

Town of Plymouth Connecticut



Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2020

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Fiscal Year Ended June 30, 2020

Prepared by:
COMPTROLLER'S OFFICE

DIRECTOR OF FINANCE
Ann Marie Rheault

**TOWN OF PLYMOUTH, CONNECTICUT
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
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 JUNE 30, 2020**

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Introductory Section

TOWN OF PLYMOUTH, CONNECTICUT

For Fiscal Year Ended June 30, 2020

PRINCIPAL OFFICIALS

MAYOR AND TOWN COUNCIL

David V. Merchant, Mayor
Councilman Daniel Gentile
Councilman Joe Green
Councilwoman Susan R. Murawski
Councilman John Pajeski
Councilman Tom Zagurski

BOARD OF FINANCE

James Kilduff, Chairman
Victoria A. Carey, Vice-Chairman
Eugene Croce
Barbara Rockwell
David Sekorski
Elizabeth Wollenberg

ADMINISTRATION

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

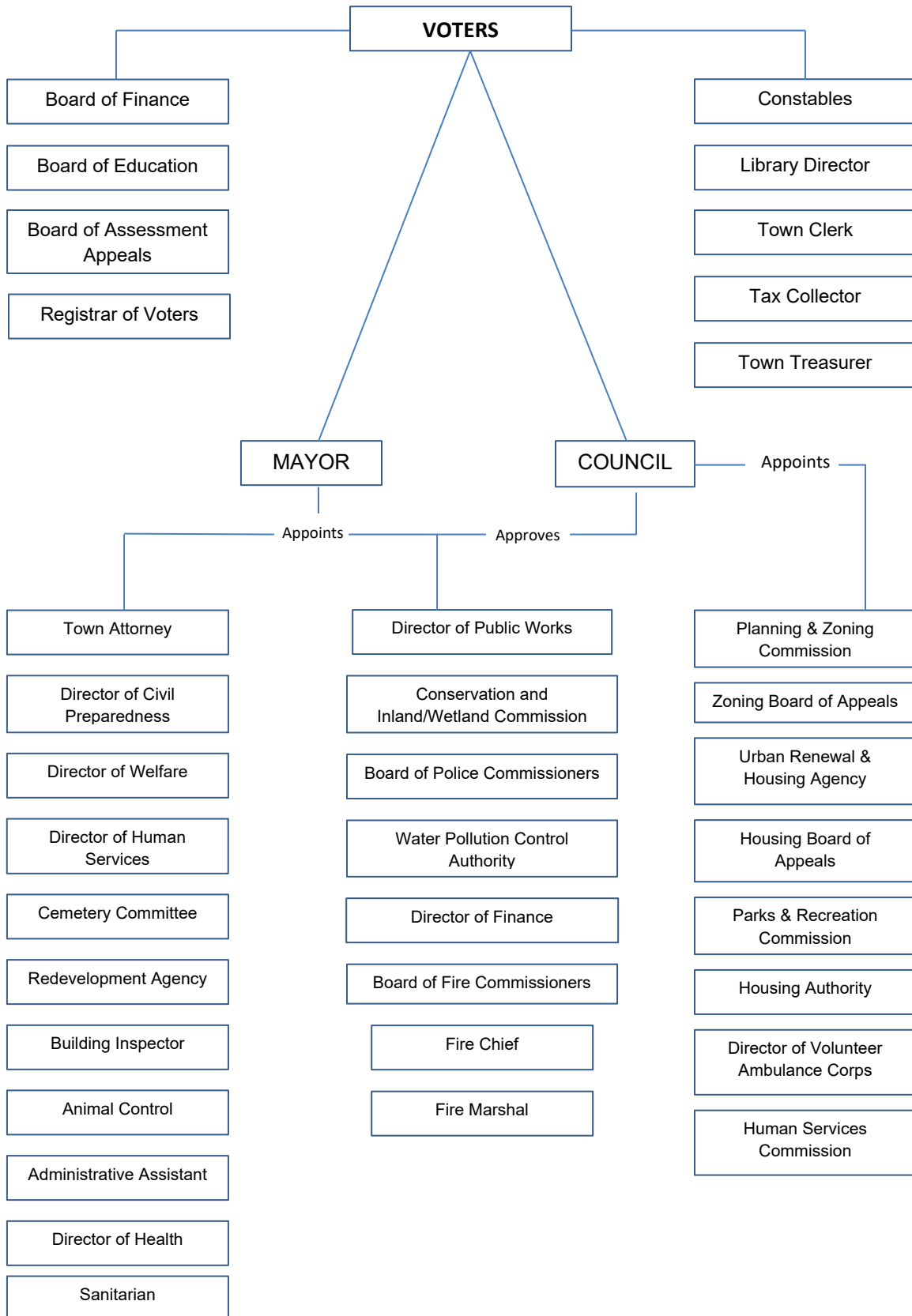
Jeannette C. Brodeur
Debra Brown
Christie Arena
Joseph Kilduff
Ann Marie Rheault
David C. Mischke
William Hamzy
Erica Cabiya
Ray Kovalski
Andre Dorval
Margus T. Laan
Scott Eisenlohr
Karen M. Krasicky
Mark Sekorski
Anthony J. Orsini
Clarence B. Atkinson
Charles Wiegert
Dr. Antonio Scappitucci
Gretchen DelCegno
Briana Brumaghim
Martin Semmel

BOARD OF EDUCATION

Walt Seaman, Chairperson
Karen E. Kulesa
Michelle Lucian
Gregory Showers
Melissa Johnson

Richard Foote
Cindy Candrea-Florenciani
Melissa Kremmel
Josiah Elsaghir

TOWN OF PLYMOUTH ORGANIZATIONAL CHART





200 Years of Quality Service

80 Main Street, Terryville, Connecticut 06786

Telephone: (860) 585-4001

Fax: (860) 585-4015

December 30, 2020

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

State law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements. This report is published to fulfill that requirement for the fiscal year ended June 30, 2020.

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

Blum, Shapiro & Company, Certified Public Accountants, have issued an unmodified ("clean") opinion on the Town of Plymouth's financial statements for the year ended June 30, 2020. The independent auditor's report is located at the front of the financial section of this report.

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

PROFILE OF THE GOVERNMENT

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

Plymouth is a community predominantly composed of owner-occupied, single-family dwellings. Single-family dwellings comprise over 80% of all housing units in the Town. Estimated population at June 30, 2020 is 11,661.

To the west of Plymouth is Connecticut Route 8 which provides north-south interstate connections from Bridgeport to the Massachusetts border. Connecticut Routes 6, 72, 222 and 262 also serve the Town. Rail service is available connecting with Waterbury and the south, while coach and motor freight companies serve the Town's residents and businesses.

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

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

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

Form of Government

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

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

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

STATE & LOCAL ECONOMY

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

In March 2020, the State of Connecticut enacted measures to combat the global COVID pandemic. In compliance with State mandates, the Town began following safety protocols regarding access to our buildings and interaction with the general public. The Town of Plymouth Board of Education also shuttered school facilities and adopted a remote learning platform for the remainder of the 2020 school year. Through the date of this audit, the Town and Board of Education continue to follow COVID safety precautions and protocol.

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

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

UNEMPLOYMENT

Unemployment rates and the number of unemployed people, not seasonally adjusted, were all higher in all of the states' nine labor market areas due largely to the global pandemic. Connecticut's unemployment rate was at 10.1%, slightly less than the national rate of 11.1% for June 2020. The Town of Plymouth's unemployment rate is slightly lower than the national and regional average at 9.7% for June 2020, a large increase from the prior year due to the impact of the global COVID pandemic.

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

LONG-TERM FINANCIAL PLANNING

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

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

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

FINANCIAL POLICIES

The Town has several financial policies as summarized below:

Budgetary Procedures

The Town adheres to the following procedure in establishing the annual budget. No later than February 10, each department head, office or agency shall file with the mayor, a detailed estimate of the expenditures and revenues to be made by his or her department, office or agency in the ensuing fiscal year. These estimates shall be filed with the Board of Finance on or before February 22. The Board of Education shall file estimated expenditures with the Board of Finance on or before February 28. The Board of Finance shall hold one or more public hearings no later than April 23. Immediately after the public hearings the Board of Finance shall meet with the Town Council and representatives of the Board of Education to present the recommended budget, at which time the Board of Finance, if a quorum of its members are present, may, by majority vote of its members, make changes to the budget to be recommended to the town council. Beginning with fiscal year 2019, the Town Charter was amended to require a budget referendum only if the annual proposed budget increase or decrease exceeds 3% of the current year approved budget. If the proposed budget increase or decrease is 3% or less, the recommended budget is presented directly to the Town Council for approval. If the increase or decrease is greater than 3% the budget will require a budget referendum. If the budget must go to referendum, within ten business days after such meeting the Board of Finance shall present the recommended budget to the budget referendum, and, at least five business days prior to the referendum, the Board of Finance shall cause the recommended budget to be published in the newspaper. The Town Council schedules the annual budget referendum to be held on or before May 3. If the budget is rejected by a majority vote, a second referendum will be scheduled by the Town Council to be held within twenty days. If the budget is rejected a second time, the Town Council is authorized to adopt a budget by June 15. Council adjustments to the individual department budgets, excluding debt service shall not exceed three percent of the current year's budgets. When adopted, the Board of Finance shall file the same with the Town Clerk and will also fix the tax rate in mills.

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

Investment Policies and Procedures

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

Assessment Practices

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

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

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

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

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

Tax Collection Procedures

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

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

ACKNOWLEDGEMENTS

I thank our independent auditors, Blum, Shapiro & Company, Certified Public Accountants, specifically Audit Partner, Nikoleta McTigue, and Audit Manager, Santo Carta, for their expertise in guiding the Town through the required annual reporting updates and modifications as well as the entire audit process.

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

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Ann Marie Rheault". The signature is fluid and cursive, with a large, sweeping flourish at the end.

Ann Marie Rheault
Director of Finance



Financial Section

Independent Auditors' Report

To the Board of Finance
Town of Plymouth, Connecticut

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Plymouth, Connecticut, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Town of Plymouth, Connecticut's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Plymouth, Connecticut, as of June 30, 2020 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.

Other Matters

Required Supplementary Information

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

Other Information

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

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

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

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 Plymouth, Connecticut, as of and for the year ended June 30, 2019 (not presented herein), and have issued our report thereon dated December 28, 2019, which contained unmodified opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information. The accompanying General Fund balance sheet as of June 30, 2019 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the 2019 financial statements. The accompanying General Fund balance sheet has been subjected to the auditing procedures applied in the audit of the 2019 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, 2019.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2020 on our consideration of the Town of Plymouth, Connecticut's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Plymouth, Connecticut's internal control over financial reporting and compliance.

Blum, Shapiro & Company, P.C.

West Hartford, Connecticut
December 30, 2020

**TOWN OF PLYMOUTH, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2020**

As management of the Town of Plymouth, Connecticut, we offer readers of the Town of Plymouth's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2020.

Financial Highlights

- The assets and deferred outflows of resources of the Town exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$139,696,949 (net position).
- The Town's total net position increased by \$642,353, or .46%. Unrestricted net position, the amount that may be used to meet the Town's ongoing obligations to citizens and creditors, was (\$18,867,000) at June 30, 2020. The inclusion of future postemployment obligations as a long-term liability, as required by Government Accounting Standards Board (GASB) Statement 75, has a negative impact on the unrestricted net position.
- As of the close of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$11,995,438.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$4,153,630 or 10.1% of total general fund expenditures and other financing uses.
- The Town of Plymouth's long-term debt decreased by \$2,707,214 or 12.1% during the current fiscal year as a result of refunding \$4,515,000 of bonds related to 2010 capital projects as well as due to payment of other annual regularly scheduled bond payments.

Overview of the Basic Financial Statements

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

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

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

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

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

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

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

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

The Town maintains 27 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, Sewer Operating Fund, Capital and Nonrecurring Projects Fund and Capital Projects Fund, which are considered to be major funds. Data from the other 23 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The Town adopts an annual budget for its General Fund. The Water Pollution Control Authority legally adopts its annual budget as well. A budgetary comparison statement has been provided for the General Fund and Water Pollution Control to demonstrate compliance with their respective budgets.

Proprietary fund. The Town maintains one proprietary fund. Internal service funds are an accounting device used to accumulate and allocate costs internally among the Town's various functions. The Town uses an internal service fund to account for its self-insured medical benefits. Since the Town has only governmental functions, they have been included within governmental activities in the government-wide financial statements. As of June 30, 2020, the Town closed its internal service fund since the BOE claim runoff activity is complete

The data for the internal service fund is provided in Exhibits V, VI and VII of this report.

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

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

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

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

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

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a town's financial position. In the case of the Town, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$139,696,949 at June 30, 2020.

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

Town of Plymouth, Connecticut Net Position

	Governmental Activities	
	2020	2019
Current and other assets	\$ 17,622,314	\$ 15,828,656
Capital assets, net of accumulated depreciation	177,423,853	181,331,720
Total assets	<u>195,046,167</u>	<u>197,160,376</u>
Deferred Outflows of Resources	<u>4,520,258</u>	<u>2,925,450</u>
Long-term debt outstanding	54,486,265	54,547,362
Other liabilities	1,757,777	2,267,598
Total liabilities	<u>56,244,042</u>	<u>56,814,960</u>
Deferred Inflows of Resources	<u>3,625,434</u>	<u>4,216,270</u>
Net Position:		
Net investment in capital assets	156,612,906	158,208,242
Restricted	1,951,043	1,926,919
Unrestricted	<u>(18,867,000)</u>	<u>(21,080,565)</u>
Total Net Position	<u>\$ 139,696,949</u>	<u>\$ 139,054,596</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

A portion of the Town's net position, \$1,951,043, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position is (\$18,867,000). The Town's net position increased by \$642,353, or .46%, during the current fiscal year. Approximately, 60% of the revenues were derived from property taxes, followed by 31% from operating grants. The remaining 9% is from charges for services, capital grants and contributions and other grants that were not restricted for specific purposes. Key elements of the increase are as follows:

**Town of Plymouth, Connecticut
Net Position**

	Governmental Activities	
	2020	2019
Revenues:		
Program revenues:		
Charges for services	\$ 3,246,632	\$ 3,363,657
Operating grants and contributions	16,163,312	13,028,065
Capital grants and contributions	699,594	1,310,683
General revenues:		
Property taxes	30,936,297	29,834,035
Grants and contributions not restricted to specific purposes	130,374	208,096
Unrestricted investment earnings (loss)	96,901	106,921
Miscellaneous	220,884	284,927
Total revenues	<u>51,493,994</u>	<u>48,136,384</u>
Program expenses:		
General administration	5,088,888	5,991,197
Public safety	4,657,687	3,992,007
Public works	7,014,988	7,485,062
Health and welfare	313,375	245,955
Library	472,655	446,108
Recreation	298,265	293,424
Education	32,086,912	28,628,355
Land use	206,361	228,356
Interest on long-term debt	712,510	820,010
Total program expenses	<u>50,851,641</u>	<u>48,130,474</u>
Change in Net Position	642,353	5,910
Net Position - Beginning of Year	<u>139,054,596</u>	<u>139,048,686</u>
Net Position - End of Year	<u>\$ 139,696,949</u>	<u>\$ 139,054,596</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

- Charges for services decreased by \$117,025 mainly due to decreases in recreation program revenue, lunch program revenue, housing loan repayments and metal reimbursements totaling \$165,983. Magnet school transportation revenue was also reclassified from charges for services to grant revenue in 2020. These decreases were partially offset by an increase in sewer receipts and police extra duty reimbursements.
- Operating grants increased by \$3,135,247 during the year. This increase is primarily due to an increase in the state's contribution on behalf of the Town into the State Teacher's Retirement Board, which increased \$3.2 million.
- Capital grants and contributions decreased by \$611,089 primarily due to a decrease in other funds received from the State of Connecticut, including reimbursement related to the Mayfair Garage cleanup of \$757,596. This decrease was partially offset by funds due from the State for the outsourcing of the police dispatch services of \$178,239.
- Property tax revenue increased \$1,102,262 from the prior year. The increase largely reflects higher current year tax collections by \$630,222, personal property taxes of \$184,823 and motor vehicle taxes of 229,537, partially offset by declines in prior year taxes, interest and liens collections by \$83,875.
- Investment earnings decreased \$10,020 due mainly to a decline in the fair market value of invested assets.
- Education expenses increased by \$3,458,557 due mainly to a \$3.2 million increase in the State teachers' pension and OPEB costs. The increase in education expense was partially offset by an overall reduction of costs due to COVID school closures.
- Public works expenses decreased by \$470,074 mainly due to a decrease in snow removal overtime and materials of \$85,388, lower repairs and maintenance costs by \$44,848 and streetlight cost savings of \$111,011.
- General Administration expenses decreased by \$902,309 due mainly to a decrease in net pension and OPEB obligation as well as lower compensated absences, social security and health insurance costs.
- Public safety expenses increased by \$665,680. The increase is due mainly to higher extra duty expenditures by \$342,336.
- Land use expenses decreased \$21,995 mainly due to higher contractual services for real estate consulting of \$12,640.
- Library expenses increased \$26,547 due mainly to an increase in compensated absences and OPEB liabilities.
- Interest on long-term debt expenses decreased \$107,500 due mainly to effect of debt refunding transactions.
- The Cost of Services is provided below. This table shows the cost of each of the Town's five largest programs - education, public works, general administration, public safety and interest expense - as well as each program's net cost (total cost less revenues generated by the activities). The net cost shows the financial burden that was placed on the Town's taxpayers by each of these functions.

MANAGEMENT’S DISCUSSION AND ANALYSIS (CONTINUED)

**Town of Plymouth, Connecticut
Governmental Activities**

	Total Cost of Services		Net Cost of Services	
	2020	2019	2020	2019
Education	\$ 32,086,912	\$ 28,628,355	\$ 15,745,474	\$ 15,312,073
Public works	7,014,988	7,485,062	4,414,458	4,384,368
General administration	5,088,888	5,991,197	4,866,390	5,588,538
Public safety	4,657,687	3,992,007	3,846,928	3,544,805
Interest expense	712,510	820,010	712,510	820,010
All others	1,290,656	1,213,843	1,156,343	778,275
Total	<u>\$ 50,851,641</u>	<u>\$ 48,130,474</u>	<u>\$ 30,742,103</u>	<u>\$ 30,428,069</u>

Financial Analysis of the Government’s Funds

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

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

As of June 30, 2020, the Town’s governmental funds reported a combined ending fund balance of \$11,995,438, an increase of \$2,412,268 from the prior year. The increase over prior year reflects an increase of \$1,478,820 in the General Fund with slight changes in all other funds combined. A portion of the fund balance is reserved to indicate that it is not available for new spending because it has already been committed; (1) to liquidate contracts and purchase orders of the prior period \$1,078,347, (2) to pay debt service of \$426,475, (3) to fund Board of Education capital needs of \$392,297, and (3) endowments \$1,106,075.

The General Fund is the operating fund of the Town. At the end of 2020, the unassigned fund balance of the General Fund was \$4,153,630 while total fund balance was \$5,331,977. As a measure of the General Fund’s liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 9.7% of total general fund expenditures, while total fund balance represents 12.4% of that same amount. The Town and Board of Education continue to take a variety of steps aimed at reducing spending and generating operating surpluses to increase the fund balance going forward.

