

TOWN OF PLYMOUTH, CONNECTICUT

FINANCIAL STATEMENTS

AS OF AND FOR THE YEAR ENDED JUNE 30, 2024

TOWN OF PLYMOUTH, CONNECTICUT

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Independent Auditors' Report

To the Honorable Mayor and
Members of the Board of Finance
Town of Plymouth, Connecticut

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Plymouth, Connecticut (Town), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

In our opinion, the accompanying 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, as of June 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter – Correction of an Error

As discussed in Note 14 to the financial statements, in 2024 the Town corrected an error relating to its small cities loan receivable deferred inflow of resources. Our opinion is not modified with respect to this correction.

Responsibilities of Management 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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The supplementary information, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 23, 2025, on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control over financial reporting and compliance.

CBIZ CPAs P.C.

Providence, RI
December 23, 2025

TOWN OF PLYMOUTH, CONNECTICUT

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED JUNE 30, 2024

The management of the Town of Plymouth, Connecticut (the "Town") offers the readers of its financial statements this narrative overview and analysis of the financial activities of the Town for the year ended June 30, 2024.

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 \$145,690,631 (net position).
- The Town's total net position increased by \$2,057,438 during the current fiscal year.
- As of the close of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$19,836,336, an increase of \$814,388 in comparison with the prior year.
- At the close of the current fiscal year, unassigned fund balance for the General Fund was \$9,929,621 or 22.6% of the fiscal year 2024 General Fund budgetary expenditure appropriations.
- The Town's total long-term bonded debt, notes payable and long-term finance agreements decreased by \$1,755,551 or 11.84% during the current fiscal year due to current year principal payments offset by issuances of bonds of \$600,000 and finance agreement issuances of \$535,314.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Town'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 financial statements. This report also contains required supplementary and other supplementary information in addition to the basic financial statements themselves.

TOWN OF PLYMOUTH, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

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, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference 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 or related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods.

The government-wide financial statements are intended to distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the Town include activities such as: general government, public works, public safety, library, recreation, land use and education.

The government-wide financial statements can be found on pages 14 through 16 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The 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 two categories: governmental 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 the Town's near-term financing requirements.

TOWN OF PLYMOUTH, CONNECTICUT

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED JUNE 30, 2024

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

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 funds balance sheet and the governmental funds 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 a number of individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The basic governmental fund financial statements can be found on pages 17 through 20 of this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of retirees for pension benefits. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to the Town's own programs.

The basic fiduciary fund financial statements can be found on pages 21 and 22 of this report.

Notes to the Financial Statements

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 23 through 81 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also contains required supplementary information and other supplementary information consisting of combining and individual fund statements and schedules that can be found on pages 82 through 110 of this report.

TOWN OF PLYMOUTH, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position

Over time, net position may serve as one measure of a government's financial position. The net position of the Town totaled \$145,690,631 as of June 30, 2024 and \$143,633,193 as of June 30, 2023, and is summarized as follows:

	June 30, 2024	June 30, 2023		
	Governmental	Governmental		
	Activities	Activities	\$ Variance	% Variance
Current and other assets	\$ 25,298,892	\$ 24,908,263	\$ 390,629	1.57%
Capital assets	<u>169,862,830</u>	<u>169,742,389</u>	<u>120,441</u>	0.07%
Total assets	<u>195,161,722</u>	<u>194,650,652</u>	<u>511,070</u>	0.26%
Deferred outflows of resources	<u>5,588,306</u>	<u>6,674,060</u>	<u>(1,085,754)</u>	-16.27%
Current and other liabilities	6,777,974	7,849,986	(1,072,012)	-13.66%
Long-term liabilities	<u>42,074,071</u>	<u>42,982,380</u>	<u>(908,309)</u>	-2.11%
Total liabilities	<u>48,852,045</u>	<u>50,832,366</u>	<u>(1,980,321)</u>	-3.90%
Deferred inflows of resources	<u>6,207,352</u>	<u>6,859,153</u>	<u>(651,801)</u>	-9.50%
Net Position:				
Net investment in capital assets	156,643,520	153,887,538	2,755,982	1.79%
Restricted	3,361,127	4,558,668	(1,197,541)	-26.27%
Unrestricted	<u>(14,314,016)</u>	<u>(14,813,013)</u>	<u>498,997</u>	-3.37%
Total net position	<u>\$ 145,690,631</u>	<u>\$ 143,633,193</u>	<u>\$ 2,057,438</u>	1.43%

