995,715 | 4,401,387 | 4,518,575 | 4,363,156 | 3,958,916 | 5,200,802 | 4,623,734 | 4,121,711 | 3,905,379 | 3,720,960 |
| Human Services | 432,698 | 348,674 | 511,605 | 881,088 | 894,869 | 494,963 | 856,685 | 503,113 | 577,211 | 316,328 |
| Culture and Recreation | 1,064,264 | 884,617 | 1,112,122 | 1,207,440 | 1,071,035 | 1,036,299 | 947,815 | 906,098 | 833,251 | 801,692 |
| Insurance and Sundry | 2,437,002 | 2,336,134 | 2,220,460 | 2,170,684 | 2,161,875 | 2,317,379 | 2,336,362 | 2,289,975 | 2,441,774 | 2,282,645 |
| Education | 35,761,455 | 34,411,230 | 33,653,372 | 29,418,682 | 34,148,147 | 34,549,770 | 31,711,416 | 31,011,899 | 31,075,590 | 29,740,588 |
| Debt Service: | | | | | | | | | | |
| Principal | 1,713,575 | 1,991,176 | 1,991,176 | 1,991,176 | 1,991,176 | 1,991,176 | 1,991,176 | 1,991,176 | 1,991,176 | 1,991,176 |
| Interest | 1,076,081 | 919,184 | 866,552 | 911,841 | 783,605 | 751,382 | 646,159 | 789,327 | 631,226 | 806,862 |
| Capital Outlay | 3,938,423 | 5,750,243 | 4,048,885 | 2,914,138 | 3,143,614 | 3,015,063 | 4,857,259 | 2,519,458 | 2,189,356 | 1,191,514 |
| Total Expenditures | 56,982,031 | 56,302,653 | 53,797,811 | 48,480,218 | 52,481,107 | 53,771,935 | 51,941,239 | 47,880,419 | 47,554,076 | 44,461,583 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | (1,309,337) | (3,200,417) | (1,983,240) | (598,565) | 313,319 | (1,543,914) | (1,614,011) | (373,688) | (575,464) | 683,946 |

**TABLE 4
(CONTINUED)**

**TOWN OF COVENTRY, CONNECTICUT
CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS (CONTINUED)
LAST TEN FISCAL YEARS
(UNAUDITED)**

| | Fiscal Year | | | | | | | | | |
|--|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|----------------------------|-----------------------------|----------------------------|----------------------------|----------------------------|
| | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
| OTHER FINANCING SOURCES (USES) | | | | | | | | | | |
| Proceeds from Bonds Issued | \$ 4,180,000 | \$ - | \$ 7,270,000 | \$ - | \$ - | \$ - | \$ 3,400,000 | \$ 4,275,000 | \$ - | \$ - |
| Premium on Bond Issuance | 295,308 | - | 244,660 | - | - | - | 64,521 | - | - | - |
| Premium on Bond Refunding | - | - | - | - | - | - | - | 378,124 | - | - |
| Payments to Escrow Agents | - | - | - | - | - | - | - | (4,553,626) | - | - |
| Proceeds from Notes Payable | 159,720 | - | - | - | - | - | - | - | - | - |
| Proceeds from Leases | 776,500 | 343,500 | 370,000 | 154,000 | 548,500 | 866,055 | 185,000 | 238,968 | 869,534 | - |
| Transfers In | 1,725,648 | 1,693,326 | 2,102,058 | 1,509,226 | 1,501,057 | 1,441,054 | 1,011,887 | 1,259,248 | 1,011,887 | 1,124,574 |
| Transfers Out | (1,725,648) | (1,693,326) | (2,102,058) | (1,509,226) | (1,501,057) | (1,441,054) | (1,011,887) | (1,259,248) | (1,011,887) | (1,124,574) |
| Total Other Financing Sources | <u>5,411,528</u> | <u>343,500</u> | <u>7,884,660</u> | <u>154,000</u> | <u>548,500</u> | <u>866,055</u> | <u>3,649,521</u> | <u>338,466</u> | <u>869,534</u> | <u>-</u> |
| NET CHANGES IN FUND BALANCES | 4,102,191 | (2,856,917) | 5,901,420 | (444,565) | 861,819 | (677,859) | 2,035,510 | (35,222) | 294,070 | 683,946 |
| Fund Balances - Beginning of Year | <u>13,462,738</u> | <u>16,319,655</u> * | <u>10,117,817</u> | <u>10,562,382</u> | <u>9,700,563</u> | <u>10,378,422</u> | <u>8,342,912</u> | <u>8,378,134</u> | <u>8,084,064</u> | <u>7,400,118</u> |
| FUND BALANCES - END OF YEAR | <u>\$ 17,564,929</u> | <u>\$ 13,462,738</u> | <u>\$ 16,019,237</u> | <u>\$ 10,117,817</u> | <u>\$ 10,562,382</u> | <u>\$ 9,700,563</u> | <u>\$ 10,378,422</u> | <u>\$ 8,342,912</u> | <u>\$ 8,378,134</u> | <u>\$ 8,084,064</u> |
| Debt Service as a Percentage of Noncapital Expenditures | 5.2% | 5.7% | 5.7% | 6.0% | 5.6% | 5.4% | 5.7% | 5.7% | 5.7% | 6.1% |