The Capital and Nonrecurring Fund, used for infrastructure improvements in the Town, held a balance of \$929,419 at June 30, 2020.

The Debt Service Fund has a total fund balance of \$426,475, all of which is restricted for the payment of debt service.

The Board of Education Sinking Fund has a total fund balance of \$392,297, all of which is restricted for education related capital improvements.

Proprietary fund. The unrestricted net position of the Board of Education Health Insurance Fund at the end of the year amounted to \$0, an increase of \$76,451 from the June 30, 2019 balance of (\$76,451).

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

This fund was closed as of June 30, 2020 due to the completion of claim experience runoff. The Board of Education switched from self-funded to the State insurance plan as of July 1, 2018.

General Fund Budgetary Highlights

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

General Fund revenues were above the estimated budget by \$96,763 in the current year:

- Current year and prior year tax collections fell short of budget levels by \$97,970 and \$36,952, respectively, which was partially offset by higher supplemental motor vehicle taxes, interest and lien fees.
- Charges for services exceeded budget by \$56,238, due to higher conveyance tax, vital statistics and recording fee revenue. All permit revenues exceeded budget by \$36,260.
- The Town's intergovernmental revenues were below budget by \$55,259, mainly due to lower than budgeted special education excess cost reimbursements of \$96,215.

General Fund expenditures were below budgeted appropriations by \$1,158,599.

- Total general administration costs were below budget by \$564,965, largely driven by the Board of Finance's planned restoration of fund balance of \$100,000 and unutilized Board of Finance contingency of \$50,000 and savings in employee benefit expenses and property/casualty insurance expenses of \$267,084 and \$59,316, respectively.
- Public safety costs were \$183,283 below budget attributable mainly to lower than budgeted police salary costs of \$189,227, offset by higher than budgeted police and dispatch overtime costs of \$70,858.
- Public works costs were \$306,345 below budget due mainly to a mild winter with lower than budgeted snow removal costs of \$133,979. Savings across all other public works departments attributed to the remaining lower than budgeted expenses.
- Library costs were \$42,589 below budget attributable mainly to salary and utility cost savings incurred from COVID related shut down of the facility.
- Debt service costs were \$65,890 above budget due to bond issuance costs in conjunction with refunding of the 2010 bond issue.
- Education costs were below budget by \$150,741, the balance of which was transferred to the Board of Education capital sinking fund.
- Positive variances existed in all departments which was attributable to continued cost cutting measures and careful monitoring of department spending.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Capital Assets and Debt Administration

Capital assets. The Town's investment in capital assets for its governmental activities as of June 30, 2020, amounted to \$177,423,853 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, buildings, building improvements, machinery and equipment, vehicles, and infrastructure.

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

- Building improvements increased by \$167,413 for the replacement and repair of the Plymouth Center School roof and replacement of gas boiler at the Plymouth fire headquarters.
- Vehicle additions of \$151,502 includes two Police Department vehicles, and a parks & recreation department dump truck.
- Equipment purchases totaling \$75,349 for communications radio upgrades for the police and fire.
- Infrastructure additions of \$217,837 resulted from the various road upgrades and chip sealing.
- Construction in progress at June 30, 2020 of \$1,309,544 includes WPCA UV disinfection and phosphorous removal and road engineering. Construction in progress increased in the current fiscal year by \$472,032 due to the outsourcing of the public safety dispatch center, the construction of a salt containment structure and the Harry S. Fisher School roof replacement.

Town of Plymouth, Connecticut Capital Assets (Net)

	Governmental Activities	
	2020	2019
Land	\$ 6,740,855	\$ 6,740,855
Buildings	43,120,363	44,707,428
Buildings improvements	13,798,785	14,145,900
Land improvements	1,870,780	2,017,391
Machinery and equipment	4,170,328	4,430,712
Vehicles	2,961,672	3,136,543
Infrastructure	103,451,526	105,315,379
Construction in progress	1,309,544	837,512
Total	<u>\$ 177,423,853</u>	<u>\$ 181,331,720</u>

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

MANAGEMENT’S DISCUSSION AND ANALYSIS (CONTINUED)

Long-term debt. At the end of the current fiscal year, the Town had general obligation bonds and notes outstanding of \$19,594,667. The amount reflects debt backed by the full faith and credit of the Town.

**Town of Plymouth, Connecticut
Long-Term Debt**

	Governmental Activities	
	2020	2019
General obligation bonds	\$ 18,690,000	\$ 21,345,000
Clean water notes payable	904,667	956,881
Total General Obligation Bonds and Notes Payable	\$ 19,594,667	\$ 22,301,881

The Town’s long-term total debt decreased by \$2,707,214, or 12.0%, during the current fiscal year due to payments on existing debt and refunding of the 2010 bond issue.

State statutes limit the amount of general obligation debt a governmental entity may issue to seven times total tax collections including interest and lien fees. The current debt limitation for the Town is \$209,389,984, which is significantly in excess of the Town’s outstanding general obligation debt.

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

Economic Factors and Next Year’s Budgets and Rates

- The unemployment rate for the Town as of June 30, 2020 was 9.4%, which is an increase from June 30, 2019 rate of 4.3%, but slightly lower than the state’s unemployment rate of 9.8%.
- Inflationary trends in the region are in line with national indices.
- The Town is continuing to aggressively pursue new commercial enterprises to increase the value of the net grand list, including additional tenants for, and expansions within, the business park.

The 2020-21 budget applied \$290,000 of the Town’s fund balance to balance revenues and expenditures. The overall budget for expenditures in the General Fund increased by \$69,796, with the change coming in costs for Education to meet the minimum budget requirement (MBR). The mill rate for 2020-2021 property tax rate remained at 40.63 mils.

The 2021-21 budget assumes a current collection rate of 98% for real estate property taxes and a 92.0% collection rate for motor vehicle taxes and personal property taxes. The Board of Finance reviews tax collections and results from the Tax office on an ongoing basis.

The grand list, the total of all taxable property that sets the property tax collection rate, increased by \$5,462,924 or .7% from the prior year.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Requests for Information

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



Basic Financial Statements

**TOWN OF PLYMOUTH, CONNECTICUT
STATEMENT OF NET POSITION
JUNE 30, 2020**

	Governmental Activities
Assets:	
Cash and cash equivalents	\$ 10,888,594
Investments	432,728
Restricted investments	1,155,144
Receivables, net	2,978,172
Assets held for sale	2,167,676
Capital assets not being depreciated	8,050,399
Capital assets being depreciated, net	169,373,454
Total assets	<u>195,046,167</u>
Deferred Outflows of Resources:	
Deferred charge on refunding	24,087
Deferred outflows related to PERS	530,591
Deferred outflows related to MERS	2,021,380
Deferred outflows related to OPEB	1,944,200
Total deferred outflows of resources	<u>4,520,258</u>
Liabilities:	
Accounts and other payables	1,277,170
Accrued interest payable	195,036
Due to agency funds	9,200
Unearned revenue	276,371
Noncurrent liabilities:	
Due within one year	2,583,083
Due in more than one year	51,903,182
Total liabilities	<u>56,244,042</u>
Deferred Inflows of Resources:	
Advance property tax collections	14,782
Deferred charge on refunding	13,444
Deferred inflows related to PERS	882
Deferred inflows related to MERS	348,914
Deferred inflows related to OPEB	3,247,412
Total deferred inflows of resources	<u>3,625,434</u>
Net Position:	
Net investment in capital assets	156,612,906
Restricted for:	
Perpetual care:	
Expendable	376,702
Nonexpendable	499,867
Libraries:	
Expendable	41,791
Nonexpendable	606,208
Debt service	426,475
Unrestricted	<u>(18,867,000)</u>
Total Net Position	\$ <u>139,696,949</u>

The accompanying notes are an integral part of the financial statements

**TOWN OF PLYMOUTH, CONNECTICUT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental activities:					
General administration	\$ 5,088,888	\$ 216,998	\$ 5,500	\$	\$ (4,866,390)
Public safety	4,657,687	809,984	775		(3,846,928)
Public works	7,014,988	1,909,936		690,594	(4,414,458)
Health and welfare	313,375	33,710	11,253		(268,412)
Library	472,655	9,928	5,778		(456,949)
Recreation	298,265	46,521	3,225		(248,519)
Education	32,086,912	204,657	16,136,781		(15,745,474)
Land use	206,361	14,898		9,000	(182,463)
Interest expense	712,510				(712,510)
Total Governmental Activities	\$ 50,851,641	\$ 3,246,632	\$ 16,163,312	\$ 699,594	(30,742,103)
General revenues:					
Property taxes					30,936,297
Grants and contributions not restricted to specific programs					130,374
Investment earnings					96,901
Miscellaneous					220,884
Total general revenues					<u>31,384,456</u>
Change in Net Position					642,353
Net Position at Beginning of Year					<u>139,054,596</u>
Net Position at End of Year					<u>\$ 139,696,949</u>

The accompanying notes are an integral part of the financial statements

TOWN OF PLYMOUTH, CONNECTICUT
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2020

	<u>General</u>	<u>Sewer Operating</u>	<u>Small Cities</u>	<u>Capital Projects</u>	<u>Capital and Nonrecurring</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS							
Cash and cash equivalents	\$ 7,027,368	\$ 1,583,316	\$ 392,130	\$ 64,094	\$ 245,748	\$ 1,575,938	\$ 10,888,594
Investments		103,622				329,106	432,728
Restricted investments						1,155,144	1,155,144
Receivables, net:							
Property taxes	654,247						654,247
Interest	163,217	42,890					206,107
Assessments/use charges		207,332				42,257	249,589
Intergovernmental	23,219			97,000	465,649	49,396	635,264
Loans			919,281				919,281
Other	26,713				12,353	274,618	313,684
Due from other funds	1,744,981	555	20,000	548,422	778,453	1,976,804	5,069,215
Total Assets	\$ 9,639,745	\$ 1,937,715	\$ 1,331,411	\$ 709,516	\$ 1,502,203	\$ 5,403,263	\$ 20,523,853
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ 580,557	\$ 65,441	\$ -	\$ 309,599	\$ 311,937	\$ 9,636	\$ 1,277,170
Due to other funds	3,042,513	567,548	79,298	472,959	260,847	655,250	5,078,415
Unearned revenue				10,500		265,871	276,371
Total liabilities	3,623,070	632,989	79,298	793,058	572,784	930,757	6,631,956
Deferred inflows of resources:							
Unavailable revenue - property taxes	669,916						669,916
Unavailable revenue - sewer use receivable		250,223					250,223
Unavailable revenue - special assessments						42,257	42,257
Unavailable revenue - loans receivable			919,281				919,281
Advanced property taxes	14,782						14,782
Total deferred inflows of resources	684,698	250,223	919,281	-	-	42,257	1,896,459
Fund balances:							
Nonspendable						1,106,075	1,106,075
Restricted			332,832			1,711,143	2,043,975
Committed	100,000	1,054,503			929,419	1,613,031	3,696,953
Assigned	1,078,347						1,078,347
Unassigned	4,153,630			(83,542)			4,070,088
Total fund balances	5,331,977	1,054,503	332,832	(83,542)	929,419	4,430,249	11,995,438
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 9,639,745	\$ 1,937,715	\$ 1,331,411	\$ 709,516	\$ 1,502,203	\$ 5,403,263	\$ 20,523,853

The accompanying notes are an integral part of the financial statements

TOWN OF PLYMOUTH, CONNECTICUT
BALANCE SHEET - GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2020

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

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

Fund balances - total governmental funds (Exhibit III)	\$	11,995,438
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Capital assets used in governmental activities are not financial
resources and, therefore, are not reported in the funds:

Assets held for sale		2,167,676
Governmental capital assets	\$ 263,156,192	
Less accumulated depreciation	<u>(85,732,339)</u>	
Net capital assets		177,423,853

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

Property tax receivable greater than 60 days	506,700
Interest receivable on property taxes	163,216
Sewer use and assessments receivable	250,223
Water assessment receivable	42,257
Housing loans	919,281
Deferred outflows related to refunding	24,087
Deferred outflows related to PERS	530,591
Deferred outflows related to MERS	2,021,380
Deferred outflows related to OPEB	1,944,200

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

Bonds payable	(18,690,000)
Notes payable	(904,667)
Capital leases	(500,857)
Premium	(971,814)
Interest payable on bonds	(195,036)
Total OPEB liability	(16,921,232)
Compensated absences	(1,159,312)
Early retirement incentive	(13,000)
Net pension liability	(15,075,383)
Landfill postclosure costs	(250,000)
Deferred inflows related to refunding	(13,444)
Deferred inflows related to PERS	(882)
Deferred inflows related to MERS	(348,914)
Deferred inflows related to OPEB	<u>(3,247,412)</u>

Net Position of Governmental Activities (Exhibit I)	\$	<u>139,696,949</u>
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The accompanying notes are an integral part of the financial statements

TOWN OF PLYMOUTH, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	<u>General</u>	<u>Sewer Operating</u>	<u>Small Cities</u>	<u>Capital Projects</u>	<u>Capital and Nonrecurring</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:							
Property taxes	\$ 30,861,085	\$	\$	\$	\$	\$	\$ 30,861,085
Charges for services	364,267	1,925,681	10,985			1,149,646	3,450,579
Intergovernmental	13,665,860				690,594	1,202,592	15,559,046
Income from investments	20,612	2,780			249	25,336	48,977
Net change in fair value of investments		114				46,388	46,502
Contributions						34,478	34,478
Other	115,230			110,000		55,000	280,230
Total revenues	<u>45,027,054</u>	<u>1,928,575</u>	<u>10,985</u>	<u>110,000</u>	<u>690,843</u>	<u>2,513,440</u>	<u>50,280,897</u>
Expenditures:							
Current:							
General administration	5,156,156					54,482	5,210,638
Public safety	3,238,455					698,644	3,937,099
Public works	2,718,413	1,312,108					4,030,521
Health and welfare	196,724					73,466	270,190
Library	410,092					32,689	442,781
Recreation	205,899					60,686	266,585
Education	27,532,841					1,471,003	29,003,844
Land use	159,876						159,876
Debt service	3,169,300	127,125					3,296,425
Capital outlay	61,354	174,370		114,200	1,001,583		1,351,507
Total expenditures	<u>42,849,110</u>	<u>1,613,603</u>	<u>-</u>	<u>114,200</u>	<u>1,001,583</u>	<u>2,390,970</u>	<u>47,969,466</u>
Excess (Deficiency) of Revenues over Expenditures	<u>2,177,944</u>	<u>314,972</u>	<u>10,985</u>	<u>(4,200)</u>	<u>(310,740)</u>	<u>122,470</u>	<u>2,311,431</u>
Other Financing Sources (Uses):							
Transfers in	213,251		38,727	35,000	818,221	159,991	1,265,190
Transfers out	(1,013,212)					(251,978)	(1,265,190)
Issuance of refunding bonds	4,460,000						4,460,000
Premium on refunding bonds	667,374						667,374
Payment to refunding bond escrow agent	(5,026,537)						(5,026,537)
Total other financing sources (uses)	<u>(699,124)</u>	<u>-</u>	<u>38,727</u>	<u>35,000</u>	<u>818,221</u>	<u>(91,987)</u>	<u>100,837</u>
Net Change in Fund Balances	1,478,820	314,972	49,712	30,800	507,481	30,483	2,412,268
Fund Balances at Beginning of Year	<u>3,853,157</u>	<u>739,531</u>	<u>283,120</u>	<u>(114,342)</u>	<u>421,938</u>	<u>4,399,766</u>	<u>9,583,170</u>
Fund Balances at End of Year	<u>\$ 5,331,977</u>	<u>\$ 1,054,503</u>	<u>\$ 332,832</u>	<u>\$ (83,542)</u>	<u>\$ 929,419</u>	<u>\$ 4,430,249</u>	<u>\$ 11,995,438</u>

The accompanying notes are an integral part of the financial statements

**TOWN OF PLYMOUTH, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2020**

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

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

Net change in fund balances - total governmental funds (Exhibit IV)	\$ 2,412,268
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Governmental funds report capital outlays as expenditures. In the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:

Capital outlay	1,120,553
Depreciation expense	(5,001,987)
Loss on disposal of capital assets	(26,433)

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

Assets held for sale	(59,346)
Property tax receivable - accrual basis change	67,679
Property tax interest revenue - accrual basis change	7,533
Sewer use and assessment receivable - accrual basis change	(162,504)
Water assessment receivable - accrual basis change	(41,443)
Housing loans receivable - accrual basis change	(11,000)
Deferred outflows related to PERS	(86,352)
Deferred outflows related to MERS	(222,185)
Deferred outflows related to OPEB	1,944,200

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:

Premium on bond proceeds	(667,374)
Bonds principal payments	2,088,463
Notes principal payments	52,214
Capital lease payments	241,376
Refunding bonds issued	(4,460,000)
Payments to refunding bond escrow agent	5,026,537

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

Total OPEB liability	(2,169,755)
Compensated absences	(56,325)
Early retirement incentive	13,000
Net pension liability	(276,641)
Landfill postclosure costs	12,500
Accrued interest payable	(941)
Amortization of deferred charge on refunding	(54,299)
Amortization of premium	257,102
Deferred inflows related to PERS	8,839
Deferred inflows related to MERS	79,509
Deferred inflows related to OPEB	530,714

Internal service funds are used by management to charge costs of medical insurance to individual departments

76,451

Change in Net Position of Governmental Activities (Exhibit II)	\$ <u>642,353</u>
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The accompanying notes are an integral part of the financial statements

TOWN OF PLYMOUTH, CONNECTICUT
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
JUNE 30, 2020

	Governmental Activities
	Internal Service Fund
Assets:	
Total assets	\$ <u> -</u>
Liabilities:	
Total liabilities	<u> -</u>
Net Position:	
Unrestricted	\$ <u><u> -</u></u>

The accompanying notes are an integral part of the financial statements

**TOWN OF PLYMOUTH, CONNECTICUT
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
 FOR THE YEAR ENDED JUNE 30, 2020**

	Governmental Activities
	Internal Service Fund
	<hr/>
Operating Revenues:	
Charges for services	\$ <u>75,029</u>
Operating Expenses:	
Total operating expenses	<hr/> -
Operating Income (Loss)	75,029
Nonoperating Revenues:	
Revenues from use of money	<hr/> 1,422
Change in Net Position	76,451
Net Position at Beginning of Year	<hr/> (76,451)
Net Position at End of Year	\$ <u><u>-</u></u>

The accompanying notes are an integral part of the financial statements

**TOWN OF PLYMOUTH, CONNECTICUT
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED JUNE 30, 2020**

	Governmental Activities
	Internal Service Fund
Cash Flows from Operating Activities:	
Cash received from charges for services	\$ 75,029
Cash payments for interfund services used	(939,561)
Net cash provided by (used in) operating activities	<u>(864,532)</u>
Cash Flows from Investing Activities:	
Interest on investments	<u>1,422</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(863,110)
Cash and Cash Equivalents at Beginning of Year	<u>863,110</u>
Cash and Cash Equivalents at End of Year	<u>\$ -</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:	
Operating income (loss)	\$ 75,029
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:	
Increase (decrease) in due to other funds	<u>(939,561)</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ (864,532)</u>

The accompanying notes are an integral part of the financial statements

**TOWN OF PLYMOUTH, CONNECTICUT
FIDUCIARY FUNDS
STATEMENT OF NET POSITION
JUNE 30, 2020**

	<u>Pension Fund</u>	<u>Private Purpose Trust Fund</u>	<u>Agency Funds</u>
Assets:			
Cash and cash equivalents	\$ _____	\$ 3,149	\$ 236,035
Investments:			
Guaranteed investment contracts	8,023,076		
Mutual funds	1,230,298		
Total investments	<u>9,253,374</u>	-	-
Accounts receivable	<u>3,195</u>		
Due from other funds			<u>9,200</u>
Total assets	<u>9,256,569</u>	<u>3,149</u>	<u>\$ 245,235</u>
Liabilities:			
Accounts payable and due to others			<u>\$ 245,235</u>
Net Position:			
Restricted for Pension/Other Benefits	<u>\$ 9,256,569</u>	<u>\$ 3,149</u>	

The accompanying notes are an integral part of the financial statements

**TOWN OF PLYMOUTH, CONNECTICUT
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2020**

	<u>Pension Fund</u>	<u>Private Purpose Trust Fund</u>
Additions:		
Contributions:		
Employer	\$ 1,391,888	\$
Plan members	49,993	
Total contributions	<u>1,441,881</u>	<u>-</u>
Investment income:		
Net change in fair value of investments	201,467	
Interest and dividends	185,954	34
Total investment income	387,421	34
Less investment expense	(79,965)	
Net investment income	<u>307,456</u>	<u>34</u>
Total additions	<u>1,749,337</u>	<u>34</u>
Deductions:		
Benefits	1,572,737	
Administration	4,481	
Total deductions	<u>1,577,218</u>	<u>-</u>
Change in Net Position	172,119	34
Net Position at Beginning of Year	<u>9,084,450</u>	<u>3,115</u>
Net Position at End of Year	<u>\$ 9,256,569</u>	<u>\$ 3,149</u>

The accompanying notes are an integral part of the financial statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

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

B. Government-Wide and Fund Financial Statements

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

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

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

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

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

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

**TOWN OF PLYMOUTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

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

The Town reports the following major governmental funds:

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

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

The *Small Cities Fund* accounts for operations of loan programs for low and moderate income households. The main source of revenue is intergovernmental revenue.