Total assets of the Town at June 30, 2024 and 2023 were \$195,161,722 and \$194,650,652, respectively, an increase of 0.26%. The significant components of current assets and other assets are cash, investments, tax receivables, grant receivables, and loan receivables. Capital assets include land, buildings and building improvements, land improvements, infrastructure, construction in progress, and equipment and vehicles. All capital assets except for land and construction in progress are shown net of accumulated depreciation.

TOWN OF PLYMOUTH, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Net Position (Continued)

Total liabilities of the Town at June 30, 2024 and 2023 were \$48,852,045 and \$50,832,366, respectively, a decrease of 3.90%. Current liabilities include accounts payable, accrued liabilities, current portions of long-term liabilities and unearned revenue. Noncurrent liabilities are primarily made up of the long-term portion of debt, accrued compensated absences net pension and OPEB liabilities.

Deferred inflows and outflows of resources relate to the Town's pension and OPEB liabilities. In 2024, the Town's deferred outflows decreased by \$1,085,754 and deferred inflows decreased by \$651,801. These changes are the result of fluctuations in the actuarial valuations of the liabilities and the change in the value of pension assets.

Net position represents the Town's equity, which is accounted for in three major categories. The first category, net investment in capital assets, represents the Town's equity in land, buildings and building improvements, construction in progress, infrastructure, and equipment, net of related accumulated depreciation and capital debt outstanding. The next net position category is restricted net position; which occurs when constraints are placed on the assets by creditors (such as debt covenants), grantors, contributors, laws, regulations, etc. The last category is unrestricted net position; these funds are available to use for any lawful and prudent purpose of the Town. Unrestricted net position increased by \$498,997, or 3.37%, for the fiscal year.

TOWN OF PLYMOUTH, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Changes in Net Position

Changes in net position for the years ended June 30, 2024 and 2023 are as follows:

	June 30, 2024	June 30, 2023		
	Governmental	Governmental		
	Activities	Activities	\$ Variance	% Variance
Revenues				
Program revenues:				
Charges for services	\$ 4,735,290	\$ 4,199,017	\$ 536,273	12.77%
Operating grants and contributions	16,898,383	18,902,647	(2,004,264)	-10.60%
Capital grants and contributions	1,844,377	1,971,337	(126,960)	-6.44%
General revenues				
Property taxes	34,102,406	32,568,057	1,534,349	4.71%
Grants and contributions not restricted to specific programs	322,022	311,471	10,551	3.39%
Miscellaneous	49,344	305,641	(305,641)	-100.00%
Unrestricted investment earnings	494,513	159,309	335,204	210.41%
Total revenues	<u>58,446,335</u>	<u>58,417,479</u>	<u>(20,488)</u>	-0.04%
Program expenses:				
General government	5,586,167	7,344,797	(1,758,630)	-23.94%
Public safety	5,333,957	5,622,395	(288,438)	-5.13%
Public works	8,886,014	8,546,098	339,916	3.98%
Health and safety	383,541	337,951	45,590	13.49%
Library	564,663	583,766	(19,103)	-3.27%
Recreation	336,355	289,464	46,891	16.20%
Education	34,556,098	34,168,749	387,349	1.13%
Land use	236,721	241,755	(5,034)	-2.08%
Interest expense	505,381	476,504	28,877	6.06%
Total Expenses	<u>56,388,897</u>	<u>57,611,479</u>	<u>(1,222,582)</u>	-2.12%
Change in net position	<u>\$ 2,057,438</u>	<u>\$ 806,000</u>	<u>\$ 1,202,094</u>	149.14%

TOWN OF PLYMOUTH, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Changes in Net Position (Continued)

Governmental activities increased the Town's net position by \$2,057,438.

Total revenues generated by the Town decreased by \$20,488 or 0.04% in comparison to revenues reported in the prior year. The decrease in operating grant revenue of \$2,023,639 or 10.71% was primarily related to the reduction of ESSER federal funding compared to the prior year. The Town's property tax revenue increased \$1,534,349 or 4.71% compared to the prior year due to an increase in mill rate in 2024.