* Fund balance was restated as a result of GASB 84.

TOWN OF COVENTRY, CONNECTICUT
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(UNAUDITED)

| Fiscal Year Ended June 30, | Real Estate | Personal Property | Motor Vehicle | Tax Exempt Property | Total Taxable Assessed Value | Total Direct Tax Rate | Estimated Actual Taxable Value | Taxable Assessed Value as a Percentage of Actual Value |
|-------------------------------------|----------------|----------------------|------------------|---------------------------|---------------------------------------|--------------------------------|---|--|
| 2022 | \$ 886,831,100 | \$ 45,049,697 | \$ 107,131,280 | \$ 62,228,900 | \$ 1,039,012,077 | 31.15 % | \$ 1,395,404,539 | 70.00 % |
| 2021 | 879,842,800 | 43,177,230 | 99,666,280 | 61,802,500 | 1,022,686,310 | 31.17 | 1,372,691,157 | 70.00 |
| 2020 | 839,596,750 | 40,658,100 | 97,637,790 | 61,101,400 | 977,892,640 | 31.17 | 1,309,701,771 | 70.00 |
| 2019 | 832,566,850 | 38,363,265 | 95,031,720 | 60,914,900 | 965,961,835 | 31.17 | 1,292,924,193 | 70.00 |
| 2018 | 826,763,250 | 32,368,638 | 92,835,480 | 61,236,400 | 951,967,368 | 32.00 | 1,272,472,811 | 70.00 |
| 2017 | 820,782,150 | 29,316,513 | 99,675,478 | 60,318,000 | 949,774,141 | 31.20 | 1,270,651,630 | 70.00 |
| 2016 | 815,032,050 | 26,399,488 | 89,541,693 | 60,618,000 | 930,973,231 | 31.20 | 1,329,961,759 | 70.00 |
| 2015 | 888,619,570 | 23,512,510 | 87,582,470 | 63,066,000 | 999,714,550 | 28.47 | 1,428,163,643 | 70.00 |
| 2014 | 882,011,200 | 21,353,685 | 91,608,910 | 64,279,200 | 994,973,795 | 27.97 | 1,421,391,136 | 70.00 |
| 2013 | 875,852,520 | 21,623,725 | 86,050,500 | 62,748,000 | 983,526,745 | 27.00 | 1,405,038,207 | 70.00 |