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

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

Additionally, the Town reports the following fund types:

The *Internal Service Fund* accounts for the self-insurance activities related to health benefits for the Board of Education employees.

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

The *Private Purpose Trust Fund* is used to account for a hospice fund that benefits local individuals. All resources of the fund, including any earnings on invested resources, may not be used to support the Town's activities. There is no requirement that any portion of these resources be preserved as capital.

The *Agency Funds* account for monies held on behalf of students, other community groups and performance bonds.

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

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

**TOWN OF PLYMOUTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

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

D. Deposits and Investments

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

Investments are reported at fair value.

E. Receivables and Payables

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

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

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

An amount of \$200,000 has been established as an allowance for uncollectible taxes as of June 30, 2020.

F. Restricted Investments

CDBG Loans Fund

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

Permanent Funds

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

G. Assets Held for Sale

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

**TOWN OF PLYMOUTH, CONNECTICUT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2020**

H. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 for equipment, \$20,000 for improvements and \$100,000 for infrastructure and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

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

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

I. Deferred Outflows/Inflows of Resources

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

**TOWN OF PLYMOUTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period or periods and so will not be recognized as an inflow of resources (revenue) until that time. The Town reports a deferred charge on refunding in the government-wide statement of net position. The Town also reports advance property tax collection in the government-wide statement of net position and in the governmental funds balance sheet and deferred inflows of resources related to pensions and OPEB in the government-wide statement of net position. A deferred inflow of resources related to pension and OPEB results from differences between expected and actual experience, changes in assumptions or other inputs, and change in proportional share. These amounts are deferred and included in pension and OPEB expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension and OPEB plan (active employees and inactive employees). A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. Advance property tax collections represent taxes inherently associated with a future period. This amount is recognized during the period in which the revenue is associated. The governmental funds report unavailable revenues from several sources: property taxes, sewer use fees, special assessments and long-term loans. These amounts are deferred and recognized as an inflow of resources (revenue) in the period in which the amounts become available.

J. Compensated Absences

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

K. Net Pension Liability

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

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

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

M. Long-Term Obligations

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

**TOWN OF PLYMOUTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

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

N. Fund Equity

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

Net Investment in Capital Assets

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

Restricted Net Position

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

Unrestricted Net Position

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

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

Nonspendable Fund Balance

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

Restricted Fund Balance

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

Committed Fund Balance

This represents amounts constrained for a specific purpose by a government using its highest level of decision-making authority (Town of Plymouth Board of Finance) by adoption of a resolution prior to the end of the fiscal year. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.

Assigned Fund Balance

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

Unassigned Fund Balance

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

O. Fund Balance Flow Assumptions

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

P. Accounting Estimates

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

Q. Subsequent Events Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is December 30, 2020.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

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

**TOWN OF PLYMOUTH, CONNECTICUT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2020**

Town Council is authorized to adopt a budget by June 15. Council adjustments to the individual department budgets, excluding debt service, shall not exceed three percent of the current year's budgets. When adopted, the Board of Finance shall file the same with the Town Clerk and also fix the tax rate in mills.

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

B. Excess of Expenditures Over Appropriations

For the year ended June 30, 2020, the following expenditures exceeded appropriations:

Town Council	\$	115
Central Office		2,097
Legal Services		<u>13,527</u>
	\$	<u><u>15,739</u></u>

C. Fund Deficits

Fund balance deficits existed as of June 30, 2020 in the following funds:

Capital Projects	\$	83,542
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This fund deficit will be reduced or eliminated by transfers from the General Fund.

**TOWN OF PLYMOUTH, CONNECTICUT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2020**

3. CASH, CASH EQUIVALENTS AND INVESTMENTS

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

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

Deposits

Deposit Custodial Credit Risk

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

Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, \$10,811,812 of the Town’s bank balance of \$11,640,171 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 9,647,953
Uninsured and collateral held by the pledging bank’s trust department, not in the Town’s name	<u>1,163,859</u>
Total Amount Subject to Custodial Credit Risk	<u><u>\$ 10,811,812</u></u>

Cash Equivalents

At June 30, 2020, the Town’s cash equivalents amounted to \$14,667. The Town’s cash equivalents (excluding U.S. government guaranteed obligations) are mainly money markets with Bank of America, Torrington Savings Bank, Thomaston Savings Bank and Wells Fargo, which are not rated. The pools all have maturities of less than one year.

**TOWN OF PLYMOUTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

Investments

As of June 30, 2020, the Town had the following investments:

<u>Investment Type</u>	<u>Credit Rating</u>	<u>Fair Value</u>	<u>Investment Maturities (Years)</u>		
			<u>Less Than 1</u>	<u>1-10</u>	<u>More Than 10</u>
Interest-bearing investments:					
Guaranteed investment contracts	N/A	\$ 8,023,076	\$	\$	\$ 8,023,076
Certificates of deposit	*	<u>82,845</u>	<u>33,776</u>	<u>49,069</u>	<u></u>
Total		8,105,921	<u>\$ 33,776</u>	<u>\$ 49,069</u>	<u>\$ 8,023,076</u>
Other investments:					
Mutual funds		<u>2,735,325</u>			
Total Investments		<u>\$ 10,841,246</u>			

* Subject to coverage by Federal Depository Insurance and collateralization.

N/A - Not applicable

Interest Rate Risk

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

Credit Risk - Investments

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

Concentration of Credit Risk

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

Custodial Credit Risk

Custodial credit risk for an investment is the risk that, in the event of the failure of the counterparty (the institution that pledges collateral or repurchase agreement securities to the Town or that sells investments to or buys them for the Town), the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Town does not have a policy for custodial credit risk. At June 30, 2020, the Town did not have any uninsured and unregistered securities held by the counterparty, or by its trust department or agent that were not in the Town's name.

**TOWN OF PLYMOUTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

Fair Value

The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements); followed by quoted prices in inactive markets or for similar assets or with observable inputs (Level 2 measurements); and the lowest priority to unobservable inputs (Level 3 measurements). The Town has the following recurring fair value measurements as of June 30, 2020:

	<u>June 30, 2020</u>	<u>Fair Value Measurements Using</u>		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investments by fair value level:				
Guaranteed investment contracts	\$ 8,023,076	\$	\$ 8,023,076	\$
Mutual funds	<u>2,735,325</u>	<u>2,735,325</u>		
Total Investments by Fair Value Level	<u>\$ 10,758,401</u>	<u>\$ 2,735,325</u>	<u>\$ 8,023,076</u>	<u>\$ -</u>

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

4. RECEIVABLES

Receivables by type at June 30, 2020 for the Town's government-wide financial statements, including the applicable allowances for uncollectible accounts, are as follows:

	<u>Property Taxes</u>	<u>Interest and Lien Fees</u>	<u>Assessments/ Use Charges</u>	<u>Due From State</u>	<u>Loans</u>	<u>Other Receivables</u>	<u>Total</u>
Accounts receivable	\$ 854,247	\$ 206,107	\$ 249,589	\$ 635,264	\$ 919,281	\$ 313,684	\$ 3,178,172
Less allowance for uncollectible accounts	<u>(200,000)</u>						<u>(200,000)</u>
Net Accounts Receivable	<u>\$ 654,247</u>	<u>\$ 206,107</u>	<u>\$ 249,589</u>	<u>\$ 635,264</u>	<u>\$ 919,281</u>	<u>\$ 313,684</u>	<u>\$ 2,978,172</u>

**TOWN OF PLYMOUTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

5. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2020 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 6,740,855	\$	\$	\$ 6,740,855
Construction in progress	837,512	472,032		1,309,544
Total capital assets not being depreciated	<u>7,578,367</u>	<u>472,032</u>	<u>-</u>	<u>8,050,399</u>
Capital assets being depreciated:				
Buildings	72,557,757			72,557,757
Building improvement	19,398,961	167,413		19,566,374
Land improvement	6,712,023	30,420	30,000	6,712,443
Machinery and equipment	8,317,719	74,560	40,800	8,351,479
Vehicles	7,287,435	158,291	251,297	7,194,429
Infrastructure	140,505,474	217,837		140,723,311
Total capital assets being depreciated	<u>254,779,369</u>	<u>648,521</u>	<u>322,097</u>	<u>255,105,793</u>
Less accumulated depreciation for:				
Buildings	(27,850,329)	(1,587,065)		(29,437,394)
Building improvement	(5,253,061)	(514,528)		(5,767,589)
Land improvement	(4,694,632)	(177,031)	30,000	(4,841,663)
Machinery and equipment	(3,887,007)	(334,944)	40,800	(4,181,151)
Vehicles	(4,150,892)	(306,729)	224,864	(4,232,757)
Infrastructure	(35,190,095)	(2,081,690)		(37,271,785)
Total accumulated depreciation	<u>(81,026,016)</u>	<u>(5,001,987)</u>	<u>295,664</u>	<u>(85,732,339)</u>
Total capital assets being depreciated, net	<u>173,753,353</u>	<u>(4,353,466)</u>	<u>26,433</u>	<u>169,373,454</u>
Governmental Activities Capital Assets, Net	<u>\$ 181,331,720</u>	<u>\$ (3,881,434)</u>	<u>\$ 26,433</u>	<u>\$ 177,423,853</u>

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

Governmental activities:	
General administration	\$ 117,663
Public safety	331,820
Public works	2,720,461
Health and welfare	30,323
Library	16,191
Recreation	13,485
Education	1,725,559
Land use	46,485
Total Depreciation Expense - Governmental	<u>\$ 5,001,987</u>

**TOWN OF PLYMOUTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

Construction Commitments

The Town has active construction projects as of June 30, 2020. The projects include the following:

<u>Project</u>	<u>Appropriations</u>	<u>Cumulative Expenditures</u>	<u>Balance</u>
Industrial Park Phase III	\$ 3,650,000	\$ 3,142,835	\$ 507,165
Engineering Studies	400,000	113,208	286,792
WPCA - UV Disinfection Project	682,001	630,610	51,391
WPCA - Phosphorous Removal Project	<u>5,994,000</u>	<u>102,372</u>	<u>5,891,628</u>
Total	<u>\$ 10,726,001</u>	<u>\$ 3,989,025</u>	<u>\$ 6,736,976</u>

6. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The interfund receivables and payables are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Capital Projects	\$ 464,309
	Nonmajor Governmental Funds	653,826
	Sewer Operating	547,548
	Small Cities	<u>79,298</u>
		<u>1,744,981</u>
Sewer Operating	Nonmajor Governmental Funds	<u>555</u>
Small Cities	Sewer Operating	<u>20,000</u>
Capital Projects	General Fund	387,575
	Capital and Nonrecurring	<u>160,847</u>
		<u>548,422</u>
Capital and Nonrecurring	General Fund	<u>778,453</u>
Nonmajor Funds	General Fund	1,868,154
	Capital Projects	8,650
	Capital and Nonrecurring	<u>100,000</u>
		<u>1,976,804</u>
Performance Bonds	General Fund	<u>9,200</u>
Total		<u>\$ 5,078,415</u>

**TOWN OF PLYMOUTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

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

Interfund transfers:

	Transfer In					Total Transfer Out
	General Fund	Small Cities	Capital Projects	Capital and Nonrecurring	Nonmajor Governmental	
Transfers out:						
General Fund	\$	\$	\$ 35,000	\$ 818,221	\$ 159,991	\$ 1,013,212
Nonmajor Governmental Funds	213,251	38,727				251,978
Total Transfer In	<u>\$ 213,251</u>	<u>\$ 38,727</u>	<u>\$ 35,000</u>	<u>\$ 818,221</u>	<u>\$ 159,991</u>	<u>\$ 1,265,190</u>

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

7. LONG-TERM DEBT

Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2020 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Bonds and notes payable:					
General obligation bonds	\$ 21,345,000	\$ 4,460,000	\$ 7,115,000	\$ 18,690,000	\$ 2,270,000
Clean water notes	956,881		52,214	904,667	53,268
Premium	561,542	667,374	257,102	971,814	
Total bonds and notes payable	<u>22,863,423</u>	<u>5,127,374</u>	<u>7,424,316</u>	<u>20,566,481</u>	<u>2,323,268</u>
Capital Leases	742,233		241,376	500,857	218,986
Total OPEB liability	14,751,477	3,017,205	847,450	16,921,232	
Compensated absences	1,102,987	80,069	23,744	1,159,312	16,079
Early retirement incentive	26,000		13,000	13,000	12,250
Net pension liability - PERS	11,287,041		279,696	11,007,345	
Net pension liability - MERS	3,511,701	556,337		4,068,038	
Landfill postclosure costs	<u>262,500</u>		<u>12,500</u>	<u>250,000</u>	<u>12,500</u>
Total Governmental Activities Long-Term Liabilities	<u>\$ 54,547,362</u>	<u>\$ 8,780,985</u>	<u>\$ 8,842,082</u>	<u>\$ 54,486,265</u>	<u>\$ 2,583,083</u>

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

**TOWN OF PLYMOUTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

A schedule of bonds and notes payable at June 30, 2020 is presented below:

Description	Date of Issue	Date of Maturity	Interest Rate (%)	Amount of Original Issue	Balance Outstanding June 30, 2020
General Obligation Bonds Payable:					
General purpose:					
General obligation bonds	7/19/2012	7/15/2024	2.00-4.00	\$ 7,150,000	\$ 2,950,000
General obligation bonds	8/30/2013	8/15/2025	2.00-3.25	3,000,000	1,500,000
Refunding bonds	4/22/2014	7/15/2023	2.00-5.00	778,000	359,000
General obligation bonds	10/24/2018	10/15/2038	3.00-4.00	6,950,000	6,950,000
Refunding bonds	10/16/2019	12/15/2028	3.00-5.00	409,000	409,000
School:					
General obligation bonds	7/19/2012	7/15/2024	2.00-4.00	2,350,000	950,000
Refunding bonds	4/22/2014	7/15/2023	2.00-5.00	2,887,000	1,321,000
Refunding bonds	10/16/2019	12/15/2026	3.00-5.00	4,051,000	4,051,000
Sewer:					
General obligation bonds	8/30/2013	8/15/2025	2.00-3.25	500,000	<u>200,000</u>
Total General Obligation Bonds Payable					<u>\$ 18,690,000</u>
Notes Payable:					
Clean Water Notes Payable	5/1/2016	3/1/2035	2.00	1,200,499	<u>\$ 904,667</u>

The annual requirements to amortize all bonds outstanding as of June 30, 2020, including interest payments, are as follows:

Fiscal Year Ending June 30,	Bonds	
	Principal	Interest
2021	\$ 2,270,000	\$ 643,781
2022	2,370,000	563,456
2023	2,410,000	485,969
2024	2,410,000	401,988
2025	2,110,000	318,966
2026-2030	3,700,000	928,344
2031-2035	1,900,000	494,000
2036-2039	<u>1,520,000</u>	<u>121,600</u>
Total	<u>\$ 18,690,000</u>	<u>\$ 3,958,104</u>

**TOWN OF PLYMOUTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

General Obligation Bond Refunding

On October 16, 2019, the Town issued \$4,460,000 of general obligation refunding bonds with interest rates ranging from 3%-5%. The bonds were issued to refund outstanding principal amounts of the 2010 general obligation refunding bonds. The net proceeds of \$5,026,537 (after an original issue premium of \$667,374 and payment of \$100,837 in underwriter's fees and other issuance costs) were deposited in an irrevocable trust fund under an escrow agreement dated October 30, 2019 between the Escrow Agent and the Town. The Escrow Agent will use such proceeds to purchase a portfolio of the United States Treasury State and Local Government Securities. All investment income on and the maturing principal of the escrow securities held in the escrow deposit fund will be irrevocably deposited by the Town for payment of the refunded bonds. The Town refunded the above bonds to reduce total debt service payments over the next 10 years by \$261,806 and to obtain an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$256,554. As of June 30, 2020, there was no defeased debt outstanding from this refunding. This amount is removed from the governmental activities column of the statement of net position.

Note Payable

The Town has a note payable at June 30, 2020 of \$904,667. The note was issued for a sewer construction project. The loan bears interest of 2%. The loan is payable in monthly installments of \$5,906, including interest through March 2035.

Fiscal Year Ending June 30,	Notes	
	Principal	Interest
2021	\$ 53,268	\$ 17,607
2022	54,343	16,532
2023	55,440	15,435
2024	56,559	14,316
2025	57,701	13,174
2026-2030	306,452	47,923
2031-2035	320,904	17,770
Total	<u>\$ 904,667</u>	<u>\$ 142,757</u>

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

Category	Debt Limit	Net Indebtedness	Balance
General purpose	\$ 67,303,924	\$ 12,768,000	\$ 54,535,924
Schools	134,607,848	6,421,420	128,186,428
Sewers	112,173,206	1,229,078	110,944,128
Urban renewal	97,216,779	-	97,216,779
Pension deficit	89,738,565	-	89,738,565

The total overall statutory debt limit for the Town is equal to seven times annual receipts from taxation, \$209,389,985.

**TOWN OF PLYMOUTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

The definition of indebtedness above includes bonds and notes outstanding in addition to the amounts of bonds authorized and unissued against which debt is issued and outstanding. Debt authorized and unissued at June 30, 2020 is \$823,831.

Landfill Closure and Postclosure Care Costs

State and Federal laws and regulations require landfill closures to meet certain standards. The Town has finalized an agreement with the State Department of Environmental Protection for final capping of the landfill. Monitoring costs for the next 20 years at \$12,500 per year are \$250,000. These amounts are based on estimates that are subject to change due to inflation, technology or applicable laws and regulations.