Expenses incurred by the Town decreased \$1,222,582 or 2.12% in comparison to expenses reported in the prior year. Decrease is primarily due to fluctuations in pension and OPEB liabilities.

FINANCIAL ANALYSIS OF THE TOWN'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 the Town's net resources available for spending at the end of the fiscal year.

As of the close of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$19,836,336. Of this amount, \$9,483,186 is unassigned and available for spending at the discretion of the Town.

General Fund

The General Fund is the chief operating fund of the Town. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$9,929,621. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 22.6% of the fiscal year 2024 General Fund budgetary expenditure appropriations.

The fund balance of the Town's General Fund increased by \$1,066,767 during the current fiscal year.

TOWN OF PLYMOUTH, CONNECTICUT

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED JUNE 30, 2024

GENERAL FUND BUDGETARY HIGHLIGHTS

The actual net change in fund balance of the General Fund on a budgetary basis was an increase of \$1,066,767. Expenditures, excluding transfers out were \$569,832 less than budgeted and revenues, excluding transfers in were \$1,002,961 more than budgeted. The Town saw savings in highway and employee benefit expenditures. See pages 82-85 for the detailed comparison of budget versus actual for the year ended June 30, 2024.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The Town's investment in capital assets as of June 30, 2024 and 2023 totaled \$169,862,830 and \$169,742,389, respectively (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, land improvements, vehicles and equipment, infrastructure and construction in progress. The following table is a two-year comparison of the investment in capital assets:

	Governmental		\$ Variance	% Variance
	Activities			
	2024	2023		
Land	\$ 6,740,855	\$ 6,740,855	\$ --	0.00%
Buildings	72,681,002	72,681,002	--	0.00%
Building Improvements	20,121,938	19,825,666	296,272	1.49%
Land improvements	7,087,443	6,712,443	375,000	5.59%
Machinery and equipment	10,402,431	10,167,867	234,564	2.31%
Vehicles	8,686,765	8,337,441	349,324	4.19%
Infrastructure	147,469,743	145,045,983	2,423,760	1.67%
Construction in progress	3,487,763	1,543,234	1,944,529	126.00%
Accumulated depreciation	(106,815,110)	(101,312,102)	(5,503,008)	5.43%
Total	\$ 169,862,830	\$ 169,742,389	\$ 120,441	0.07%

Major capital additions in the current year include Town Hall renovations, Napco Bridge, Communications tower, tennis and pickle ball court, and town aid road costs.

TOWN OF PLYMOUTH, CONNECTICUT

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED JUNE 30, 2024

CAPITAL ASSET AND DEBT ADMINISTRATION (CONTINUED)

Long-term Debt

At the end of the current fiscal year, the Town had total bonded debt, notes payable and finance agreements outstanding of \$13,068,439. The Town's total capital debt decreased by \$1,755,551 or 11.84% during the current fiscal year due to current year principal payments.

State statutes limit the amount of general obligation debt the Town may issue to seven times its annual receipts from taxation, as defined by the statutes. The current debt limitation for the Town is significantly in excess of the Town's outstanding general obligation debt.

The following table is a two-year comparison of long-term bonded debt, notes payable, and finance agreement debt:

	Governmental			
	Activities		\$ Variance	% Variance
	2024	2023		
General obligation bonds	\$ 9,830,000	\$ 11,640,000	\$ (1,810,000)	-15.55%
Notes payable	685,057	741,616	(56,559)	-7.63%
Finance agreements	2,553,382	2,442,374	111,008	4.55%
Total	\$ 13,068,439	\$ 14,823,990	\$ (1,755,551)	-11.84%

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Town of Plymouth continues to demonstrate a steady economic recovery with key financial indicators showing stability. As of June 30, 2025, the unemployment rate for the Town was 3.3%, a slight decrease from 3.6% as of June 30, 2024, and comparable to the State of Connecticut's rate of 3.1%.

Inflationary pressures remain consistent with national and regional trends, continuing to influence operating costs, wage adjustments, and capital project expenditures. Despite these challenges, the Town has maintained a strong commitment to fiscal discipline and long-term planning.