Source: Assessor and Revenue Collector

**TOWN OF COVENTRY, CONNECTICUT
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)**

| Taxpayer | FY 2022 | | | FY 2013 | | |
|--------------------------------------|------------------------|------|---|------------------------|------|---|
| | 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 | \$ 25,486,010 | 1 | 2.45 % | \$ 9,460,020 | 1 | 0.96 % |
| Connecticut Water Company | 6,424,600 | 2 | 0.62 | 1,461,400 | 10 | 0.15 |
| White Mountain-Coventry LLC | 3,250,600 | 3 | 0.31 | 2,702,200 | 3 | 0.27 |
| Chester Investment Trust LLC | 3,194,920 | 4 | 0.31 | - | - | - |
| Meadow Brook of Coventry LLC | 2,350,300 | 5 | 0.23 | 1,814,200 | 6 | 0.18 |
| Teleflex-CT Devices | 2,041,930 | 6 | 0.20 | - | - | - |
| Coventry Self Storage | 1,982,980 | 7 | 0.19 | 1,515,000 | 9 | 0.15 |
| Cumberland Farms Inc. | 1,684,400 | 8 | 0.16 | - | - | - |
| Pelletier Richard C | 1,487,940 | 9 | 0.13 | - | - | - |
| Nadeau Ronald R & Jeannine G Trustee | 1,268,300 | 10 | 0.12 | - | - | - |
| McDermott Properties LLC | - | - | - | 1,638,100 | 8 | 0.17 |
| CIL Realty | - | - | - | 2,160,400 | 4 | 0.22 |
| Coventry Funding LLC | - | - | - | 2,994,100 | 2 | 0.30 |
| Algonquin Gas Transmission | - | - | - | 2,157,600 | 5 | 0.22 |
| Imperial Development LLC | - | - | - | 1,787,600 | 7 | 0.18 |
| Total Taxable Grand List | \$ 49,171,980 | | 4.72 % | \$ 27,690,620 | | 2.80 % |

Source: Grand List

**TOWN OF COVENTRY, CONNECTICUT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(UNAUDITED)**

| Fiscal Year Ended June 30, | Grand List Year | Taxes Levied for the Fiscal Year | Collected Within the Fiscal Year of the Levy | | Collections in Subsequent Years | Total Collections to Date | |
|----------------------------|-----------------|----------------------------------|--|--------------------|---------------------------------|---------------------------|--------------------|
| | | | Amount | Percentage of Levy | | Amount | Percentage of Levy |
| 2022 | 2020 | \$ 32,799,361 | \$ 32,374,823 | 98.71 % | \$ - | \$ 32,374,823 | 98.71 % |
| 2021 | 2019 | 31,735,560 | 31,381,577 | 98.88 | 212,677 | 31,594,254 | 99.55 |
| 2020 | 2018 | 31,735,560 | 31,327,645 | 98.71 | 256,718 | 31,584,363 | 99.52 |
| 2019 | 2017 | 31,394,762 | 30,992,182 | 98.72 | 365,627 | 31,357,809 | 99.88 |
| 2018 | 2016 | 30,712,305 | 30,360,593 | 98.85 | 327,996 | 30,688,589 | 99.92 |
| 2017 | 2015 | 29,817,602 | 29,467,102 | 98.82 | 329,526 | 29,796,628 | 99.93 |
| 2016 | 2014 | 29,303,009 | 28,975,106 | 98.88 | 312,300 | 29,287,406 | 99.95 |
| 2015 | 2013 | 28,655,700 | 28,167,400 | 98.30 | 477,499 | 28,644,899 | 99.96 |
| 2014 | 2012 | 27,821,385 | 27,346,108 | 98.29 | 464,890 | 27,810,998 | 99.96 |
| 2013 | 2011 | 26,670,524 | 26,181,203 | 98.17 | 481,025 | 26,662,228 | 99.97 |