Termination Benefits

The Board of Education provides early retirement incentive benefits to former employees. Benefits are paid annually based on the retirement agreement for each employee from the Board of Education budget. The amount paid for the fiscal year ended June 30, 2020 was \$13,000 and the balance at year end is \$13,000. Benefits are payable through 2022.

8. LEASES

Capital Leases

The Town entered into lease agreements for the purchase of three vehicle's and communication equipment.

Assets:		
Vehicles	\$	446,949
Communications equipment		207,327
Streetlights		512,105
Less accumulated depreciation		<u>(101,628)</u>
Total	\$	<u><u>1,064,753</u></u>

The present value of future minimum lease payments under capital lease obligations is as follows:

Fiscal Year		Amount
Year Ending June 30,		
2021	\$	235,762
2022		185,587
2023		<u>107,663</u>
Total		529,012
Less amount representing interest		<u>28,155</u>
Total	\$	<u><u>500,857</u></u>

**TOWN OF PLYMOUTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

9. FUND BALANCE

The components of fund balance for the governmental funds at June 30, 2020 are as follows:

	<u>General Fund</u>	<u>Sewer Operating</u>	<u>Small Cities</u>	<u>Capital Projects Fund</u>	<u>Capital and Nonrecurring</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Fund balances:							
Nonspendable:							
Cemetery trust funds	\$	\$	\$	\$	\$	\$ 499,867	\$ 499,867
Terryville public library trust						406,721	406,721
Mercy J Cone trust						199,487	199,487
Restricted for:							
Grants			332,832			866,175	1,199,007
Debt service						426,475	426,475
Cemetery trust funds						376,702	376,702
Terryville public library trust						28,931	28,931
Mercy J Cone trust						4,467	4,467
St. Mathews trust						8,393	8,393
Committed to:							
Pension obligations	100,000						100,000
Various capital improvements					929,419		929,419
Education sinking fund						392,297	392,297
Sewer operating and assessment		1,054,503				23,388	1,077,891
Water assessment						705,285	705,285
Dog fund						146,656	146,656
Fuel bank and small wonders						81,238	81,238
Economic development						31,634	31,634
Police extra duty						148,978	148,978
Recreation						29,241	29,241
Historical preservation						54,314	54,314
Assigned to:							
Education encumbrances	900,132						900,132
General administration	2,374						2,374
Public safety	49,024						49,024
Public works	108,823						108,823
Health and Welfare	2,418						2,418
Library	13,468						13,468
Parks and recreation	837						837
Land use	1,271						1,271
Unassigned	4,153,630			(83,542)			4,070,088
Total Fund Balances	<u>\$ 5,331,977</u>	<u>\$ 1,054,503</u>	<u>\$ 332,832</u>	<u>\$ (83,542)</u>	<u>\$ 929,419</u>	<u>\$ 4,430,249</u>	<u>\$ 11,995,438</u>

Major encumbrances are reported in the assigned fund balance of the General Fund of \$1,078,347.

10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS

Pension Trust Fund

A. Plan Description and Benefits Provided

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

**TOWN OF PLYMOUTH, CONNECTICUT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2020**

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

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

At July 1, 2018 the plan’s membership consisted of:

	<u>Town</u>	<u>Board of Education</u>
Retirees and beneficiaries currently receiving benefits	65	42
Terminated employees entitled to benefits but not receiving	8	4
Active plan members	<u>10</u>	<u>24</u>
Total	<u><u>83</u></u>	<u><u>70</u></u>

The plan is closed to new participants.

B. Summary of Significant Accounting Policies

Basis of Accounting

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

Method Used to Value Investments

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

C. Funding Policy

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

Administrative costs of the Plans are financed through investment earnings.

**TOWN OF PLYMOUTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

D. Investments

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

Concentration: The Town holds a guaranteed investment contract which represents more than 5% of the respective funds net position at June 30, 2020. The amount held at June 30, 2020 is \$8,023,076.

Rate of Return

For the year ended June 30, 2020, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 3.46%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

E. Net Pension Liability of the Town

The components of the net pension liability of the Town at June 30, 2020 were as follows:

	<u>Town</u>	<u>Board of Education</u>	<u>Total</u>
Total pension liability	\$ 12,195,195	\$ 8,068,719	\$ 20,263,914
Plan fiduciary net position	<u>(4,158,274)</u>	<u>(5,098,295)</u>	<u>(9,256,569)</u>
Town's Net Pension Liability	<u>\$ 8,036,921</u>	<u>\$ 2,970,424</u>	<u>\$ 11,007,345</u>
Plan fiduciary net position as a percentage of the total pension liability	34.10%	63.19%	45.68%

Actuarial Assumptions

The total pension liability at June 30, 2020 was determined by an actuarial valuation as of July 1, 2018, using the following actuarial assumptions, applied to all periods included in the measurement:

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

Mortality tables were based on RP-2000 Combined Healthy Mortality Table, with generational projection per Scale AA.

**TOWN OF PLYMOUTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

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

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and the best estimates of arithmetic real rates of return for each major asset class as of June 30, 2020 are summarized in the following table:

<u>Asset Class</u>	<u>Target</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Long Credit Bonds	93.42 %	4.19 %
U.S. Interm Bonds	1.18	1.89
U.S. Equity Market	0.86	4.73
U.S. Large Growth	0.72	5.00
U.S. Large Value	0.66	4.49
U.S. Core Bonds	0.66	2.30
U.S. Short Bonds	0.66	1.47
Global Bonds	0.46	0.97
U.S. Inflation-Indexed Bonds	0.39	1.27
U.S. Small Caps	0.27	5.79
Emerging Markets Bonds	0.26	3.93
Non-U.S. Small Cap	0.20	6.68
U.S. MidCap Growth	0.13	5.63
Commodities	0.13	2.99
	<u>100.00 %</u>	

Discount Rate

Town/Board of Education Plans

The discount rate used to measure the total pension liability at June 30, 2020 was 6.25%, same rate the Town plan reported in the prior year. The plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

**TOWN OF PLYMOUTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

Changes in the Net Pension Liability

	Town Pension Plan		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances as of July 1, 2019	\$ 12,451,445	\$ 4,170,611	\$ 8,280,834
Changes for the year:			
Service cost	73,472		73,472
Interest on total pension liability	749,589		749,589
Employer contributions		905,871	(905,871)
Member contributions		24,129	(24,129)
Net investment income		139,000	(139,000)
Benefit payments, including refund to employee contributions	(1,079,311)	(1,079,311)	-
Administrative expenses		(2,026)	2,026
Net changes	<u>(256,250)</u>	<u>(12,337)</u>	<u>(243,913)</u>
Balances as of June 30, 2020	<u>\$ 12,195,195</u>	<u>\$ 4,158,274</u>	<u>\$ 8,036,921</u>

	Board of Education Pension Plan		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances as of July 1, 2019	\$ 7,920,046	\$ 4,913,839	\$ 3,006,207
Changes for the year:			
Service cost	152,735		152,735
Interest on total pension liability	489,364		489,364
Employer contributions		486,017	(486,017)
Member contributions		25,864	(25,864)
Net investment income		168,456	(168,456)
Benefit payments, including refund to employee contributions	(493,426)	(493,426)	-
Administrative expenses		(2,455)	2,455
Net changes	<u>148,673</u>	<u>184,456</u>	<u>(35,783)</u>
Balances as of June 30, 2020	<u>\$ 8,068,719</u>	<u>\$ 5,098,295</u>	<u>\$ 2,970,424</u>

**TOWN OF PLYMOUTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

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

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

	Town		
	1% Decrease	Current	1% Increase
	5.25%	Discount Rate	7.25%
		6.25%	
Net Pension Liability	\$ 9,144,038	\$ 8,036,921	\$ 7,084,821

	Board of Education		
	1% Decrease	Current	1% Increase
	5.25%	Discount Rate	7.25%
		6.25%	
Net Pension Liability	\$ 3,813,687	\$ 2,970,424	\$ 2,251,797

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

At June 30, 2020, the Town reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources		
	Town Pension Plan	Board of Education Pension Plan	Total
Differences between expected and actual experience	\$	\$ 38,826	\$ 38,826
Net difference between projected and actual earnings on pension plan investments	228,235	263,530	491,765
Total	\$ 228,235	\$ 302,356	\$ 530,591

	Deferred Inflows of Resources		
	Town Pension Plan	Board of Education Pension Plan	Total
Changes in assumptions	\$	\$ 882	\$ 882

**TOWN OF PLYMOUTH, CONNECTICUT
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Amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

<u>Year Ending June 30,</u>	<u>Town Pension Plan</u>	<u>Board of Education Pension Plan</u>	<u>Total</u>
2021	\$ 97,734	\$ 149,810	\$ 247,544
2022	67,611	78,188	145,799
2023	39,438	45,598	85,036
2024	23,452	27,878	51,330
	<u>\$ 228,235</u>	<u>\$ 301,474</u>	<u>\$ 529,709</u>

For the year ended June 30, 2020, the Town recognized pension expense of \$1,189,706 as follows:

	<u>Pension Expense</u>
Town	\$ 669,895
Board of Education	<u>519,811</u>
Total	<u>\$ 1,189,706</u>

The following schedule presents the net position held in trust for the pension benefits at June 30, 2020 and the changes in net position for the year ended.

Schedule of Plan Net Position - June 30, 2020

	<u>Town</u>	<u>Board of Education</u>	<u>Total</u>
Assets:			
Investments:			
Guaranteed investment contracts	\$ 3,605,594	\$ 4,417,482	\$ 8,023,076
Mutual funds	<u>552,680</u>	<u>677,618</u>	<u>1,230,298</u>
Total investments	4,158,274	5,095,100	9,253,374
Accounts receivable	<u>-</u>	<u>3,195</u>	<u>3,195</u>
Total assets	<u>4,158,274</u>	<u>5,098,295</u>	<u>9,256,569</u>
Net Position:			
Restricted for Pensions	<u>\$ 4,158,274</u>	<u>\$ 5,098,295</u>	<u>\$ 9,256,569</u>

**TOWN OF PLYMOUTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

Schedule of Changes in Plan Net Position for the Year Ended June 30, 2020

	<u>Town</u>	<u>Board of Education</u>	<u>Total</u>
Additions:			
Contributions:			
Employer	\$ 905,871	\$ 486,017	\$ 1,391,888
Plan members	24,129	25,864	49,993
Total contributions	<u>930,000</u>	<u>511,881</u>	<u>1,441,881</u>
Investment income:			
Net change in fair value of investments	90,503	110,964	201,467
Interest and dividends	83,535	102,419	185,954
Total investment income	<u>174,038</u>	<u>213,383</u>	<u>387,421</u>
Less investment expense	<u>(35,038)</u>	<u>(44,927)</u>	<u>(79,965)</u>
Net investment income	<u>139,000</u>	<u>168,456</u>	<u>307,456</u>
Total additions	<u>1,069,000</u>	<u>680,337</u>	<u>1,749,337</u>
Deductions:			
Benefits	1,079,311	493,426	1,572,737
Administration	<u>2,026</u>	<u>2,455</u>	<u>4,481</u>
Total deductions	<u>1,081,337</u>	<u>495,881</u>	<u>1,577,218</u>
Change in Net Position	(12,337)	184,456	172,119
Net Position at Beginning of Year	<u>4,170,611</u>	<u>4,913,839</u>	<u>9,084,450</u>
Net Position at End of Year	<u>\$ 4,158,274</u>	<u>\$ 5,098,295</u>	<u>\$ 9,256,569</u>

Municipal Employees' Retirement System

A. Plan Description

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

B. Benefit Provisions

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

**TOWN OF PLYMOUTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
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Normal Retirement

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

Early Retirement

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

Disability Retirement - Service Connected

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

Disability Retirement - Non-Service Connected

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

Pre-Retirement Death Benefit

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

C. Contributions

Member

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

Employer

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

**TOWN OF PLYMOUTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

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

At June 30, 2020, the Town reports a liability of \$4,068,038 for its proportionate share of the net pension liability. The net pension liability was measured at June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation at June 30, 2019. The actuarial assumptions used in the June 30, 2019 valuation were based on results of an actuarial experience study for the period July 1, 2012 through June 30, 2017. The Town’s proportion of the net pension liability was based on a projection of the Town’s long-term share of contributions to the pension plan relative to the projected contributions of all participants, actuarially determined. At June 30, 2020, the Town’s proportion was .35%. The increase in proportion from the prior year was .10%.

For the year ended June 30, 2020, the Town recognized pension expense of \$1,219,064. At June 30, 2020, the Town reported deferred outflows of resources related to pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Net difference between projected and actual earnings on pension plan investments	\$ 187,687	\$
Change in assumptions	1,123,906	
Differences between expected and actual experience	49,927	330,992
Changes in proportional share	82,278	17,922
Contributions made subsequent to measurement date	<u>577,582</u>	
Total	<u>\$ 2,021,380</u>	<u>\$ 348,914</u>

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

Year Ending June 30,

2021	\$ 439,683
2022	265,663
2023	351,500
2024	<u>38,038</u>
Total	<u>\$ 1,094,884</u>

**TOWN OF PLYMOUTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

E. Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of June 30, 2019, using the following actuarial assumptions, applied to all periods included in the measurement period:

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

Mortality rates were based on:

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

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

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

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

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

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

F. Discount Rate

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

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

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Town’s proportionate share of the net pension liability (asset)	\$ 5,912,343	\$ 4,068,038	\$ 2,524,162

Connecticut Teachers Retirement System - Pension

A. Plan Description

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

B. Benefit Provisions

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

Normal Retirement

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

Early Retirement

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

**TOWN OF PLYMOUTH, CONNECTICUT
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Disability Retirement

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

C. Contributions

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

Employer (School Districts)

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

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

For the year ended June 30, 2020, the amount of "on-behalf" contributions made by the State was \$3,174,273 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, 2020, the Town reports no amounts for its proportionate share of the net pension liability, and related deferred outflows and inflows, due to the statutory requirement that the State pay 100% of the required contribution. The amount recognized by the Town as its proportionate share of the net pension liability, the related state support, and the total portion of the net pension liability that was associated with the Town were as follows:

Town's proportionate share of the net pension liability	\$ -
State's proportionate share of the net pension liability associated with the Town	<u>41,935,227</u>
Total	<u>\$ 41,935,227</u>

The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2018. At June 30, 2020, the Town has no proportionate share of the net pension liability.

**TOWN OF PLYMOUTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
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For the year ended June 30, 2020, the Town recognized pension expense and revenue of \$5,150,361 in Exhibit II.

E. Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of June 30, 2018, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary increase	3.25-6.50%, including inflation
Investment rate of return	6.90%, net of pension plan investment expense, including inflation

Mortality rates were based on the RPH-2014 White Collar table with employee and annuitant rates blended from ages 50 to 80, projected to the year 2020 using the BB improvement scale.

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2010 - June 30, 2015.

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

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

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

**TOWN OF PLYMOUTH, CONNECTICUT
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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:

<u>Asset Class</u>	<u>Expected Return</u>		<u>Target Allocation</u>		<u>Standard Deviation</u>	
Public Equity - US Equity	8.10	%	20.00		17.00	%
Public Equity - International Developed Equity	8.50		11.00		19.00	
Public Equity - Emerging Markets Equity	10.40		9.00		24.00	
Fixed Income - Core Fixed Income	4.60		16.00		7.00	
Fixed Income - Inflation Linked Bonds	3.60		5.00		7.00	
Fixed Income - High Yield	6.50		6.00		11.00	
Fixed Income - Emerging Market Debt	5.20		5.00		11.00	
Private Equity	9.80		10.00		23.00	
Real Estate	7.00		10.00		15.00	
Alternative Investments - Real Assets	8.20		4.00		17.00	
Alternative Investments - Hedge Funds	5.40		3.00		7.00	
Liquidity Fund	2.90		1.00		1.00	
Total			<u>100.00</u>			%

F. Discount Rate

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

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. Other Information

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

Defined Contribution Retirement Plan

In July 2001, the Town adopted the Town of Plymouth Retirement Savings Plan, a defined contribution plan for all employees other than police and those whose collective bargaining unit opts out of plan participation. In a defined contribution plan, the benefits depend solely on amounts contributed to the plan plus investment earnings. As of June 30, 2020, there were 85 members in the plan. After six months of employment, all employees except as noted above are eligible to participate in the plan. Failure to enroll in the plan within thirty days of eligibility precludes an employee from joining the plan during the remainder of employment with the Town. Employees who are currently members of the town's defined benefit pension plan may opt to freeze their benefit in the former plan and elect to contribute to the retirement savings plan. The plan requires employees to contribute 3% of earnings and the Town to contribute 6%. For the fiscal year ended June 30, 2020, contributions were \$88,191 and \$179,974, respectively. Town contributions along with the related earnings are fully vested after five years of continuous service. Town contribution vesting increases on 20% increasing scale from one to five years. Town contributions for, and interest forfeited by, employees who leave employment before five years of services are used to pay administrative expenses and/or utilized to reduce the Town's current contribution requirements. Pursuant to the administrative service agreement, Voya Financial Services administers the plan.

11. OTHER POSTEMPLOYMENT BENEFITS

Retiree Health Care Plan

A. Plan Description

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

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

B. Benefit Provided

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

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

Membership in the plan consisted of the following at July 1, 2018:

	Retiree Healthcare Plan
Active members	237
Retired members	79
Beneficiaries	10
Spouses of retirees	24
	<hr/>
Total	350
	<hr/> <hr/>

D. Total OPEB Liability

The Town’s total OPEB liability of \$16,921,232 was measured as of June 30, 2020 and was determined by an actuarial valuation as of July 1, 2018.

E. Actuarial Assumptions and Other Inputs

The total OPEB liability in the July 1, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

Inflation	2.70%
Salary increases	3.50%
Discount rate	2.21%
Healthcare cost trend rates	BOE Certified and Non-Certified: 6.0% to 4.1% over 55 years Town and Police: 6.1% to 4.2% over 57 years pre-Medicare, 5.2% to 4.2% over 68 years post-Medicare

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

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

	Total OPEB Liability
Balance as of July 1, 2019	\$ <u>14,751,477</u>
Changes for the year:	
Service cost	275,840
Interest on total OPEB liability	511,253
Changes in assumptions	2,230,112
Benefit payments, including refund to employee contributions	<u>(847,450)</u>
Net changes	<u>2,169,755</u>
Balance as of June 30, 2020	\$ <u><u>16,921,232</u></u>

Changes of assumptions and other inputs reflect a change in the discount rate from 3.5% in 2019 to 2.21% in 2020.

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

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

	1% Decrease (1.21%)	Current Discount Rate (2.21%)	1% Increase (3.21%)
Total OPEB liability	\$ <u>19,108,815</u>	\$ <u>16,921,232</u>	\$ <u>19,712,717</u>

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

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

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB liability	\$ <u>14,668,949</u>	\$ <u>16,921,232</u>	\$ <u>19,712,717</u>

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

For the year ended June 30, 2020, the Town recognized OPEB expense of \$542,291. At June 30, 2020, the Town reported deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$	\$ 35,000
Changes in assumptions or other inputs	<u>1,944,200</u>	<u>3,212,412</u>
Total	<u>\$ 1,944,200</u>	<u>\$ 3,247,412</u>

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

<u>Year Ending June 30,</u>	<u>Town OPEB Plan</u>
2021	\$ 244,802
2022	244,802
2023	244,802
2024	244,802
2025	180,456
Thereafter	143,548

Other Post Employment 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 post employment benefit plan administered by the Teachers' Retirement Board (TRB), if they choose to be covered.