The 2024-2025 General Fund budget decreased by approximately \$1,197,738 (or 2.7%) over the prior year, primarily due to education-related costs, contractual wage obligations, and increases in public safety and employee benefit expenses. The mill rate for property taxes increased to 38.64 mills for FY2024-2025.

The budget assumes a current tax collection rate of 98.5% for real estate, 94.0% for motor vehicles, and 95.0% for personal property taxes. The Board of Finance continues to monitor collection trends closely throughout the fiscal year.

TOWN OF PLYMOUTH, CONNECTICUT

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED JUNE 30, 2024

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES (CONTINUED)

The net taxable grand list slightly decreased and was closed to the prior year, reflecting ongoing residential improvements, business park expansions, and new commercial development initiatives. The Town continues to actively pursue new commercial enterprises and encourage reinvestment in existing properties to strengthen the local tax base and reduce reliance on residential taxpayers.

Looking ahead, Plymouth's management remains focused on sustaining financial stability, expanding economic development opportunities, and maintaining essential services while balancing the need for infrastructure investment and taxpayer affordability.

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Board of Finance at Town of Plymouth, 80 Main Street, Terryville, CT 06786.

TOWN OF PLYMOUTH, CONNECTICUT

STATEMENT OF NET POSITION

JUNE 30, 2024

	Governmental Activities
Assets	
Current Assets	
Cash and cash equivalents	\$ 19,848,091
Investments	492,235
Restricted investments	1,271,020
Receivables:	
Property taxes and interest, net	1,516,544
Intergovernmental	109,750
Usage charges	187,924
Other	637,889
Loans, net	709,658
Land held for resale	525,781
Total Current Assets	25,298,892
Noncurrent Assets	
Capital assets not being depreciated	10,228,618
Capital assets, net of accumulated depreciation	159,634,212
Total Noncurrent Assets	169,862,830
Total Assets	195,161,722
Deferred Outflows of Resources	
Pension-related deferred outflows	3,031,152
OPEB-related deferred outflows	2,557,154
Total Deferred Outflows of Resources	5,588,306

The accompanying notes are an integral part of these financial statements.

TOWN OF PLYMOUTH, CONNECTICUT

STATEMENT OF NET POSITION (CONTINUED)

JUNE 30, 2024

	Governmental Activities
Liabilities	
Current Liabilities	
Accounts payable and accrued liabilities	2,440,820
Accrued interest	177,888
Unearned revenue	1,495,991
Current portion of compensated absences	127,821
Current portion of general obligation bonds	2,110,000
Current portion of notes payable	57,701
Current portion of finance agreements	367,753
Total Current Liabilities	6,777,974
Noncurrent Liabilities	
Compensated absences, net	1,150,386
General obligation bonds and notes, net	7,870,871
Notes payable, net	627,356
Finance agreements, net	2,185,629
Landfill postclosure liability	200,000
Early retirement incentive	18,750
Net pension liability	17,174,587
Total OPEB liability	12,846,492
Total Noncurrent Liabilities	42,074,071
Total Liabilities	48,852,045
Deferred Inflows of Resources	
Pension-related deferred inflows	1,069,282
OPEB-related deferred inflows	5,138,070
Total Deferred Inflows of Resources	6,207,352
Net Position	
Net investment in capital assets	156,643,520
Restricted	3,361,127
Unrestricted	(14,314,016)
Total Net Position	\$ 145,690,631

The accompanying notes are an integral part of these financial statements.

TOWN OF PLYMOUTH, CONNECTICUT

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2024

Change in Net Position		Program Revenues		Primary Government	
Capital		Operating		Governmental	
Grants and Contributions		Grants and Contribution		Activities	
Functions/Programs		Charges for Services		Expenses	
Governmental Activities:	General government	\$ 5,586,167	\$ 203,319	\$ 676,574	\$ 1,189,636
	Public safety	5,333,957	1,403,961	19,287	--
	Public works	8,886,014	2,319,598	19,375	654,741
	Health and safety	383,541	--	--	--
	Library	564,663	27	--	--
	Recreation	336,355	312,398	65,579	--
	Education	34,556,098	495,987	16,117,568	--
	Land use	236,721	--	--	--
	Interest expense	505,381	--	--	--
	Total Governmental Activities	56,388,897	4,735,290	16,898,383	1,844,377
Total		\$ 56,388,897	\$ 4,735,290	\$ 16,898,383	\$ 1,844,377
General Revenues:					
Property taxes		34,102,406			
Grants and contributions not restricted to specific programs		322,022			
Unrestricted investment earnings		494,513			
Miscellaneous		49,344			
Total General Revenues and transfers		34,968,285			
Change in net position		2,057,438			
Net position - beginning		143,633,193			
Net position - ending		\$ 145,690,631			