**TOWN OF COVENTRY, CONNECTICUT
RATIOS OF TOTAL DIRECT DEBT
LAST TEN FISCAL YEARS
(UNAUDITED)**

| Fiscal Year | General Bonded Debt | | Other Governmental Activities Debt | | | Total Primary Government | Total Direct Debt Per Capita (a) | Ratio of Total Direct Debt to Net Taxable Grand List (b) | Ratio of Total Direct Debt to Full Value Grand List (b) |
|-------------|--------------------------|--------------|------------------------------------|-------------------|------------------------|--------------------------|----------------------------------|--|---|
| | General Obligation Bonds | Bond Premium | Notes Payable | Lease Payable (C) | Clean Water Fund Loans | | | | |
| 2022 | \$ 16,815,000 | \$ 803,430 | \$ 1,577,045 | \$ 339,509 | \$ 2,621,395 | \$ 22,156,379 | \$ 1,782 | 2.13 | 2.01 % |
| 2021 | 13,855,000 | 578,767 | 1,270,673 | - | 3,114,970 | 18,819,410 | 1,514 | 1.84 | 1.74 |
| 2020 | 15,235,000 | 649,412 | 1,305,179 | - | 3,598,778 | 20,788,369 | 1,679 | 2.13 | 2.00 |
| 2019 | 9,345,000 | 472,798 | 1,293,057 | - | 4,073,016 | 15,183,871 | 1,219 | 1.57 | 1.48 |
| 2018 | 10,995,000 | 531,669 | 1,475,681 | - | 4,537,870 | 17,540,220 | 1,408 | 1.84 | 1.73 |
| 2017 | 12,460,000 | 590,540 | 1,281,159 | - | 4,993,527 | 19,325,226 | 1,553 | 2.03 | 1.91 |
| 2016 | 13,905,000 | 649,411 | 741,145 | - | 5,440,169 | 20,735,725 | 1,666 | 2.23 | 2.09 |
| 2015 | 11,960,000 | 643,761 | 784,040 | - | 5,877,974 | 19,265,775 | 1,547 | 1.93 | 1.81 |
| 2014 | 13,570,000 | 321,436 | 735,528 | - | 6,307,117 | 20,934,081 | 1,681 | 2.10 | 1.98 |
| 2013 | 15,140,000 | 352,027 | 119,819 | - | 6,727,770 | 22,339,616 | 1,797 | 2.27 | 2.14 |

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

(a) See Table 12 "Demographic and Economic Statistics" for personal income and population data. These ratios are calculated using person income and population for the prior calendar year.

(b) See Table 5 "Assessed Value and Estimated Actual Value of Taxable Property" for taxable property value data.

(c) The Town implemented GASB 87 during fiscal year 2022

**TOWN OF COVENTRY, CONNECTICUT
RATIOS OF NET DIRECT AND TOTAL OVERALL NET DEBT
LAST TEN FISCAL YEARS
(UNAUDITED)**

| Fiscal Year | Total Direct Debt | Less: Sewer Assessment Receivable | Net Direct Debt | Overlapping/ Underlying Debt | Total Overall Net Debt | Total Overall Net Debt Per Capita (a) | Ratio of Total Overall Net Debt to Net Taxable Grand List (b) | Ratio of Total Overall Net Debt to Full Value Grand List (b) |
|-------------|-------------------|-----------------------------------|-----------------|------------------------------|------------------------|---------------------------------------|---|--|
| 2022 | \$ 22,156,379 | \$ 995,184 | \$ 21,161,195 | - | \$ 21,161,195 | \$ 1,702 | 2.17 % | 2.04 % |
| 2021 | 18,819,410 | 1,235,090 | 17,584,320 | - | 17,584,320 | 1,414 | 1.72 % | 1.62 % |
| 2020 | 20,788,369 | 1,508,378 | 19,279,991 | - | 19,279,991 | 1,574 | 1.97 | 1.86 |
| 2019 | 15,183,871 | 1,839,989 | 13,343,882 | - | 13,343,882 | 1,071 | 1.38 | 1.30 |
| 2018 | 17,540,220 | 2,175,341 | 15,364,879 | - | 15,364,879 | 1,235 | 1.61 | 1.52 |
| 2017 | 19,325,226 | 2,530,238 | 16,794,988 | - | 16,794,988 | 1,349 | 1.77 | 1.66 |
| 2016 | 20,735,725 | 2,937,328 | 17,798,397 | - | 17,798,397 | 1,431 | 1.91 | 1.79 |
| 2015 | 19,265,775 | 3,265,924 | 15,999,851 | - | 15,999,851 | 1,286 | 1.60 | 1.51 |
| 2014 | 20,934,081 | 3,702,410 | 17,231,671 | - | 17,231,671 | 1,389 | 1.73 | 1.63 |
| 2013 | 22,339,616 | 4,044,405 | 18,295,211 | - | 18,295,211 | 1,473 | 1.86 | 1.75 |