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

B. Benefit Provisions

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

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

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

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

Survivor Health Care Coverage

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

C. Eligibility

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

Credited Service

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

Normal Retirement

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

Early Retirement

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

Proratable Retirement

Age 60 with 10 years of Credited Service.

**TOWN OF PLYMOUTH, CONNECTICUT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2020**

Disability Retirement

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

Termination of Employment

Ten or more years of Credited Service.

D. Contributions

State of Connecticut

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

Employer (School Districts)

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

For the year ended June 30, 2020, the amount of "on-behalf" contributions made by the State was \$86,755 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, 2020, the Town reports no amounts for its proportionate share of the net OPEB liability, and related deferred outflows and inflows, due to the statutory requirement that the State pay 100% of the required contribution. The amount recognized by the Town as its proportionate share of the net OPEB liability, the related State support and the total portion of the net OPEB liability that was associated with the Town was as follows:

Town's proportionate share of the net OPEB liability	\$ -
State's proportionate share of the net OPEB liability associated with the Town	<u>6,540,035</u>
Total	<u>\$ 6,540,035</u>

**TOWN OF PLYMOUTH, CONNECTICUT
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The net OPEB liability was measured as of June 30, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as June 30, 2018. At June 30, 2020, the Town has no proportionate share of the net OPEB liability.

For the year ended June 30, 2020, the Town recognized OPEB expense and revenue of \$(478,577) in Exhibit II.

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of June 30, 2018, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Health care costs trend rate	
Pre-Medicare	5.95% decreasing to 4.75% by 2025
Medicare	5.00% decreasing to 4.75% by 2028
Salary increases	3.25-6.50%, including inflation
Investment rate of return	3.00%, net of OPEB plan investment expense, including inflation
Year fund net position will be depleted	2019

Mortality rates were based on the RPH-2014 White Collar table with employee and annuitant rates blended from ages 50 to 80, projected to the year 2020 using the BB improvement scale.

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2010 - June 30, 2015.

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 (0.41%).

G. Discount Rate

The discount rate used to measure the total OPEB liability was 3.50%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current member contribution rate and that contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members. No future State contributions were assumed to be made. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be depleted in 2019 and, as a result, the Municipal Bond Index Rate was used in the determination.

**TOWN OF PLYMOUTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

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

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

I. Other Information

Additional information is included in the required supplementary information section of the financial statements. A schedule of contributions is not presented as the Town has no obligation to contribute to the plan. Detailed information about the Connecticut State Teachers OPEB Plan fiduciary net position is available in the separately issued State of Connecticut Comprehensive Annual Financial Report at www.ct.gov.

12. TAX ABATEMENTS

As of June 30, 2020, the Town provides tax abatements to multiple organizations through the following program:

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

13. CONTINGENT LIABILITIES

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

14. CORONAVIRUS (COVID-19)

On January 30, 2020, the World Health Organization declared the coronavirus to be a public health emergency. On March 10, 2020, the Governor of the State of Connecticut declared a public health emergency and a civil preparedness emergency due to COVID-19.

The Town derives a significant portion of its revenues from property taxes. While the Town has not experienced any significant increase in the amount of delinquency from its taxpayers, the situation creates uncertainty about the impact of future revenues that might be generated. In addition, at this time, it is uncertain what the effects of the pandemic will be on the Town's health care costs, changes in interest rates, investment valuation and the future federal or state fiscal relief.



Required Supplementary Information

**TOWN OF PLYMOUTH, CONNECTICUT
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2020**

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Property taxes:				
Current taxes	\$ 29,797,039	\$ 29,797,039	\$ 29,699,069	\$ (97,970)
Supplemental motor vehicle tax	365,000	365,000	425,213	60,213
Prior year taxes	500,000	500,000	463,048	(36,952)
Interest and lien fees	250,000	250,000	271,540	21,540
Collection agency fees	1,000	1,000	2,215	1,215
PILOT - retirement community	15,000	15,000	17,936	2,936
PILOT - housing authority	5,000	5,000	5,000	-
PILOT - telephone access			15,857	15,857
Total property taxes	<u>30,933,039</u>	<u>30,933,039</u>	<u>30,899,878</u>	<u>(33,161)</u>
Licenses and Permits:				
Zoning permits	2,000	2,000	6,185	4,185
Public works - misc permits			2,525	2,525
Transfer station permits	8,000	8,000	13,300	5,300
ROW permits	2,000	2,000	1,970	(30)
Gun permits	8,500	8,500	12,242	3,742
Structural permits	45,000	45,000	53,647	8,647
Electrical permits	8,000	8,000	11,360	3,360
Demolition permits	2,000	2,000	3,446	1,446
Plumbing permits	3,000	3,000	4,035	1,035
Heating permits	7,500	7,500	13,550	6,050
Total permits	<u>86,000</u>	<u>86,000</u>	<u>122,260</u>	<u>36,260</u>
Charges for services:				
Recording fees	55,000	55,000	62,892	7,892
Conveyance tax	60,000	60,000	99,477	39,477
Sports licenses	1,800	1,800	260	(1,540)
Vital statistics	600	600	11,742	11,142
Miscellaneous town clerk	20,500	20,500	14,681	(5,819)
Land Use system fees	750	750	2,490	1,740
Zoning board of appeals	2,000	2,000	260	(1,740)
Fire marshal	1,000	1,000	645	(355)
Fire Hawk Program	250	250	380	130
Insurance reports	1,000	1,000	1,080	80
Hancock dam control	13,000	13,000	15,605	2,605
Miscellaneous public works/Metal Reimbursement	16,000	16,000	19,264	3,264
Conservation commission	1,000	1,000	660	(340)
Permit application fees	7,000	7,000	6,950	(50)
Aircraft registrations	720	720	752	32
Public hearings	1,000	1,000	1,720	720
Sub-division hearings	1,000	1,000	-	(1,000)
Total charges for services	<u>182,620</u>	<u>182,620</u>	<u>238,858</u>	<u>56,238</u>
Fines:				
Parking tickets & alarm fines	200	200		(200)
Library	4,000	4,000	1,799	(2,201)
False alarms	3,500	3,500	1,350	(2,150)
Total fines	<u>7,700</u>	<u>7,700</u>	<u>3,149</u>	<u>(4,551)</u>

(Continued on next page)

**TOWN OF PLYMOUTH, CONNECTICUT
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2020**

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Intergovernmental revenues:				
PILOT - state property	\$ 5,936	\$ 5,936	\$ 5,936	\$ -
PILOT - federal			1,822	1,822
Veteran's grant			5,905	5,905
Disability exemption			2,378	2,378
ECS grant	9,778,621	9,778,621	9,806,084	27,463
Out placement - excess income	466,314	466,314	370,099	(96,215)
Adult education	11,411	11,411	11,888	477
Pequot PILOT	33,955	33,955	33,955	-
Judicial refunds	5,000	5,000	7,136	2,136
Bullet proof vest			775	775
Total intergovernmental revenues	<u>10,301,237</u>	<u>10,301,237</u>	<u>10,245,978</u>	<u>(55,259)</u>
Income from investments	<u>20,000</u>	<u>20,000</u>	<u>20,612</u>	<u>612</u>
Other revenues:				
Recreation facility rental	2,500	2,500	50	(2,450)
Fire Marshal donations	1,500	1,500	1,000	(500)
Foreclosure sale proceeds			4,890	4,890
Insurance reimbursements	1,000	1,000	-	(1,000)
WPCA insurance reimbursement	65,000	65,000	65,000	-
Miscellaneous	5,000	5,000	5,497	497
Total other revenues	<u>75,000</u>	<u>75,000</u>	<u>76,437</u>	<u>1,437</u>
Total Revenues	<u>41,605,596</u>	<u>41,605,596</u>	<u>41,607,172</u>	<u>1,576</u>
Other financing sources:				
Cancellation of prior year's encumbrances			95,457	95,457
Transfers in	<u>238,521</u>	<u>213,521</u>	<u>213,251</u>	<u>(270)</u>
Total other financing sources	<u>238,521</u>	<u>213,521</u>	<u>308,708</u>	<u>95,187</u>
Total Revenues and Other Financing Sources	<u>\$ 41,844,117</u>	<u>\$ 41,819,117</u>	<u>41,915,880</u>	<u>\$ 96,763</u>
Budgetary revenues are different than GAAP revenues because:				
State of Connecticut on-behalf contributions to the Connecticut State Teachers' Retirement System for Town teachers are not budgeted				
Pension Plan			3,174,273	
OPEB Plan			86,755	
Refunding bonds issued not budgeted			4,460,000	
Premiums on refunding bonds not budgeted			667,374	
Magnet school transportation grant			97,500	
Miscellaneous grants not budgeted			61,354	
Cancellation of prior year encumbrances are recognized as budgetary revenue			<u>(95,457)</u>	
Total Revenues and Other Financing Sources as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds Exhibit IV			<u>\$ 50,367,679</u>	

**TOWN OF PLYMOUTH, CONNECTICUT
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2020**

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
General administration:				
Mayor	\$ 155,705	\$ 155,705	\$ 151,374	\$ 4,331
Town Council	5,575	5,575	5,690	(115)
Human Resource	43,100	43,750	43,212	538
Comptroller	293,115	294,752	255,787	38,965
Central Office	137,958	137,958	140,055	(2,097)
Treasurer	3,600	3,600	3,600	-
Registrar	62,793	62,793	56,370	6,423
Clerical Office Staff	135,612	135,878	133,766	2,112
Board of Finance	250,050	250,050	76,292	173,758
Assessors	101,135	101,135	93,778	7,357
Board of Assessment Appeals	800	800	302	498
Tax Collector	80,474	80,474	76,630	3,844
Legal Services	101,000	156,500	170,027	(13,527)
Property & Casualty Insurance	1,056,372	1,056,372	997,056	59,316
Employee Benefits	3,233,000	3,096,306	2,829,222	267,084
Town Clerk	125,602	126,421	112,847	13,574
Probate Court	5,500	6,500	6,392	108
Special Services	5,425	5,425	2,629.00	2,796
Total general administration	<u>5,796,816</u>	<u>5,719,994</u>	<u>5,155,029</u>	<u>564,965</u>
Public safety:				
Fire Marshal	75,445	76,445	76,439	6
Police Department	2,431,351	2,408,851	2,274,872	133,979
Emergency Management	39,650	74,650	70,742	3,908
Animal Control	40,000	42,500	40,935	1,565
Communications	522,725	545,725	526,788	18,937
Fire Department	239,405	239,405	222,193	17,212
Terryville Station	22,650	22,650	22,612	38
Plymouth Station	27,900	27,900	24,495	3,405
Fall Mountain Station	14,100	14,100	9,867	4,233
Total public safety	<u>3,413,226</u>	<u>3,452,226</u>	<u>3,268,943</u>	<u>183,283</u>
Public works:				
Facilities	76,300	76,300	59,500	16,800
Snow Removal	408,500	393,500	249,777	143,723
Highway Department	648,698	654,698	611,072	43,626
Transfer Station	661,213	661,995	638,893	23,102
Public Works Director	89,302	89,302	80,488	8,814
Maintenance Garage	480,604	483,150	443,745	39,405
Utilities - Hydrants and Streetlights	465,000	465,000	440,819	24,181
Other Public Buildings	200,460	225,854	220,940	4,914
Building Inspector	81,183	83,783	82,003	1,780
Total public works	<u>3,111,260</u>	<u>3,133,582</u>	<u>2,827,237</u>	<u>306,345</u>
Health and welfare:				
Human Services Commission	55,876	64,376	63,819	557
Public Health	67,572	67,572	65,072	2,500
Ambulance Corps	44,590	44,590	42,916	1,674
Public Health - Dial a Ride	32,500	32,500	27,335	5,165
Total health and welfare	<u>200,538</u>	<u>209,038</u>	<u>199,142</u>	<u>9,896</u>

(Continued on next page)

**TOWN OF PLYMOUTH, CONNECTICUT
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2020**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Terryville Library	\$ 466,149	466,149	\$ 423,560	\$ 42,589
Parks and recreation	202,426	209,426	206,736	2,690
Education	24,487,790 *	24,337,049 *	24,337,049	-
Land use:				
Planning and Zoning	132,681	132,681	128,900	3,781
Zoning Board of Appeals	3,200	3,200	1,397	1,803
Conservation Commission	4,600	4,600	4,193	407
Economic Development	31,550	31,550	25,643	5,907
Historic Properties	3,000	3,000	1,014	1,986
Total land use	175,031	175,031	161,147	13,884
Debt service	3,103,410	3,103,410	3,068,463	34,947
Total expenditures	40,956,646	40,805,905	39,647,306	1,158,599
Other financing uses:				
Transfers out:				
Capital and nonrecurring	843,221	818,221	818,221	-
High School Building	35,000 *	35,000 *	35,000	-
BOE Sinking Fund		150,741	150,741	-
Dog Fund	3,250	3,250	3,250	-
Cemeteries	6,000	6,000	6,000	-
Total other financing uses	887,471	1,013,212	1,013,212	-
Total Expenditures and Other Financing Uses	\$ 41,844,117	\$ 41,819,117	40,660,518	\$ 1,158,599

Budgetary expenditures are different than GAAP expenditures because:

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

Pension	3,174,273
OPEB	86,755
Magnet school transportation grant	97,500
Miscellaneous grants not budgeted	61,354
Payment to refunding bond escrow agent	5,026,537
Bond issuance cost not budgeted	100,837
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	(318,915)

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

\$ 48,888,859

* The sum of these two line items is equal to the total the amount approved for the BOE Budget in FY20

**TOWN OF PLYMOUTH, CONNECTICUT
SEWER OPERATING FUND
SCHEDULE OF REVENUES, OTHER FINANCING SOURCES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2020**

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Revenues:				
Use charges collected:				
Current year	\$ 1,533,909	\$ 1,533,909	\$ 1,531,221	\$ (2,688)
Prior year			246,867	246,867
Interest and lien			143,688	143,688
Sewer connection - lateral fees quick			2,500	2,500
Permit fees			2,894	2,894
Miscellaneous			1,405	1,405
			37,232	37,232
Total revenues	<u>1,533,909</u>	<u>1,533,909</u>	<u>1,965,807</u>	<u>431,898</u>
Expenditures:				
Wages and benefits:				
Wages	361,000	360,500	372,971	(12,471)
Wages - tax collector	4,000	4,000	4,000	-
Wages - overtime	40,000	40,000	47,248	(7,248)
Wages/benefits adjustment	26,960	17,276	3,785	13,491
Medical health insurance	71,000	71,000	57,733	13,267
Social Security	31,706	31,706	31,757	(51)
Worker's compensation	17,000	17,000	13,724	3,276
Seniority pay	1,450	1,450	1,550	(100)
Retirement	97,310	97,310	97,518	(208)
Audit	4,750	4,750	4,750	-
Accidental health and insurance	3,010	3,010	2,713	297
Conferences/memberships	450	450	425	25
Education	10,000	4,000	4,000	-
Unused vacation & sick time	1,000	1,000	-	1,000
Compensated Absences		5,353	5,353	-
Total wages and benefits	<u>669,636</u>	<u>658,805</u>	<u>647,527</u>	<u>11,278</u>
Plant Expenditures:				
Physical Plant:				
Maintenance/service contracts	22,000	23,000	23,028	(28)
Repair and maintenance	25,000	27,370	26,075	1,295
Vehicle repairs	3,000	3,000	2,997	3
Safety	5,000	5,000	4,803	197
Insurance	65,000	65,000	65,000	-
Supplies:				
Plant & System Supplies	5,000	5,613	5,171	442
Chemicals	45,000	45,000	33,262	11,738
Lab tests/chemical/equip calib	25,000	24,701	25,801	(1,100)
Clothing allowance	5,025	5,225	4,891	334
Utilities:				
Electric	125,000	125,000	105,351	19,649
Fuel	2,000	2,000	2,000	-
Natural gas	14,000	14,000	16,161	(2,161)
Water	2,800	2,800	2,982	(182)
Telephone	2,970	2,970	2,796	174
Sludge disposal	150,000	150,000	173,041	(23,041)
Grit/screening removal	10,000	10,000	6,363	3,637
Total plant expenditures	<u>506,795</u>	<u>510,679</u>	<u>499,722</u>	<u>10,957</u>

(Continued on next page)

**TOWN OF PLYMOUTH, CONNECTICUT
SEWER OPERATING FUND
SCHEDULE OF REVENUES, OTHER FINANCING SOURCES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2020**

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Collection System Expenditures:				
Utilities:				
Electric	\$ 35,000	\$ 35,000	\$ 31,805	\$ 3,195
Telephone	800	800	792	8
Maintenance: manhole rehabilitation	30,000	40,573	40,229	344
System/Pump Station Repair	30,000	27,911	29,287	(1,376)
Generator maintenance	3,000	315	2,685	(2,370)
Total collection system expenditures	<u>98,800</u>	<u>104,599</u>	<u>104,798</u>	<u>(199)</u>
Administrative Expenditures:				
Office supplies	7,000	6,305	6,334	(29)
Advertising/printing	3,000	3,000	2,912	88
Postage	4,000	4,000	2,142	1,858
Legal/Bank fees	10,280	14,780	16,242	(1,462)
Mileage reimbursement		500	23	477
Conferences & training		6,000	5,893	107
NPDES permit fee	2,800	2,800	2,638	162
Nitrogen purchase	19,973	19,973	19,973	-
System Equipment	1,000	1,000	870	130
Computer/software	5,500	5,848	6,330	(482)
Total administrative expenditures	<u>53,553</u>	<u>64,206</u>	<u>63,357</u>	<u>849</u>
Capital Projects:				
Capital outlay	30,000	78,018	77,799	219
Computer software parts - new	5,000	5,348	5,000	348
Ultra-Violet Disinfection		77,884	46,978	30,906
Phosphorus Removal		23,987	18,769	5,218
Underground storage tank removal	30,000	30,000	28,367	1,633
Engineer services	13,000	8,500	8,500	-
Debt service	127,125	127,125	127,125	-
Total capital projects	<u>205,125</u>	<u>350,862</u>	<u>312,538</u>	<u>38,324</u>
Total expenditures	<u>1,533,909</u>	<u>1,689,151</u>	<u>1,627,942</u>	<u>61,209</u>
Excess of Revenues and Other Financing Sources over Expenditures	\$ <u>-</u>	\$ <u>(155,242)</u>	337,865	\$ <u>493,107</u>
Budgetary excess of revenues over expenditures is different than GAAP net change in fund balance because of the following reconciling items:				
Cancelled encumbrances			(37,232)	
Encumbrances outstanding at June 30, 2020 charged to budgetary expenditures			<u>14,339</u>	
Total Net Change in Fund Balance - GAAP Basis as Reported on Exhibit IV			\$ <u>314,972</u>	

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

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

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

Notes to Schedule:

Benefit changes: None

Assumption changes:

2015:

Investment rate of return For fiscal year 2015 - 6.25%, previously 6.5%

Mortality RP-2000 Combined Healthy Mortality Table, with generational projection per Scale AA, previously RP-2000 Combined Healthy Mortality Table, with projection per scale AA to year of valuation plus 10 years.