TOWN OF PLYMOUTH, CONNECTICUT

BALANCE SHEET GOVERNMENTAL FUNDS

JUNE 30, 2024

Assets						
Cash and cash equivalents	\$ 12,340,953	\$ 2,329,886	\$ 1,194,944	\$ 553,512	\$ 3,428,796	\$ 19,848,091
Investments	--	129,626	--	--	362,609	492,235
Restricted investments	--	--	--	--	1,271,020	1,271,020
Receivables:						
Property taxes, net	1,236,407	--	--	--	--	1,236,407
Interest	253,237	26,900	--	--	--	280,137
Assessments / user charges	719	187,924	--	--	--	187,924
Intergovernmental	--	--	--	--	109,031	109,750
Loan receivables	--	--	--	--	709,658	709,658
Other	1,003	--	--	--	92,682	637,889
Due from other funds	2,445,068	--	--	196,463	347,741	1,972,367
Land held for resale	--	--	--	525,781	--	525,781
Total Assets	\$ 16,277,387	\$ 2,674,336	\$ 1,194,944	\$ 1,275,756	\$ 347,741	\$ 7,946,163
Liabilities						
Accounts payable and accrued liabilities	\$ 1,237,030	\$ 150,377	\$ 62,382	\$ 345,210	\$ 545,788	\$ 100,033
Unearned revenue	--	--	1,132,562	5,000	--	358,429
Due to other funds	2,934,938	613,640	--	--	--	868,857
Total Liabilities	4,171,968	764,017	1,194,944	350,210	545,788	1,327,319
Deferred Inflows of Resources						
Unavailable revenue-sewer user charges	--	187,924	--	--	--	187,924
Unavailable revenue-property taxes and interest	1,337,821	--	--	--	--	1,337,821
Total Deferred Inflows of Resources	1,337,821	187,924	--	--	--	1,525,745
Fund Balances						
Nonspendable	--	--	--	525,781	2,019,046	2,544,827
Restricted	--	--	--	--	2,051,739	2,051,739
Committed	--	1,722,395	--	399,765	938,640	3,060,800
Assigned	837,977	--	--	--	1,857,807	2,695,784
Unassigned	9,929,621	--	--	--	(198,047)	9,483,186
Total Fund Balances	10,767,598	1,722,395	--	925,546	(198,047)	19,836,336
Total Liabilities, Deferred Inflows of Resources and Fund Balance						
	\$ 16,277,387	\$ 2,674,336	\$ 1,194,944	\$ 1,275,756	\$ 347,741	\$ 29,716,327

TOWN OF PLYMOUTH, CONNECTICUT

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION

JUNE 30, 2024

Total Fund Balances for Governmental Funds	\$ 19,836,336
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**Total Net Position Reported for Governmental Activities in
the Statement of Net Position is Different Because:**

Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds. Those assets consist of:

Nondepreciable	\$ 10,228,618
Depreciable	266,449,322
Less: accumulated depreciation and amortization	<u>(106,815,110)</u>

Total Capital Assets, Net	169,862,830
----------------------------------	-------------

Revenues will be collected after year end, but are not available soon enough to pay for the current period's expenditures, and therefore, are reported as deferred inflows of resources in the governmental funds.