Note 1: Details regarding the Town's outstanding debt can be found in the notes to the financial statements.

Note 2: As the net direct debt of the Town and the total overall net debt of the Town are the same, the Town has only presented ratios on overall net debt.

(a) See Table 12 "Demographic and Economic Statistics" for personal income and population data. These ratios are calculated using person income and population for the prior calendar year.

(b) See Table 5 "Assessed Value and Estimated Actual Value of Taxable Property" for taxable property value data.

**TOWN OF COVENTRY, CONNECTICUT
SCHEDULE OF DEBT LIMITATION
YEAR ENDED JUNE 30, 2022**

Total Tax Collections (Including Interest and Lien Fees)
Received by Treasurer for the Year Ended June 30, 2021

\$ 32,269,838

Total Base

\$ 32,269,838

| | General Purpose | Schools | Sewers | Urban Renewal | Pension Deficit |
|---|----------------------|-----------------------|-----------------------|-----------------------|----------------------|
| Debt Limitation: | | | | | |
| 2 1/4 Times Base | \$ 72,607,136 | \$ - | \$ - | \$ - | \$ - |
| 4 1/2 Times Base | - | 145,214,271 | - | - | - |
| 3 3/4 Times Base | - | - | 121,011,893 | - | - |
| 3 1/4 Times Base | - | - | - | 104,876,974 | - |
| 3 Times Base | - | - | - | - | 96,809,514 |
| Total Debt Limitation | <u>72,607,136</u> | <u>145,214,271</u> | <u>121,011,893</u> | <u>104,876,974</u> | <u>96,809,514</u> |
| Indebtedness: | | | | | |
| Bonds Payable | 10,283,000 | 6,532,000 | 2,662,903 | - | - |
| Authorized, Unissued Bonds | - | 4,330,000 | 91,599 | - | - |
| Total Indebtedness | <u>10,283,000</u> | <u>10,862,000</u> | <u>2,754,502</u> | <u>-</u> | <u>-</u> |
| Less: Amounts to be Provided by the State and Other | - | - | (995,184) | - | - |
| Net Indebtedness | <u>10,283,000</u> | <u>10,862,000</u> | <u>1,759,318</u> | <u>-</u> | <u>-</u> |
| Debt Limitation in Excess of Outstanding and Authorized Debt | <u>\$ 62,324,136</u> | <u>\$ 134,352,271</u> | <u>\$ 119,252,575</u> | <u>\$ 104,876,974</u> | <u>\$ 96,809,514</u> |

Note 1: In no case shall total indebtedness exceed seven times annual receipts from taxation (\$225,888,866).

Note 2: Amounts above do not include \$102,000 of Water System Improvement bonds issued.

Note 3: Sewer assessment receivable of \$995,184 billed on an annual basis to benefiting property owners will be used to offset the cost of the debt service for sewer projects.