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

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

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

Notes to Schedule:

Benefit changes: None

Assumption changes

2017:

Retirement age Age based rates (from 55 to age 70); previously, all active members are assumed to retire at the later of age 62 with 10 years of service or their normal retirement age.

2015:

Amortization method Level percentage of payroll, closed, previously open
Remaining amortization period 20 years, previously 10 years
Salary increases 3.5%, previously 4%
Investment rate of return 6.25%, previously 7.25%
Mortality RP-2000 Combined Healthy Mortality Table, with generational projection per Scale AA, previously RP-2000 Combined Healthy Mortality Table, with projection per scale AA to year of valuation plus 10 years.

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

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Actuarially determined contribution	\$ 772,087	\$ 697,840	\$ 697,840	\$ 655,422	\$ 655,422	\$ 489,090	\$ 489,090	\$ 354,912	\$ 354,912	\$ 282,921
Contributions in relation to the actuarially determined contribution	<u>905,871</u>	<u>895,388</u>	<u>896,925</u>	<u>535,642</u>	<u>506,258</u>	<u>427,558</u>	<u>255,055</u>	<u>269,350</u>	<u>299,612</u>	<u>212,022</u>
Contribution Deficiency (Excess)	<u>\$ (133,784)</u>	<u>\$ (197,548)</u>	<u>\$ (199,085)</u>	<u>\$ 119,780</u>	<u>\$ 149,164</u>	<u>\$ 61,532</u>	<u>\$ 234,035</u>	<u>\$ 85,562</u>	<u>\$ 55,300</u>	<u>\$ 70,899</u>
Covered payroll	\$ 604,243	\$ 604,243	\$ 698,640	\$ 698,640	\$ 822,601	\$ 822,601	\$ 1,013,728	\$ 1,261,567	\$ 1,261,567	\$ 1,739,452
Contributions as a percentage of covered payroll	149.92%	148.18%	128.38%	76.67%	61.54%	51.98%	25.16%	21.35%	23.75%	12.19%

Notes to Schedule

Valuation date: July 1, 2018
 Measurement date: June 30, 2020
 Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported

Methods and assumptions used to determine contribution rates:

Actuarial cost method: Projected unit credit
 Amortization method: Level percentage of payroll, closed
 Remaining amortization period: 14 years
 Inflation: 2.75%
 Salary increases: 3.5%, average, including inflation
 Investment rate of return: 6.25%
 Retirement age: Age-based rates (from age 55 to age 70).
 Mortality: RP-2000 Combined Healthy Mortality Table, with generational projection per Scale AA

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

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Actuarially determined contribution	\$ 338,430	\$ 336,017	\$ 336,017	\$ 293,169	\$ 293,169	\$ 245,080	\$ 245,080	\$ 218,012	\$ 218,012	\$ 222,436
Contributions in relation to the actuarially determined contribution	<u>486,017</u>	<u>381,220</u>	<u>336,017</u>	<u>343,169</u>	<u>308,169</u>	<u>193,702</u>	<u>210,664</u>	<u>193,850</u>	<u>217,718</u>	<u>232,281</u>
Contribution Deficiency (Excess)	\$ <u>(147,587)</u>	\$ <u>(45,203)</u>	\$ <u>-</u>	\$ <u>(50,000)</u>	\$ <u>(15,000)</u>	\$ <u>51,378</u>	\$ <u>34,416</u>	\$ <u>24,162</u>	\$ <u>294</u>	\$ <u>(9,845)</u>
Covered payroll	\$ 1,013,992	\$ 1,013,992	\$ 1,248,150	\$ 1,248,150	\$ 1,310,909	\$ 1,310,909	\$ 1,597,580	\$ 1,682,735	\$ 1,682,735	\$ 1,642,217
Contributions as a percentage of covered payroll	47.93%	37.60%	26.92%	27.49%	23.51%	14.78%	13.19%	11.52%	12.94%	14.14%

Notes to Schedule

Valuation date: July 1, 2018
 Measurement date: June 30, 2020
 Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported

Methods and assumptions used to determine contribution rates:

Actuarial cost method: Projected Unit Credit
 Amortization method: Level percentage of payroll, closed
 Remaining amortization period: 16 years
 Inflation: 2.75%
 Salary increases: 3.50%
 Investment rate of return: 6.25%
 Retirement age: Age based rates (from 55 to age 70)
 Mortality: RP-2000 Combined Healthy Mortality Table, with generational projection per Scale AA

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

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

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

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

	<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%
Town's proportionate share of the net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the Town	<u>41,935,227</u>	<u>32,334,497</u>	<u>35,923,636</u>	<u>37,899,711</u>	<u>31,111,382</u>	<u>28,756,238</u>
Total	<u>\$ 41,935,227</u>	<u>\$ 32,334,497</u>	<u>35,923,636</u>	<u>\$ 37,899,711</u>	<u>\$ 31,111,382</u>	<u>\$ 28,756,238</u>
Town's covered payroll	\$ 10,896,793	\$ 10,553,667	10,219,392	\$ 10,367,890	\$ 10,781,038	\$ 9,810,595
Town's proportionate share of the net pension liability as a percentage of its covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	52.00%	57.69%	55.93%	52.26%	59.50%	61.51%

Notes to Schedule

Changes in benefit terms	HB 7424 made the following provision changes: - Beginning July 1, 2019, annual interest credited on mandatory contributions set at 4.0%. - For members retiring on or after July 1, 2019 with a partial refund option election (Plan N), if 50% of the benefits paid prior to death do not exceed the Member's mandatory contributions plus interest frozen at the date of benefit commencement, the difference is paid to the Member's beneficiary.
Changes of assumptions	HB 7424 made the following assumption changes: - Reduce the inflation assumption from 2.75% to 2.50%. - Reduce the real rate of return assumption from 5.25% to 4.40% which, when combined with the inflation assumption change, results in a decrease in the investment rate of return assumption from 8.00% to 6.90%. - Increase the annual rate of wage increase assumption from 0.50% to 0.75%. - Phase in to a level dollar amortization method for the June 30, 2024 valuation.
Actuarial cost method	Entry age
Amortization method	Level percent of pay, closed
Single equivalent amortization period	17.6 years
Asset valuation method	4-year smoothed market
Inflation	2.75%
Salary increase	3.25%-6.50%, including inflation
Investment rate of return	8.00%, net of investment related expense

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

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

	<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	0.35%	0.25%	0.85%	0.74%	0.90%	1.30%
Town's proportionate share of the net pension liability	\$ 4,068,038	\$ 3,511,701	\$ 2,117,489	\$ 2,475,886	\$ 1,726,911	\$ 1,276,975
Town's covered payroll	2,350,505	2,451,816	2,436,144	2,376,745	2,504,545	2,153,852
Town's proportionate share of the net pension liability as a percentage of its covered payroll	173.07%	143.23%	86.92%	104.17%	68.95%	59.29%
Plan fiduciary net position as a percentage of the total pension liability	72.69%	73.60%	91.68%	88.29%	92.72%	90.48%

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

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

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Actuarially determined contribution	\$ 577,582	\$ 480,537	\$ 521,967	\$ 459,067	\$ 332,951	\$ 443,277	\$ 465,719	\$ 463,200	\$ 516,330	\$ 351,860
Contributions in relation to the actuarially determined contribution	<u>577,582</u>	<u>480,537</u>	<u>521,967</u>	<u>459,067</u>	<u>332,951</u>	<u>443,277</u>	<u>465,719</u>	<u>463,200</u>	<u>516,330</u>	<u>351,860</u>
Contribution Deficiency (Excess)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
Covered payroll	\$ 2,350,505	\$ 2,451,816	\$ 2,436,144	\$ 2,376,745	\$ 2,504,545	\$ 2,153,852	\$ 2,168,515	\$ 1,798,581	\$ 1,696,598	\$ 1,911,946
Contributions as a percentage of covered payroll	24.57%	19.60%	21.43%	19.31%	13.29%	20.58%	21.48%	25.75%	30.43%	18.40%

Notes to Schedule

Valuation date: June 30, 2019
 Measurement date: June 30, 2019
 Actuarially determined contribution rates are calculated as of June 30, each biennium for the fiscal years ending two and three years after the valuation date.

Methods and assumptions used to determine contribution rates:

Actuarial cost method: Entry Age
 Amortization method: Level dollar, closed
 Single equivalent amortization period: 21 years
 Asset valuation method: 5 years smoothed market (20% write up)
 Inflation: 3.25%
 Salary increases: 4.25% - 11%, including inflation
 Investment rate of return: 8%, net of investment related expense
 Changes in assumptions: In 2019, the latest experience study for the System updated most of the actuarial assumptions utilized in the June, 30, 2019 valuation to include: rates of inflation, real investment return mortality, withdrawal, disability, retirement and salary increase were adjusted to more closely reflect actual and anticipated experience. These assumptions were recommended as part of the Experience Study for the System for the five-year period ended June 30, 2017.

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

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB liability:			
Service cost	\$ 275,840	\$ 443,847	\$ 518,079
Interest	511,253	703,558	664,878
Differences between expected and actual experience		(45,770)	
Changes of assumptions and other inputs	2,230,112	(3,683,969)	(671,022)
Benefit payments	<u>(847,450)</u>	<u>(796,716)</u>	<u>(863,119)</u>
Net change in total OPEB liability	2,169,755	(3,379,050)	(351,184)
Total OPEB liability - beginning	<u>14,751,477</u>	<u>18,130,527</u>	<u>18,481,711</u>
Total OPEB Liability - Ending	<u>\$ 16,921,232</u>	<u>\$ 14,751,477</u>	<u>\$ 18,130,527</u>
Covered-employee payroll	\$ 12,233,133	\$ 12,233,133	\$ 14,782,465
Total OPEB liability as a percentage of covered-employee payroll	138.32%	120.59%	122.65%

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

Notes to Schedule:

Benefit changes:

None

Assumption changes

2017:

Retirement age

Age based rates (from 55 to age 70); previously, all active members are assumed to retire at the later of age 62 with 10 years of service or their normal retirement age.

2015:

Amortization method

Level percentage of payroll, closed, previously open

Remaining amortization period

20 years, previously 10 years

Salary increases

3.5%, previously 4%

Investment rate of return

6.25%, previously 7.25%

Mortality

RP-2000 Combined Healthy Mortality Table, with generational projection per Scale AA, previously RP-2000 Combined Healthy Mortality Table, with projection per scale AA to year of valuation plus 10 years.

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

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Town's proportion of the net OPEB liability	0.00%	0.00%	0.00%
Town's proportionate share of the net OPEB liability	\$ -	\$ -	\$ -
State's proportionate share of the net OPEB liability associated with the Town	<u>6,540,035</u>	<u>6,463,879</u>	<u>9,246,326</u>
Total	<u>\$ 6,540,035</u>	<u>\$ 6,463,879</u>	<u>\$ 9,246,326</u>
Town's covered payroll	\$ 10,896,793	\$ 10,553,667	\$ 10,219,392
Town's proportionate share of the net OPEB liability as a percentage of its covered payroll	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total OPEB liability	2.08%	1.49%	1.79%

Notes to Schedule

Changes in benefit terms	The Plan was amended by the Board, effective January 1, 2019, during the September 12, 2018 meeting. The Board elected a new prescription drug plan, which is expected to reduce overall costs and allow for the Board to receive a government subsidy for members whose claims reach a catastrophic level. These changes were communicated to retired members during the months leading up to the open enrollment period that preceded the January 1, 2019 implementation date.
Changes of assumptions	Based on the procedure described in GASB 74, the discount rate used to measure Plan obligations for financial accounting purposes as of June 30, 2019 was updated to equal the Municipal Bond Index Rate of 3.50% as of June 30, 2019. Expected annual per capita claims costs were updated to better reflect anticipated medical and prescription drug claim experience both before and after the plan change that became effective on July 1, 2019. The expected rate of inflation was decreased, and the real wage growth assumption was increased.
Actuarial cost method	Entry age
Amortization method	Level percent of payroll over an open period
Remaining amortization period	30 years
Asset valuation method	Market value of assets
Investment rate of return	3.00%, net of investment related expense including price inflation
Price inflation	2.75%

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



Combining and Individual Fund Statements and Schedules



General Fund

GENERAL FUND

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

**TOWN OF PLYMOUTH, CONNECTICUT
GENERAL FUND
COMPARATIVE BALANCE SHEET
JUNE 30, 2020 AND 2019**

	<u>2020</u>	<u>2019</u>
ASSETS		
Cash and cash equivalents	\$ 7,027,368	\$ 4,717,441
Receivables:		
Property taxes receivable, net of allowance for uncollectible of \$200,000 in 2020 and 2019	654,247	619,590
Interest tax receivable	163,217	155,683
Intergovernmental	23,219	30,287
Other	26,713	219,442
Due from other funds	<u>1,744,981</u>	<u>2,807,649</u>
Total Assets	<u>\$ 9,639,745</u>	<u>\$ 8,550,092</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE		
Liabilities:		
Accounts and other payables	\$ 580,557	\$ 755,025
Due to other funds	<u>3,042,513</u>	<u>3,347,206</u>
Total liabilities	<u>3,623,070</u>	<u>4,102,231</u>
Deferred inflows of resources:		
Unavailable revenue - property taxes	669,916	594,704
Advance property tax collections	<u>14,782</u>	<u> </u>
Total deferred inflows of resources	<u>684,698</u>	<u>594,704</u>
Fund Balance:		
Committed	100,000	100,000
Assigned:		
Encumbrances	1,078,347	854,715
Unassigned	<u>4,153,630</u>	<u>2,898,442</u>
Total fund balance	<u>5,331,977</u>	<u>3,853,157</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 9,639,745</u>	<u>\$ 8,550,092</u>

TOWN OF PLYMOUTH, CONNECTICUT
GENERAL FUND
REPORT OF TAX COLLECTOR
FOR THE YEAR ENDED JUNE 30, 2020

Grand List as of October 1,	Uncollected Taxes July 1, 2019	Lawful Corrections		Transfers to Suspense	Net Amount Collectible	Collections			Uncollected Taxes June 30, 2020	
		Additions	Deductions			Taxes	Interest and Lien Fees	Suspense Collection		Total
2004	\$ 145	\$	\$	\$	\$ 145	\$	\$	\$	\$ 145	
2005	202				202				202	
2006	158				158			560	158	
2007	158				158			1,688	158	
2008	158				158			2,475	158	
2009	161				161			3,146	161	
2010	166				166			1,153	166	
2011	137				137			1,624	137	
2012	5,117		2,917		2,200	848		1,330	1,352	
2013	6,742	854			7,596	5,749	178	2,696	1,847	
2014	12,784		5,593		7,191	4,776	1,000	8,014	2,415	
2015	20,715		7,037		13,678	9,569	4,828	16,061	4,109	
2016	154,228		9,287	(68,209)	76,732	59,221	21,278	784	17,511	
2017	618,631		16,000		602,631	375,551	79,933		227,080	
Total prior years	819,502	854	40,834	(68,209)	711,313	455,714	107,217	39,531	255,599	
2018	31,439,167	81	699,593		30,739,655	30,141,007	146,543		598,648	
Total	\$ 32,258,669	\$ 935	\$ 740,427	\$ (68,209)	\$ 31,450,968	\$ 30,596,721	\$ 253,760	\$ 39,531	\$ 30,890,012	\$ 854,247



Nonmajor Governmental Funds

NONMAJOR GOVERNMENTAL FUNDS

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

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

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

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

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

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

**TOWN OF PLYMOUTH, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2020**

	Special Revenue							
	Sewer Assessment	Water Assessment	Dog Fund	Miscellaneous Contributions	ATM Fund	CDBG Loan Fund	Open Space	Economic Development
ASSETS								
Cash and cash equivalents	\$	\$ 154,541	\$ 8,048	\$ 81,525	\$ 27,479		\$ 18,768	\$
Investments					6,074			
Restricted investments						49,069		
Receivables:								
Assessments/use charges		42,257						
Intergovernmental								
Other								
Due from other funds	23,388	553,110	138,659				277,199	31,634
Total Assets	\$ 23,388	\$ 749,908	\$ 146,707	\$ 81,525	\$ 33,553	\$ 49,069	\$ 295,967	\$ 31,634
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES								
Liabilities:								
Accounts payable	\$		\$ 51					\$
Due to other funds		2,366		287		38,842		
Unearned revenue								
Total liabilities	-	2,366	51	287	-	38,842	-	-
Deferred inflows of resources:								
Unavailable revenue - special assessments		42,257						
Total deferred inflows of resources	-	42,257	-	-	-	-	-	-
Fund balances:								
Nonspendable								
Restricted					33,553	10,227	295,967	
Committed	23,388	705,285	146,656	81,238				31,634
Total fund balances	23,388	705,285	146,656	81,238	33,553	10,227	295,967	31,634
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 23,388	\$ 749,908	\$ 146,707	\$ 81,525	\$ 33,553	\$ 49,069	\$ 295,967	\$ 31,634

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**TOWN OF PLYMOUTH, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2020**

	Special Revenue						Capital Project	Debt Service	
	Police Extra Duty	Recreational Revolving	Historical Preservation	Education Grants	School Cafeteria	Blight Fund	Total	Education Sinking Fund	Debt Service Fund
ASSETS									
Cash and cash equivalents	\$ 401,190	\$	\$ 8,682	\$ 618,561	\$ 123,324	\$ 10,799	\$ 1,452,917	\$ 55,824	\$
Investments							6,074		
Restricted investments							49,069		
Receivables:									
Assessments/use charges							42,257		
Intergovernmental				775	48,621		49,396		
Other	273,719				899		274,618		
Due from other funds		29,241	45,632			87,966	1,186,829	336,473	426,475
Total Assets	\$ 674,909	\$ 29,241	\$ 54,314	\$ 619,336	\$ 172,844	\$ 98,765	\$ 3,061,160	\$ 392,297	\$ 426,475
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES									
Liabilities:									
Accounts payable	\$	\$	\$	8,319	\$	160	8,530	\$	\$
Due to other funds	525,931			90,167			657,593		
Unearned revenue				265,871			265,871		
Total liabilities	525,931	-	-	364,357	-	160	931,994	-	-
Deferred inflows of resources:									
Unavailable revenue - special assessments							42,257		
Total deferred inflows of resources	-	-	-	-	-	-	42,257	-	-
Fund balances:									
Nonspendable							-		
Restricted				254,979	172,844	98,605	866,175		426,475
Committed	148,978	29,241	54,314				1,220,734	392,297	
Total fund balances	148,978	29,241	54,314	254,979	172,844	98,605	2,086,909	392,297	426,475
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 674,909	\$ 29,241	\$ 54,314	\$ 619,336	\$ 172,844	\$ 98,765	\$ 3,061,160	\$ 392,297	\$ 426,475

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**TOWN OF PLYMOUTH, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2020**