1,525,745

Long-term liabilities applicable to the Town's governmental activities are not due and payable in the current period and accordingly are not reported as governmental fund liabilities. All liabilities - both current and long-term - are reported in the statement of net position. Those liabilities consist of:

Long-Term Debt:

Bonds payable	(9,830,000)
Notes payable	(685,057)
Unamortized bond premium	(150,871)
Finance agreements	(2,553,382)
Accrued interest payable	(177,888)

Other Long-Term Assets and Liabilities:

Compensated absences	(1,278,207)
Landfill postclosure liability	(200,000)
Early retirement incentive	(18,750)
Net pension liability	(17,174,587)
Total OPEB liability	<u>(12,846,492)</u>

Total Long-Term Liabilities	(44,915,234)
------------------------------------	--------------

Deferred outflows and inflows of resources resulting from changes in the components of the net pension and OPEB liabilities are reported in the statement of net position.

(619,046)

Net Position of Governmental Activities	<u><u>\$ 145,690,631</u></u>
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The accompanying notes are an integral part of these financial statements.

TOWN OF PLYMOUTH, CONNECTICUT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2024

	General Fund	Sewer Operating	ARPA Fund	Capital Projects	Capital and Nonrecurring	Major Governmental Funds	Total Governmental Funds
Revenues							
Property taxes	\$ 33,588,235	--	\$ --	\$ --	\$ --	\$ --	\$ 33,588,235
Intergovernmental	15,034,606	2,109,265	1,189,636	--	654,741	2,775,571	19,654,554
Charges for services	699,660	--	--	--	--	1,617,131	4,426,056
Other	114,363	--	--	--	--	362,052	476,415
Interest	287,602	13,413	--	--	--	193,498	494,513
Total Revenue	49,724,466	2,122,678	1,189,636	--	654,741	4,948,252	58,639,773
Expenditures							
Current							
General government	5,316,279	--	11,830	18,756	23,527		5,358,562
Public safety	3,480,586	--	--	--	1,105,288		4,597,704
Public works	3,254,187	1,742,406	--	--	938,358		5,934,951
Health and safety	246,165	--	--	--	107,053		353,218
Library	483,193	--	--	--	57,594		540,787
Recreation	288,545	--	--	--	--		288,545
Education	30,023,631	--	--	--	2,653,369		32,677,000
Land use	190,237	--	--	--	--		190,237
Capital outlays	1,544,283	112,701	1,177,806	--	2,788,659		5,623,449
Debt Service							
Principal payments	2,809,211	81,654	--	--	--		2,890,865
Interest and other charges	489,222	16,159	--	--	--		505,381
Total Expenditures	48,125,539	1,952,920	1,189,636	18,756	2,788,659	4,885,189	58,960,699
Excess of Revenues over Expenditures	1,598,927	169,758	--	(18,756)	(2,133,918)	63,063	(320,926)
Other Financing Sources (Uses)							
Proceeds from finance agreements	535,314	--	--	--	--	--	535,314
Proceeds from long term debt	--	--	--	--	600,000	--	600,000
Transfers in	400,310	--	--	35,000	752,692	762,593	1,950,595
Transfers out	(1,467,784)	--	--	--	--	(482,811)	(1,950,595)
Total Other Financing Sources (Uses)	(532,160)	--	--	35,000	1,352,692	279,782	1,135,314
Net Change in Fund Balances	1,066,767	169,758	--	16,244	(781,226)	342,845	814,388
Fund Balances - Beginning, as restated	9,700,831	1,552,637	--	909,302	583,179	6,275,999	19,021,948
Fund Balances - Ending	\$ 10,767,598	\$ 1,722,395	\$ --	\$ 925,546	\$ (198,047)	\$ 6,618,844	\$ 19,836,336

The accompanying notes are an integral part of these financial statements.

TOWN OF PLYMOUTH, CONNECTICUT

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES TO THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2024

Net change in fund balances - for governmental funds	\$	814,388
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The net position reported for governmental activities in the statement of net position is different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The amount by which capital asset expenditures exceeded depreciation and amortization expense in the current period is as follows:

Expenditures for capital assets	\$	5,623,449	
Depreciation and amortization expense		<u>(5,503,008)</u>	
Net adjustment			120,441

Certain revenues reported in the statement of activities do not provide current financial resources and, therefore, are reported as deferred inflows in the governmental funds. This amount represents the change in deferred inflows of resources.