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

Legal Debt Margin Calculation
for Fiscal Year 2021:

| | |
|-----------------------------------|------------|
| Revenue Base | \$ 32,270 |
| Debt Limit (Revenue Base Times 7) | \$ 225,889 |
| Debt Applicable to Limit: | |
| General Obligation Bonds | 19,478 |
| Plus: Bonds Authorized, Unissued | 4,422 |
| Less: Grant Commitments | (995) |
| Total Debt Applicable to Limit | 22,904 |
| Legal Debt Margin | \$ 202,985 |

| | Fiscal Year | | | | | | | | | |
|---|-------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
| Debt Limit | \$ 225,889 | \$ 222,734 | \$ 220,097 | \$ 216,004 | \$ 209,635 | \$ 209,635 | \$ 208,328 | \$ 200,234 | \$ 198,881 | \$ 191,279 |
| Total Net Debt Applicable to Limit | 22,904 | 16,128 | 17,847 | 11,670 | 16,940 | 14,777 | 16,233 | 18,064 | 16,897 | 18,224 |
| Legal Debt Margin | \$ 202,985 | \$ 206,606 | \$ 202,250 | \$ 204,334 | \$ 192,695 | \$ 194,858 | \$ 192,095 | \$ 182,170 | \$ 181,984 | \$ 173,055 |
| Total Net Debt Applicable to the Limit as a Percentage of Debt Limit | 10.14% | 7.24% | 8.11% | 5.40% | 8.08% | 7.05% | 7.79% | 9.02% | 8.50% | 9.53% |

**TOWN OF COVENTRY, CONNECTICUT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

| Year | Population (1) | Personal Income (1) (thousands of dollars) | Per Capita Personal Income (1) | School Enrollment | Unemployment Rate (2) |
|------|----------------|---|---|----------------------|--------------------------|
| 2022 | 12,433 | \$ 446,873 | \$ 35,942 | 1,606 | 4.00 % |
| 2021 | 12,433 | 446,873 | 35,942 | 1,606 | 7.70 |
| 2020 | 12,249 | 417,127 | 34,054 | 1,674 | 3.80 |
| 2019 | 12,458 | 417,127 | 33,483 | 1,649 | 3.90 |
| 2018 | 12,446 | 418,768 | 33,647 | 1,690 | 4.50 |
| 2017 | 12,450 | 413,615 | 33,222 | 1,625 | 4.00 |
| 2016 | 12,434 | 444,068 | 35,714 | 1,624 | 5.30 |
| 2015 | 12,445 | 430,249 | 34,572 | 1,643 | 7.10 |
| 2014 | 12,402 | 425,902 | 34,341 | 1,685 | 7.90 |
| 2013 | 12,418 | 438,964 | 35,349 | 1,723 | 6.90 |

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

| Employer | 2022 | | | 2013 | | |
|--|------------|------|-------------------------------------|------------|------|-------------------------------------|
| | Employees | Rank | Percentage of Total Town Employment | Employees | Rank | Percentage of Total Town Employment |
| Town of Coventry | 459 | 1 | 31.96 % | 363 | 1 | 26.81 % |
| Highland Park Market | 85 | 2 | 5.92 | 73 | 2 | 5.39 |
| Teleflex Medical (formerly Genzyme Surgical) | 63 | 3 | 4.39 | 32 | 4 | 2.36 |
| Dunkin Donuts | 35 | 4 | 2.44 | 23 | 10 | 1.70 |
| Bidwell Tavern | 30 | 5 | 2.09 | 31 | 5 | 2.29 |
| Sadlak Industries | 25 | 6 | 1.74 | 29 | 6 | 2.14 |
| Walgreens | 25 | 7 | 1.74 | 25 | 9 | 1.85 |
| Pelletier Builders | 22 | 8 | 1.53 | 48 | 3 | 3.55 |
| CVS Pharmacy | 21 | 9 | 1.46 | 26 | 7 | 1.92 |
| Dimitri's | 16 | 10 | 1.11 | 25 | 8 | 1.85 |
| Total | 781 | | 54.39 % | 675 | | 49.86 % |