	Permanent					Total	Eliminations	Total Nonmajor Governmental Funds
	Hillside Cemetery Trust	Plymouth Cemetery Trust	Terryville Public Library Trust	Mercy J. Cone Trust	St. Matthews Trust			
ASSETS								
Cash and cash equivalents	\$ 50,507	\$ 2,294	\$ 9,929	\$ 4,467	\$	\$ 67,197	\$	\$ 1,575,938
Investments	27,702	295,330				323,032		329,106
Restricted investments	499,867		406,721	199,487		1,106,075		1,155,144
Receivables:								
Assessments/use charges						-		42,257
Intergovernmental						-		49,396
Other						-		274,618
Due from other funds	869		20,108		8,393	29,370	(2,343)	1,976,804
Total Assets	\$ 578,945	\$ 297,624	\$ 436,758	\$ 203,954	\$ 8,393	\$ 1,525,674	\$ (2,343)	\$ 5,403,263
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES								
Liabilities:								
Accounts payable	\$	\$	\$ 1,106	\$	\$	\$ 1,106	\$	\$ 9,636
Due to other funds						-	(2,343)	655,250
Unearned revenue						-		265,871
Total liabilities	-	-	1,106	-	-	1,106	(2,343)	930,757
Deferred inflows of resources:								
Unavailable revenue - special assessments						-		42,257
Total deferred inflows of resources	-	-	-	-	-	-	-	42,257
Fund balances:								
Nonspendable	499,867		406,721	199,487		1,106,075		1,106,075
Restricted	79,078	297,624	28,931	4,467	8,393	418,493		1,711,143
Committed						-		1,613,031
Total fund balances	578,945	297,624	435,652	203,954	8,393	1,524,568	-	4,430,249
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 578,945	\$ 297,624	\$ 436,758	\$ 203,954	\$ 8,393	\$ 1,525,674	\$ (2,343)	\$ 5,403,263

**TOWN OF PLYMOUTH, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2020**

	Special Revenue							
	<u>Sewer Assessment</u>	<u>Water Assessment</u>	<u>Dog Fund</u>	<u>Miscellaneous Contributions</u>	<u>ATM Fund</u>	<u>CDBG Loan Fund</u>	<u>Open Space</u>	<u>Economic Development</u>
Revenues:								
Charges for services	\$	\$ 53,151	\$ 8,063	\$	\$	\$	\$ 9,768	\$
Intergovernmental								
Income from investments		849		137	429	842		
Net change in fair value of investments								
Contributions				22,253			9,000	
Other								55,000
Total revenues	<u>-</u>	<u>54,000</u>	<u>8,063</u>	<u>22,390</u>	<u>429</u>	<u>842</u>	<u>18,768</u>	<u>55,000</u>
Expenditures:								
Current:								
General administration					5,807			42,700
Public safety			9,233					
Health and welfare				18,180				
Library								
Recreation								
Education								
Total expenditures	<u>-</u>	<u>-</u>	<u>9,233</u>	<u>18,180</u>	<u>5,807</u>	<u>-</u>	<u>-</u>	<u>42,700</u>
Excess (Deficiency) of Revenues over Expenditures	-	54,000	(1,170)	4,210	(5,378)	842	18,768	12,300
Other Financing Sources:								
Transfers in			3,250					
Transfers out						(38,727)		
Net other financing sources	<u>-</u>	<u>-</u>	<u>3,250</u>	<u>-</u>	<u>-</u>	<u>(38,727)</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	-	54,000	2,080	4,210	(5,378)	(37,885)	18,768	12,300
Fund Balances at Beginning of Year	<u>23,388</u>	<u>651,285</u>	<u>144,576</u>	<u>77,028</u>	<u>38,931</u>	<u>48,112</u>	<u>277,199</u>	<u>19,334</u>
Fund Balances at End of Year	<u>\$ 23,388</u>	<u>\$ 705,285</u>	<u>\$ 146,656</u>	<u>\$ 81,238</u>	<u>\$ 33,553</u>	<u>\$ 10,227</u>	<u>\$ 295,967</u>	<u>\$ 31,634</u>

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**TOWN OF PLYMOUTH, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2020**

	Special Revenue						Capital Projects	Debt Service	
	Police Extra Duty	Recreational Revolving	Historical Preservation	Education Grants	School Cafeteria	Blight Fund	Total	Education Sinking Fund	Debt Service Fund
Revenues:									
Charges for services	\$ 782,861	\$ 46,471	\$ 3,182	\$ 8,407	\$ 196,250	\$ 10,639	\$ 1,118,792	\$	\$
Intergovernmental			5,500	839,646	351,668		1,196,814		
Income from investments							2,257		
Net change in fair value of investments							-		
Contributions		3,225					34,478		
Other							55,000		
Total revenues	<u>782,861</u>	<u>49,696</u>	<u>8,682</u>	<u>848,053</u>	<u>547,918</u>	<u>10,639</u>	<u>2,407,341</u>	<u>-</u>	<u>-</u>
Expenditures:									
Current:									
General administration			5,515			460	54,482		
Public safety	689,411						698,644		
Health and welfare							18,180		
Library							-		
Recreation		60,686					60,686		
Education				824,250	551,836		1,376,086	94,917	
Total expenditures	<u>689,411</u>	<u>60,686</u>	<u>5,515</u>	<u>824,250</u>	<u>551,836</u>	<u>460</u>	<u>2,208,078</u>	<u>94,917</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures	93,450	(10,990)	3,167	23,803	(3,918)	10,179	199,263	(94,917)	-
Other Financing Sources:									
Transfers in							3,250	150,741	
Transfers out	(173,251)	(40,000)					(251,978)		
Net other financing sources	<u>(173,251)</u>	<u>(40,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(248,728)</u>	<u>150,741</u>	<u>-</u>
Net Change in Fund Balances	(79,801)	(50,990)	3,167	23,803	(3,918)	10,179	(49,465)	55,824	-
Fund Balances at Beginning of Year	<u>228,779</u>	<u>80,231</u>	<u>51,147</u>	<u>231,176</u>	<u>176,762</u>	<u>88,426</u>	<u>2,136,374</u>	<u>336,473</u>	<u>426,475</u>
Fund Balances at End of Year	<u>\$ 148,978</u>	<u>\$ 29,241</u>	<u>\$ 54,314</u>	<u>\$ 254,979</u>	<u>\$ 172,844</u>	<u>\$ 98,605</u>	<u>\$ 2,086,909</u>	<u>\$ 392,297</u>	<u>\$ 426,475</u>

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**TOWN OF PLYMOUTH, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2020**

	Permanent					Total	Eliminations	Total Nonmajor Governmental Funds
	Hillside Cemetery Trust	Plymouth Cemetery Trust	Terryville Public Library Trust	Mercy J. Cone Trust	St. Matthews Trust			
Revenues:								
Charges for services	\$ 16,700	\$ 6,025	\$ 8,129	\$	\$	\$ 30,854	\$	\$ 1,149,646
Intergovernmental			5,778			5,778		1,202,592
Income from investments	12,205	6,826		4,048		23,079		25,336
Net change in fair value of investments	9,488	4,872	28,692	3,336		46,388		46,388
Contributions						-		34,478
Other						-		55,000
Total revenues	<u>38,393</u>	<u>17,723</u>	<u>42,599</u>	<u>7,384</u>	<u>-</u>	<u>106,099</u>	<u>-</u>	<u>2,513,440</u>
Expenditures:								
Current:								
General administration						-		54,482
Public safety						-		698,644
Health and welfare	39,696	15,590				55,286		73,466
Library			23,466	9,223		32,689		32,689
Recreation						-		60,686
Education						-		1,471,003
Total expenditures	<u>39,696</u>	<u>15,590</u>	<u>23,466</u>	<u>9,223</u>	<u>-</u>	<u>87,975</u>	<u>-</u>	<u>2,390,970</u>
Excess (Deficiency) of Revenues over Expenditures	(1,303)	2,133	19,133	(1,839)	-	18,124		122,470
Other Financing Sources:								
Transfers in	4,000	2,000				6,000	-	159,991
Transfers out						-	-	(251,978)
Net other financing sources	<u>4,000</u>	<u>2,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,000</u>	<u>-</u>	<u>(91,987)</u>
Net Change in Fund Balances	2,697	4,133	19,133	(1,839)	-	24,124		30,483
Fund Balances at Beginning of Year	<u>576,248</u>	<u>293,491</u>	<u>416,519</u>	<u>205,793</u>	<u>8,393</u>	<u>1,500,444</u>		<u>4,399,766</u>
Fund Balances at End of Year	<u>\$ 578,945</u>	<u>\$ 297,624</u>	<u>\$ 435,652</u>	<u>\$ 203,954</u>	<u>\$ 8,393</u>	<u>\$ 1,524,568</u>	<u>\$ -</u>	<u>\$ 4,430,249</u>

**TOWN OF PLYMOUTH, CONNECTICUT
WATER ASSESSMENT FUND
SCHEDULE OF WATER ASSESSMENT RECEIVABLE
FOR THE YEAR ENDED JUNE 30, 2020**

<u>Due Date</u>	<u>Uncollected Balance July 1, 2019</u>	<u>Current Year Adjustments</u>	<u>Collections</u>	<u>Uncollected Balance June 30, 2020</u>
Water Line Assessment	\$ <u>83,700</u>	\$ <u>400</u>	\$ <u>41,843</u>	\$ <u>42,257</u>

**TOWN OF PLYMOUTH, CONNECTICUT
SEWER OPERATING FUND
SCHEDULE OF SEWER USE CHARGES RECEIVABLE
FOR THE YEAR ENDED JUNE 30, 2020**

<u>Due Date</u>	<u>Uncollected Balance July 1, 2019</u>	<u>Current Year Use Charges and Adjustments</u>	<u>Collections</u>	<u>Uncollected Balance June 30, 2020</u>
October 1, 2019	\$	\$ 1,675,119	\$ 1,531,221	\$ 143,898
October 1, 2018	146,660	(1,287)	103,090	42,283
October 1, 2017	86,814	(306)	71,873	14,635
October 1, 2016	40,726	(295)	36,730	3,701
October 1, 2015	22,712	(275)	21,014	1,423
October 1, 2014	9,427	(275)	8,754	398
October 1, 2013	4,586	(299)	4,021	266
October 1, 2012	1,012	(253)	506	253
October 1, 2011	720		480	240
October 1, 2010	470		235	235
October 1, 2009	460		460	-
October 1, 2008	460		460	-
October 1, 2007	227		227	-
October 1, 2006	220		220	-
October 1, 2005	205		205	-
Total	\$ <u>314,699</u>	\$ <u>1,672,129</u>	1,779,496	\$ <u>207,332</u>
Interest and lien fees			<u>142,280</u>	
Total Collections			\$ <u>1,921,776</u>	



Fiduciary Funds

AGENCY FUNDS

Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The Agency Funds are as follows:

Student Activity Fund - to account for the collection and payment of expenses for education extra-curricular activities at the high school, middle school and elementary schools.

Performance Bonds - to account for all bonds collected from contractors, developers and others - these bonds will be returned to payee upon successful completion of related construction projects.

**TOWN OF PLYMOUTH, CONNECTICUT
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2020**

	<u>Balance</u> <u>July 1, 2019</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2020</u>
Student Activity				
Assets:				
Cash and cash equivalents	\$ 204,424	\$ 192,804	\$ 180,157	\$ 217,071
Liabilities:				
Due to student groups	\$ 204,424	\$ 192,804	\$ 180,157	\$ 217,071
Performance Bonds				
Assets:				
Cash and cash equivalents	\$ 33,100	\$ 3,864	\$ 18,000	\$ 18,964
Due from other funds	12,500	1,700	5,000	9,200
Total Assets	\$ 45,600	\$ 5,564	\$ 23,000	\$ 28,164
Liabilities:				
Due to contractors	\$ 45,600	\$ 5,564	\$ 23,000	\$ 28,164
Total All Funds				
Assets:				
Cash and cash equivalents	\$ 237,524	\$ 196,668	\$ 198,157	\$ 236,035
Due from other funds	12,500	1,700	5,000	9,200
Total Assets	\$ 250,024	\$ 198,368	\$ 203,157	\$ 245,235
Liabilities:				
Deposits and amounts due to student groups and participants	\$ 250,024	\$ 198,368	\$ 203,157	\$ 245,235
Total Liabilities	\$ 250,024	\$ 198,368	\$ 203,157	\$ 245,235



Statistical Section

Statistical Section Information

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

Statistical section information is presented in the following categories:

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

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

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

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

	FISCAL YEAR									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Governmental Activities:										
Net investment in capital assets	\$ 156,612,906	\$ 158,208,242	\$ 159,206,125	\$ 154,601,111	\$ 157,247,133	\$ 157,324,466	\$ 153,245,507	\$ 157,424,652	\$ 163,863,638	\$ 161,399,980
Restricted for:										
Perpetual care:										
Nonexpendable	376,702	370,836	368,235	463,919	478,004	112,351	84,488	84,491	86,850	71,900
Expendable	499,867	498,903	475,733	363,521	325,588	704,615	817,664	738,943	687,550	706,984
Libraries:										
Nonexpendable	41,791	45,116	42,092	48,786	53,575	44,681	42,999	40,553	38,234	24,092
Expendable	606,208	585,589	577,281	529,392	436,080	321,342	332,574	291,308	270,073	289,782
Debt service	426,475	426,475	205,536	205,536	205,536	205,536	205,533	205,530	19,860	19,860
Unrestricted	(18,867,000)	(21,080,565)	(21,826,316)	(4,849,563)	(7,425,872)	(5,081,858)	13,732,522	16,853,737	9,325,937	10,967,676
Total Net Position	\$ 139,696,949	\$ 139,054,596	\$ 139,048,686	\$ 151,362,702	\$ 151,320,044	\$ 153,631,133	\$ 168,461,287	\$ 175,639,214	\$ 174,292,142	\$ 173,480,274

Notes:

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

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

	FISCAL YEAR									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Expenses:										
Governmental activities:										
General government	\$ 5,088,888	\$ 5,991,197	\$ 4,321,900	\$ 4,888,571	\$ 6,819,627	\$ 6,661,824	\$ 5,412,485	\$ 4,951,895	\$ 5,344,207	\$ 4,721,379
Public safety	4,657,687	3,992,007	4,067,794	3,644,971	3,712,614	3,327,013	3,545,286	3,173,319	2,731,321	2,839,161
Public works	7,014,988	7,485,062	6,748,667	6,996,417	6,546,134	7,237,335	6,907,749	8,207,132	7,142,486	8,584,108
Health and welfare	313,375	245,955	283,431	274,696	296,369	361,225	414,831	480,436	470,324	257,151
Library	472,655	446,108	395,690	506,880	502,572	500,388	449,205	486,295	500,323	494,022
Recreation	298,265	293,424	291,532	290,241	290,445	292,027	285,825	268,241	279,488	207,751
Education	32,086,912	28,628,355	31,823,765	32,257,631	29,534,659	29,387,177	30,678,545	27,636,311	28,268,369	26,865,049
Land use	206,361	228,356	179,437	192,175	225,389	261,447	257,262	227,292	239,813	312,442
Interest expense	712,510	820,010	623,282	583,283	581,762	600,292	917,518	711,595	707,960	301,942
Total Expenses	50,851,641	48,130,474	48,735,498	49,634,865	48,509,571	48,628,728	48,868,706	46,142,516	45,684,291	44,583,005
Program Revenues:										
Governmental activities:										
Charges for services:										
General government	216,998	402,054	281,392	221,711	210,543	387,065	251,954	227,517	312,065	145,910
Public safety	809,984	447,202	721,528	583,014	801,636	642,647	748,413	330,358	185,007	207,184
Public works	1,909,936	1,679,881	1,676,149	1,565,551	1,559,204	1,584,771	1,699,786	1,598,798	1,745,884	1,566,852
Health and welfare	33,710	23,943	25,462	44,459	63,164	36,806	436,271	235,963	70,027	48,400
Library	9,928	6,813	10,799	4,818	12,484	12,297	17,047	16,391	12,709	13,092
Recreation	46,521	86,935	94,680	85,679	83,020	80,379	65,812	56,174	87,811	
Education	204,657	421,681	457,088	457,456	455,078	502,010	539,031	491,591	206,700	268,000
Land use	14,898	295,148	17,780	18,815	10,078	26,639	20,111	8,561	11,638	14,916
Operating grants and contributions	16,163,312	13,028,065	15,307,874	15,913,718	14,776,852	13,842,949	14,679,246	15,160,952	15,336,169	14,329,706
Capital grants and contributions	699,594	1,310,683	2,201,169	2,463,497	919,464	1,065,411	479,819	2,176,497	1,705,314	2,360,889
Total Program Revenues	20,109,538	17,702,405	20,793,921	21,358,718	18,891,523	18,180,974	18,937,490	20,302,802	19,673,324	18,954,949
Net Expenses:										
Governmental activities	(30,742,103)	(30,428,069)	(27,941,577)	(28,276,147)	(29,618,048)	(30,447,754)	(29,931,216)	(25,839,714)	(26,010,967)	(25,628,056)
General Revenues and Other Changes in Net Assets:										
Governmental activities:										
Property taxes	30,936,297	29,834,035	28,912,490	27,700,908	26,871,040	25,507,258	27,340,437	26,512,181	26,206,360	25,752,017
Grants and contributions not restricted to specific programs	130,374	208,096	875,042	471,148	272,821	307,281	412,420	484,554	525,354	439,693
Investment income (loss)	96,901	106,921	132,842	128,558	(2,090)	9,017	206,947	143,188	39,059	192,386
Miscellaneous	220,884	284,927	10,375	18,191	165,188	296,966	5,000	46,863	52,062	54,509
Special Item - Loss of Assets						268,349	(278,349)			
Total Governmental Activities	31,384,456	30,433,979	29,930,749	28,318,805	27,306,959	26,388,871	27,686,455	27,186,786	26,822,835	26,438,605
Changes in Net Position	\$ 642,353	\$ 5,910	\$ 1,989,172	\$ 42,658	\$ (2,311,089)	\$ (4,058,883)	\$ (2,244,761)	\$ 1,347,072	\$ 811,868	\$ 810,549

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

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

	FISCAL YEAR									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
General Fund:										
Committed	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$	\$	\$
Assigned	1,078,347	854,715	588,034	699,618	1,092,917	529,681	992,663	1,423,169	1,538,968	1,573,970
Unassigned	<u>4,153,630</u>	<u>2,898,442</u>	<u>1,683,452</u>	<u>808,790</u>	<u>380,632</u>	<u>1,643,638</u>	<u>1,787,337</u>	<u>2,163,609</u>	<u>1,853,353</u>	<u>1,655,273</u>
Total General Fund	<u>\$ 5,331,977</u>	<u>\$ 3,853,157</u>	<u>\$ 2,371,486</u>	<u>\$ 1,608,408</u>	<u>\$ 1,573,549</u>	<u>\$ 2,273,319</u>	<u>\$ 2,880,000</u>	<u>\$ 3,586,778</u>	<u>\$ 3,392,321</u>	<u>\$ 3,229,243</u>
All other governmental funds:										
Nonspendable	\$ 1,106,075	\$ 1,084,492	\$ 1,053,014	\$ 892,913	\$ 761,668	\$ 1,025,957	\$ 1,150,238	\$ 1,030,251	\$ 957,623	\$ 996,766
Restricted	2,043,975	1,986,153	1,548,968	1,682,404	1,793,260	1,273,106	1,125,932	1,170,858	714,644	611,598
Committed	3,596,953	2,962,830	2,910,265	2,941,080	4,013,535	2,761,606	6,119,718	7,054,130	1,223,419	675,281
Unassigned	<u>(83,542)</u>	<u>(303,462)</u>	<u>(6,615,572)</u>	<u>(1,355,144)</u>	<u>(833,312)</u>	<u>(532,996)</u>	<u>(257,087)</u>	<u>(314,363)</u>	<u>(5,937,009)</u>	<u>(4,117,933)</u>
Total all Other Governmental Funds	<u>\$ 6,663,461</u>	<u>\$ 5,730,013</u>	<u>\$ (1,103,325)</u>	<u>\$ 4,161,253</u>	<u>\$ 5,735,151</u>	<u>\$ 4,527,673</u>	<u>\$ 8,138,801</u>	<u>\$ 8,940,876</u>	<u>\$ (3,041,323)</u>	<u>\$ (1,834,288)</u>