Source: Finance Office

**TOWN OF COVENTRY, CONNECTICUT
FULL-TIME EQUIVALENT TOWN GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(UNAUDITED)**

| Function/Program | Fiscal Year | | | | | | | | | |
|---------------------------------|-------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
| Town Government: | | | | | | | | | | |
| General Administration | 15 | 15 | 15 | 16 | 16 | 16 | 16 | 16 | 18 | 18 |
| Public Safety | 21 | 21 | 21 | 22 | 21 | 22 | 21 | 21 | 21 | 21 |
| Public Works | 25 | 25 | 24 | 24 | 23 | 24 | 24 | 24 | 19 | 17 |
| Human Services | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 3 | 3 |
| Civic and Cultural | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Total Town | 67 | 67 | 66 | 68 | 66 | 68 | 67 | 67 | 63 | 61 |
| Board of Education: | | | | | | | | | | |
| Noncertified Staff * | 138 | 138 | 144 | 149 | 154 | 154 | 146 | 129 | 130 | 131 |
| Certified Staff | 186 | 186 | 186 | 184 | 186 | 187 | 182 | 178 | 175 | 173 |
| Total Board of Education | 324 | 324 | 330 | 333 | 340 | 341 | 328 | 307 | 305 | 304 |
| Total All Employees | 391 | 391 | 396 | 401 | 406 | 409 | 395 | 374 | 368 | 365 |

* Preschool Employees Included as of 2013

Source: Town Finance Department and BOE Business Office

**TOWN OF COVENTRY, CONNECTICUT
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(UNAUDITED)**

| Function/Program | Fiscal Year | | | | | | | | | |
|---|-------------|----------|----------|-----------|--------|--------|--------|---------|---------|---------|
| | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
| Building Department: | | | | | | | | | | |
| Construction Permits | 1,012 | 1,161 | 937 | 899 | 917 | 810 | 938 | 821 | 847 | 789 |
| Zoning Permits | 378 | 378 | 278 | 282 | 225 | 229 | 252 | 187 | 200 | 144 |
| C/O's and C/C's | 838 | 937 | 719 | 813 | 709 | 685 | 735 | 695 | 637 | 527 |
| Planning: | | | | | | | | | | |
| Special Permit | 4 | 4 | 5 | 12 | 5 | 2 | 6 | 3 | 9 | 7 |
| Subdivision | 1 | 2 | 1 | 2 | 3 | 3 | 1 | 4 | 3 | 3 |
| Zoning Changes | 3 | 2 | - | 1 | - | 1 | - | 3 | 1 | 1 |
| Police: | | | | | | | | | | |
| Medical Calls | 516 | 478 | 531 | 616 | 615 | 656 | 581 | 572 | 491 | 511 |
| Motor Vehicle Stops | 599 | 474 | 1,032 | 1,888 | 1,813 | 1,339 | 1,909 | 1,547 | 1,168 | 1,127 |
| Animal Complaints | 290 | 214 | 269 | 304 | 314 | 363 | 345 | 303 | 360 | 382 |
| Total Calls for Service*** | 5,488 | 4,137 | 6,713 | 7,950 | 7,968 | 7,282 | | | | |
| Total Arrests*** | 289 | 204 | 223 | 223 | 212 | 156 | | | | |
| Animal Control (Town Clerk): | | | | | | | | | | |
| Dog Licenses | 1,569 | 1,300 | 1,249 | 1,381 | 1,408 | 1,430 | 1,442 | 1,468 | 1,533 | 1,454 |
| Kennel Licenses | 15 | 13 | 12 | 13 | 14 | 16 | 13 | 13 | 13 | 12 |
| Library: | | | | | | | | | | |
| Total Circulation | 61,083 | 41,426 | 64,467 | 79,650 | 77,278 | 86,376 | 89,484 | 121,211 | 106,599 | 100,689 |
| Annual Attendance | 16,171 | 10,215 | 26,173 | 45,391 | 46,497 | 54,140 | 67,056 | 57,357 | 51,165 | 39,659 |
| Interlibrary Loans | 8,626 | 5,287 | 1,468 | 2,243 | 2,034 | 1,104 | 2,605 | 3,947 | 3,508 | 2,997 |
| Internet Users | 26,589 | 44,236 * | 88,285 * | 121,420 * | 19,510 | 24,692 | 20,742 | 20,789 | 20,608 | 16,672 |
| Refuse Collection: | | | | | | | | | | |
| Tons Received at Transfer Station: | | | | | | | | | | |
| Construction/Stumps/Brush | 379 | 362 | 243 | 263 | 263 | 235 | 249 | 209 | 178 | 180 |
| Metal | 53 | 77 | 61 | 54 | 23 | 21 | 22 | 15 | 23 | 18 |
| Leaves | 23 | 46 | 33 | 39 | 42 | 33 | 59 | 65 | 77 | 64 |
| Electronics (Units) | 1,521 | 2,692 | 2,634 | 2,424 | 3,011 | 2,831 | 2,287 | 1,889 | 1,801 | 1,765 |
| Freon (Units) | 415 | 408 | 373 | 347 | 307 | 287 | 297 | 241 | 227 | 173 |
| Propane Tanks (Units) | 108 | 166 | 156 | 189 | 148 | 159 | 137 | 133 | 117 | 97 |
| Tires (Units) | 355 | 358 | 248 | 260 | 152 | 178 | 190 | 164 | 50 | 89 |
| Curbside Bulk (Tons) | 192 | 208 | 226 | 249 | 224 | 210 | 226 | 189 | 183 | 150 |

**TOWN OF COVENTRY, CONNECTICUT
OPERATING INDICATORS BY FUNCTION/PROGRAM (CONTINUED)
LAST TEN FISCAL YEARS
(UNAUDITED)**

| Function/Program | Fiscal Year | | | | | | | | | |
|----------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
| Registrar of Voters: | | | | | | | | | | |
| Total Registered Voters | 8,955 | 8,954 | 8,632 | 8,575 | 8,375 | 8,044 | 7,511 | 7,304 | 7,508 | 7,632 |
| Revenue Services: | | | | | | | | | | |
| Total Taxes Collected | \$ 32,728,188 | \$ 32,258,020 | \$ 31,831,641 | \$ 31,520,482 | \$ 30,916,058 | \$ 29,882,074 | \$ 29,585,427 | \$ 28,676,314 | \$ 27,914,503 | \$ 26,838,753 |
| Education: | | | | | | | | | | |
| Total Student Enrollment** | 1,655 | 1,606 | 1,674 | 1,641 | 1,682 | 1,616 | 1,624 | 1,643 | 1,685 | 1,723 |

* Change in calculation

** Enrollment data is reported as of October in each fiscal year, per the State Department of Education enrollment data collection guidelines.

*** Total calls for service and total arrests statistics added in fiscal year 2017.

Source: Departmental Annual Reports; PSIS Racial Survey by District October report

**TOWN OF COVENTRY, CONNECTICUT
CAPITAL ASSETS AND INFRASTRUCTURE STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(UNAUDITED)**

| Function/Program | Fiscal Year | | | | | | | | | |
|---------------------------|-------------|------|------|------|------|------|------|------|------|------|
| | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
| Municipal Buildings | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 9 | 9 |
| Fire Stations/Substations | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 |
| Water: | | | | | | | | | | |
| Fire Ponds | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 |
| Dry Hydrants | 21 | 21 | 21 | 21 | 21 | 21 | 21 | 21 | 21 | 21 |
| Schools | 5 * | 5 * | 5 * | 5 * | 4 | 4 | 4 | 4 | 4 | 4 |
| Parks and Recreation: | | | | | | | | | | |
| Buildings | 10 | 10 | 10 | 10 | 9 | 9 | 9 | 9 | 8 | 8 |
| Parks | 8 | 8 | 8 | 8 | 7 | 7 | 7 | 7 | 7 | 6 |
| Highway: | | | | | | | | | | |
| Paved Miles | 111 | 111 | 111 | 111 | 111 | 111 | 111 | 110 | 109 | 107 |
| Unimproved Miles | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 5 |

*Includes addition of Coventry Academy

Source: Departmental Annual Reports