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

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

	FISCAL YEAR									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Revenues:										
Property taxes	\$ 30,861,085	\$ 29,888,998	\$ 29,097,402	\$ 27,981,899	\$ 27,131,451	\$ 27,022,201	\$ 28,144,326	\$ 26,663,027	\$ 25,774,406	\$ 24,976,767
Charges for services	3,450,579	2,660,036	2,946,777	5,405,065	4,130,283	3,862,075	3,638,031	3,701,765	4,201,083	2,335,496
Licenses and Permits	0									
Intergovernmental	15,559,046	16,262,778	16,568,306	16,308,914	14,970,413	14,780,217	15,055,668	16,680,953	15,871,373	17,235,099
Income on investments	95,479	105,528	130,696	125,886	(4,029)	7,698	205,582	141,246	36,949	186,848
Other revenues	314,708	1,141,048	328,028	319,600	519,683	755,419	349,582	322,587	637,964	311,708
Total revenues	50,280,897	50,058,388	49,071,209	50,141,364	46,747,801	46,427,610	47,393,189	47,509,578	46,521,775	45,045,918
Expenditures:										
General government	5,210,638	5,321,491	5,326,318	5,251,144	5,602,713	5,644,423	4,924,547	4,670,723	4,586,050	4,423,085
Public safety	3,937,099	3,542,381	3,680,398	3,376,115	3,377,382	3,272,085	3,262,566	2,835,741	2,527,326	2,579,324
Public works	4,030,521	4,169,922	4,359,616	4,331,371	4,446,052	6,298,937	4,829,757	4,600,298	4,630,873	5,183,968
Health and welfare	270,190	270,458	261,531	252,796	274,469	337,718	389,718	454,608	445,631	421,158
Library	442,781	438,094	399,400	488,457	499,400	481,312	471,414	480,379	477,896	466,395
Recreation	266,585	291,547	265,548	254,493	251,097	247,922	245,364	227,885	242,163	216,220
Board of Education	29,003,844	28,176,248	27,856,522	29,741,021	27,422,633	27,110,023	28,372,356	27,070,240	27,287,693	25,934,148
Land use	159,876	181,871	132,952	145,690	178,905	214,962	210,774	180,807	205,759	208,762
Capital outlay	1,351,507	3,735,544	8,519,097	5,207,975	2,403,027	4,293,021	6,021,445	3,062,731	4,015,792	3,249,573
Debt service:										
Principal	7,115,000	2,155,000	2,185,169	2,169,176	2,313,092	2,300,000	1,912,162	1,059,263	2,420,635	2,692,212
Interest	(3,818,575)	1,144,860	884,078	820,854	671,822	713,365	1,018,403	725,914	725,914	538,881
Total expenditures	47,969,466	49,427,416	53,870,629	52,039,092	47,440,592	50,913,768	51,658,506	45,368,589	47,565,732	45,913,726
Excess of revenue over (under) expenditures	2,311,431	630,972	(4,799,420)	(1,897,728)	(692,791)	(4,486,158)	(4,265,317)	2,140,989	(1,043,957)	(867,808)
Other financing sources (uses):										
Transfers in	1,265,190	848,863	636,611	789,965	840,713	843,225	978,380	2,288,414	1,167,315	1,488,000
Transfers out	(1,265,190)	(848,863)	(636,611)	(789,965)	(840,713)	(843,225)	(978,380)	(2,288,414)	(1,167,315)	(1,488,000)
Capital lease issuance	-	633,098	297,920	358,689						
Premium on debt issue		100,939					54,709	535,667		248,678
Issuance of bonds and loans		6,950,000			1,200,499		3,500,000	9,500,000		
Issuance of refunding bonds	4,460,000						3,665,000			9,820,000
Premium on refunding bonds	667,374						201,466			
Payment to escrow bond agent	(5,026,537)						(3,777,838)			(10,068,678)
Total other financing sources	100,837	7,684,037	297,920	358,689	1,200,499	-	3,643,337	10,035,667	-	-
Special Item - Loss of Assets						268,349	(278,349)			
Net Change in Fund Balances	\$ 2,412,268	\$ 8,315,009	\$ (4,501,500)	\$ (1,539,039)	\$ 507,708	\$ (4,217,809)	\$ (900,329)	\$ 12,176,656	\$ (1,043,957)	\$ (867,808)
Debt Service as a Percentage of Noncapital Expenditures	7.0%	7.3%	6.5%	6.4%	6.6%	6.6%	6.4%	4.1%	7.1%	7.3%

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

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

Fiscal Year	Real Property			Personal Property	Motor Vehicle	Less Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Taxable Assessed Value As a Percentage of Actual Taxable Value (1)
	Residential	Commercial	Industrial							
2020	\$ 569,374	\$ 31,547	\$ 26,320	\$ 57,158	\$ 93,342	\$ 14,661	763,080	40.63	\$ 1,090,114	70%
2019	570,029	32,723	26,822	42,285	90,734	15,404	747,189	39.69	1,067,413	70%
2018 (2)	570,051	32,740	27,768	38,125	87,682	15,221	741,145	39.69	1,058,779	70%
2017	558,809	32,913	21,297	31,244	85,220	7,553	721,930	36.02	1,031,329	70%
2016	596,243	36,358	22,241	29,738	84,369	7,761	761,189	35.43	1,087,413	70%
2015	605,200	27,590	24,256	27,465	81,779	8,708	757,582	34.85	1,082,260	70%
2014	600,516	32,588	23,494	27,360	81,932	8,023	757,867	35.45	1,082,667	70%
2013 (3)	598,806	32,950	25,288	27,465	81,779	8,706	757,582	34.90	1,082,260	70%
2012	667,547	32,862	27,489	27,672	76,918	8,459	824,029	31.50	1,177,184	70%
2011	667,412	34,512	26,913	27,458	75,611	9,715	822,191	30.75	1,174,559	70%

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

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

TABLE 6

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

Taxpayer	October 1, 2018			October 1, 2009		
	Taxable Assessed Value	Rank	Percentage Of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage Of Total Taxable Assessed Value
Connecticut Light & Power	\$ 14,426,818	1	1.9%	\$ 6,610,220	1	0.8%
Connecticut Water Company	6,676,560	2	0.9%	5,360,530	2	0.7%
Yankeegas	2,730,790	3	0.4%			0.0%
City of Bristol Water Company	2,604,210	4	0.3%	2,604,210	5	
Senior Housing at Quail Hollow Inc.	2,342,000	5	0.3%	1,968,820	8	0.2%
Cook Willow Realty Partnership	1,832,530	6	0.2%	2,241,190	6	0.3%
Inland Intermodal, LLC	1,811,530	7	0.2%			
Dimeo Terryville LLC	1,739,930	8	0.2%			
Plymouth Village Apts LLC	1,542,450	9	0.2%			
Spiceco Properties	1,405,250	10	0.2%			
Total	\$ <u>37,112,068</u>		<u>4.86%</u>	\$ <u>18,784,970</u>		<u>2.28%</u>

Source: Town of Plymouth Assessor

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

Fiscal Year Ended June 30,	Tax Rate In Mills	Taxes Levied For The Fiscal year	Collected Within the Fiscal Year of the Levy		Collection In Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2020	40.63	\$ 30,739,655	\$ 30,157,284	98.11	\$ N/A	\$ 30,157,284	98.11
2019	39.69	29,691,615	29,094,392	97.99	371,490	29,094,392	97.99
2018	39.69	28,810,622	28,244,598	98.04	476,697	28,721,295	99.69
2017	36.02	27,781,374	27,159,212	97.76	520,678	27,679,890	99.63
2016	35.43	27,003,100	26,429,209	97.87	444,830	26,874,039	99.52
2015	34.85	26,416,625	25,911,185	98.09	398,184	26,309,369	99.59
2014	35.45	26,796,701	26,084,373	97.34	500,163	26,584,536	99.21
2013	34.90	26,362,764	25,390,107	96.31	756,763	26,146,870	99.18
2012	31.50	25,865,788	24,797,984	95.87	805,518	25,603,502	98.99
2011	30.75	25,267,568	24,229,603	95.89	780,792	25,010,395	98.98

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

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

Fiscal Year	Governmental Activities			Total Primary Government	Ratio of Debt to Estimated Taxable Assessed Value	Debt Per Capita
	General Obligation Bonds	Notes Payable	Capital Leases			
2020	\$ 19,594,667		696,848	\$ 20,291,515	2.66%	1,750
2019	21,345,000	956,881	742,233	23,044,114	3.08%	1,938
2018	17,558,062	6,950,000	357,517	24,865,579	3.36%	2,122
2017	19,743,231	5,000,000	227,182	24,970,413	3.46%	2,131
2016	21,912,407			21,912,407	2.88%	1,865
2015	23,025,000			23,025,000	3.04%	1,949
2014	25,325,000	1,500,000		26,825,000	3.54%	2,252
2013	24,492,349	1,500,000		25,992,349	3.43%	2,150
2012	15,647,962	5,285,000		20,932,962	2.54%	1,711
2011	17,255,000	5,730,635		22,985,635	2.80%	1,874

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

**TOWN OF PLYMOUTH, CONNECTICUT
SCHEDULE OF DEBT LIMITATION
JUNE 30, 2020**

Total tax collections, including interest and lien fees for the year ended June 30, 2019					\$ 29,912,855
Reimbursement for loss of revenues: Tax relief for elderly - freeze					
Base					\$ <u>29,912,855</u>
	General Purpose	Schools	Sewers	Urban Renewal	Pension Deficit
Debt limitation:					
2-1/4 times base	\$ 67,303,924	\$	\$	\$	\$
4-1/2 times base		134,607,848			
3-3/4 times base			112,173,206		
3-1/4 times base				97,216,779	
3 times base					89,738,565
Total	<u>67,303,924</u>	<u>134,607,848</u>	<u>112,173,206</u>	<u>97,216,779</u>	<u>89,738,565</u>
Indebtedness:					
Bonds and notes payable	12,168,000	6,322,000	1,104,667		
Bond anticipated notes payable					
Bonds authorized-unissued	600,000	99,420 *	124,411		
Less: State of Connecticut building grants receivable					
Total	<u>12,768,000</u>	<u>6,421,420</u>	<u>1,229,078</u>	<u>-</u>	<u>-</u>
Debt Limitation in Excess of Outstanding and Authorized Debt	\$ <u>54,535,924</u>	\$ <u>128,186,428</u>	\$ <u>110,944,128</u>	\$ <u>97,216,779</u>	\$ <u>89,738,565</u>

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

1. In no event shall total debt exceed seven times annual receipts from taxation. The maximum permitted under this formula would be \$209,389,985
2. There is no overlapping debt for the Town of Plymouth.
3. Per Connecticut General Statutes, the Water loans are not included in the indebtedness amount.

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

	FISCAL YEAR									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Debt limitation	\$ 209,389,985	\$ 203,735,742	\$ 195,400,576	\$ 195,400,576	\$ 189,236,432	\$ 189,563,086	\$ 197,383,618	\$ 186,229,050	\$ 179,771,326	\$ 174,183,331
Total net debt applicable to limit	<u>20,418,498</u>	<u>22,301,881</u>	<u>17,558,062</u>	<u>19,743,231</u>	<u>21,912,407</u>	<u>21,457,000</u>	<u>24,537,000</u>	<u>29,149,420</u>	<u>21,502,409</u>	<u>25,218,479</u>
Legal Debt Margin	<u>\$ 188,971,487</u>	<u>\$ 181,433,861</u>	<u>\$ 177,842,514</u>	<u>\$ 175,657,345</u>	<u>\$ 167,324,025</u>	<u>\$ 168,106,086</u>	<u>\$ 172,846,618</u>	<u>\$ 157,079,630</u>	<u>\$ 158,268,917</u>	<u>\$ 148,964,852</u>
Total net debt applicable to the limit as a percentage of debt limit	<u>9.75%</u>	<u>10.95%</u>	<u>8.99%</u>	<u>10.10%</u>	<u>11.58%</u>	<u>11.32%</u>	<u>12.43%</u>	<u>15.65%</u>	<u>11.96%</u>	<u>14.48%</u>

Source: Annual financial reports - Schedule of Debt Limitation

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

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

Calendar Year	Population (1)	Per Capita Income (1)	Median Age (1)	School Enrollment (2)	Unemployment Rate (3)
2020	11,598	\$ 38,455	43.5	1,368	9.7%
2019	11,888	34,297	43.5	1,470	4.3%
2018	11,718	33,602	41.9	1,475	5.0%
2017	11,718	32,522	41.9	1,500	5.6%
2016	11,749	32,522	41.9	1,519	6.5%
2015	11,813	31,511	41.9	1,578	6.7%
2014	11,914	28,564	41.2	1,583	6.7%
2013	12,089	28,564	41.2	1,610	8.7%
2012	12,235	28,564	41.2	1,648	10.5%
2011	12,235	28,564	41.2	1,812	10.5%
2010	12,014	23,244	40.0	1,842	11.5%

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

(2) Source: Plymouth Board of Education

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

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

2020				
Employer	Nature of Business	Employees	Rank	Percentage of Total Employment
Town of Plymouth	Government	331	1	15.69%
Nutmeg Spice Co	Spices-Wholesale	125	2	5.92%
Cook Willow Convalescent Home	Convalescent facility	110	3	5.21%
Richard's Corporation	Construction	99	4	4.69%
Terryville Chevrolet	Car Dealership	47	5	2.23%
Phoenix Products	Pool Equipment Retailer	40	6	1.90%
Laurentano, Inc.	Manufacturing	38	7	1.80%
IGA Supermarket	Grocers-Retail	33	8	1.56%
Triem Industries	Manufacturer	31	9	1.47%
All Star Bus Company	Transportation	28	10	1.33%
The Learning Center	Daycare facility	25	11	1.18%
Elm Press	Commercial Printing	24	12	1.14%
Total		<u>2,110</u>		<u>41.80%</u>

Source: Connecticut Economic Resource Center
Source: Town of Plymouth

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

<u>Function/Program</u>	<u>Full-Time Equivalent Employees as of June 30,</u>									
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Mayor's Office	2	2	2	2	2	2	2	3	3	3
Public Safety	29	30	29	30	31	32	29	30	30	29
Public Health				1	1	1	1	1	1	1
Planning & Zoning	2	2	1	1	3	3	3	3	3	3
Finance and Accounting	3	3	3	3	3	3	3	3	3	3
Town Clerk	2	1	1	2	2	2	2	2	2	2
Town Assessor	1	1	1	1	1	2	1	1	1	1
Tax Collector	1	1	1	2	2	2	2	2	2	2
Recreation	3	3	3	3	3	3	3	3	3	3
Library	5	6	4	5	5	5	5	5	5	5
Public Works	13	12	12	15	15	17	16	16	18	18
Clerical	3	2	3							
Education	261	253	250	211	209	211	219	248	247	245
Water Pollution Control	<u>6</u>	<u>6</u>	<u>6</u>	<u>6</u>	<u>6</u>	<u>6</u>	<u>6</u>	<u>6</u>	<u>6</u>	<u>6</u>
Total	<u>331</u>	<u>322</u>	<u>316</u>	<u>282</u>	<u>283</u>	<u>289</u>	<u>292</u>	<u>323</u>	<u>324</u>	<u>321</u>

Source: Town of Plymouth Human Resources

TABLE 14

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

Function/Program	FISCAL YEAR									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
General government:										
Building permits issued	1,510	696	626	634	655	500	507	664	629	305
Birth Certificates Issued	92	95	97	92	115	115	113	135	105	104
Marriage Certificates	65	69	72	68	70	80	82	45	41	50
Police:										
Calls for Service	9,973	11,835	13,390	14,212	15,585	13,953	13,160	22,512	23,512	21,010
Criminal Arrests	202	308	344	276	282	259	259	331	278	240
Accidents	236	485	345	318	299	293	339	145	152	145
Fire:										
Emergency responses	422	384	405	386	350	331	364	401	391	385
Investigations/Inspections	381	321	343	354	328	612	317	185	194	184
Refuse collection:										
Guaranteed Tonnage	4,899	4,924	4,790	4,790	4,790	4,790	5,850	6,100	6,285	6,285
Parks and recreation:										
Number of Activities Offered	125	125	125	103	87	88	29	39	46	48
Library:										
Total Programs	346	297	296	390	422	417	437	341	344	323
Active Cardholders	2,748	3,074	2,938	3,249	3,438	3,552	3,770	4,930	5,098	6,000
Reference Questions	1,547	2,093	3,062	6,549	6,000	5,670	6,105	5,740	6,517	6,100
Volumes in Collection	65,019	68,167	41,751	62,511	62,252	61,149	61,597	63,216	64,000	60,154
Use of Public Computers	5,554	5,793	6,156	8,456	9,129	9,162	10,800	12,010	12,094	11,179
Public Works										
Street Resurfacing (miles)	2.26	2.81	3.66	4.86	16.53	6.70	8.80	4.50	1.20	1.00
Education										
School Enrollment	1,368	1,470	1,475	1,500	1,519	1,578	1,583	1,610	1,648	1,812
Wastewater:										
Average daily sewage treatment (millions of gallons daily)	1.09	1.19	0.90	0.66	0.64	0.77	0.77	0.99	0.99	0.99

Source: Various Town Departments

TABLE 15

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

Function/Program	FISCAL YEAR									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Zones	3	3	3	3	3	3	3	3	3	3
Police Cars	16	16	15	14	13	13	11	11	11	11
Fire stations:										
Stations	3	3	3	3	3	3	3	3	3	3
Fire Trucks	9	11	11	11	11	11	11	11	11	11
Rescue Boats	3	3	3	3						
Fire Vehicles	4	2	2	2						
Public Works:										
Streets (miles)	82.42	82.42	82.42	82.42	82.42	82.83	82.83	82.83	82.83	82.83
State Highways	12.42	12.42	12.42	12.42	12.42	12.42	12.42	12.42	12.42	12.42
Streetlights	1,428	1,428	1,428	1,428	1,428	1,186	1,186	1,186	1,188	1,186
Fire hydrants	308	308	308	308	308	241	241	238	236	234
Parks and recreation:										
Acres of Park Land (including water)	260	260	260	260	260	217	25	25	25	25
Acres of Water	55	55	55	55	55					
Basketball Courts	1	3	3	3	3	3	3	3	3	3
Playgrounds	3	4	4	4	4	6	6	6	6	6
Baseball/softball diamonds	1	2	2	2	2	5	5	5	5	5
Tennis Courts	2	2	2	2	2	4	4	4	4	4
Multiple Use Fields	2	5	5	5	6	6	6	6	6	6
Library:										
Public Library Locations	1	1	1	1	1	1	1	1	1	1
Private Library Locations		1	1	1	1	1	1	1	1	1
Education:										
Number of High Schools	1	1	1	1	1	1	1	1	1	1
Number of Middle School	1	1	1	1	1	1	1	1	1	1
Number of Elementary Schools	2	2	2	2	2	2	2	2	2	2
Water Pollution Control:										
Treatment capacity (millions per day)	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75

Source: Various Town Departments