(193,438)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principle on long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. The net effect of these differences in the treatment of long-term obligations is as follows:

Debt issuance or incurred:			
Bond and direct borrowing proceeds		(1,135,314)	
Principal repayments:			
Bonds payable		2,410,000	
Notes payable		56,559	
Finance agreements		<u>424,306</u>	
			1,755,551

Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. However in the statement of activities, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues. Also, governmental funds recognize the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The net effect of such items is as follows:

Compensated absences	(94,235)	
Net pension liability	(436,777)	
Total OPEB liability	466,724	
Amortization of bond premium	134,915	
Early retirement incentive	750	
Landfill postclosure liability	12,500	
Bond refunding	3,726	
Accrued interest	<u>(89,427)</u>	
		(1,824)

Deferred outflows and inflows of resources resulting from changes in the components of the net pension and OPEB liabilities are amortized as a component of pension and OPEB expense in the statement of activities.

(437,680)

Change in net position of governmental activities	\$	<u>2,057,438</u>
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The accompanying notes are an integral part of these financial statements.

TOWN OF PLYMOUTH, CONNECTICUT

STATEMENT OF FIDUCIARY NET POSITION FIDUCIARY FUNDS

JUNE 30, 2024

	Employee Benefit Trust Funds
Assets	
Investments	
Guaranteed investment contracts	\$ 6,760,517
Mutual funds	2,626,943
Other receivables	<u>29,399</u>
Total Assets	<u>9,416,859</u>
Net Position	
Restricted for pensions	<u>9,416,859</u>
Total Net Position	<u><u>\$ 9,416,859</u></u>

The accompanying notes are an integral part of these financial statements.

TOWN OF PLYMOUTH, CONNECTICUT

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FIDUCIARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2024

	Employee Benefit Trust Funds
Additions	
Contributions:	
Employer	\$ 1,385,588
Employee	<u>35,838</u>
Total Contributions	<u>1,421,426</u>
Investment income:	
Interest and dividends	286,888
Net appreciation in investments	<u>139,029</u>
Net Investment Income	<u>425,917</u>
Total Additions	<u>1,847,343</u>
Deductions	
Benefit payments	1,442,760
Administrative expenses	<u>76,238</u>
Total Deductions	<u>1,518,998</u>
Change in Net Position	328,345
Net Position - Beginning	<u>9,088,514</u>
Net Position - Ending	<u><u>\$ 9,416,859</u></u>

The accompanying notes are an integral part of these financial statements.

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Town of Plymouth, Connecticut (the Town) have been prepared in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) as applicable to governmental entities. In certain instances, summaries of the Town's significant accounting policies have been presented throughout the notes to the basic financial statements in conjunction with other disclosures to which they relate.

FINANCIAL REPORTING ENTITY

The Town of Plymouth, Connecticut (Town) is a municipal corporation. 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.

In evaluating the inclusion of other separate and distinct legal entities as component units within its financial reporting structure, the Town applied the criteria prescribed by Governmental Accounting Standards Board (GASB) Statement No. 61, *The Financial Reporting Entity*: Omnibus an amendment of GASB Statements No. 14 and No. 34. Under GASB Statement No. 61, a legally separate entity is required to be included as a component unit if it is fiscally dependent upon the primary government and there is a financial benefit or burden relationship present. The primary government is financially accountable if it appoints the voting majority of the organization's governing board and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. A potential component unit has a financial benefit or burden relationship with the primary government if, for example, any one of the following conditions exists:

- a) The primary government is legally entitled to or can otherwise access the organization's resources.
- b) The primary government is legally obligated or has otherwise assumed the obligation to finance the deficits of, or provide financial support to, the organization.
- c) The primary government is obligated in some manner for the debt of the organization.

Through the application of GASB Statement No. 61 criteria, it is determined that a component unit does not exist within the Town.

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

BASIS OF PRESENTATION

Government-wide Financial Statements

The Statement of Net Position and Statement of Activities display information about the Town as a whole. They include all funds of the Town except for fiduciary funds. Governmental activities generally are financed through taxes, intergovernmental revenues and other non-exchange revenues.

The Statement of Activities presents a comparison between expenses and program revenues for each function of the Town's governmental activities. Program revenues include a) fees, fines and charges paid by the recipients of goods or services offered by the programs and b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements

Fund financial statements of the Town are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts which constitute its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balance, revenues and expenditures/expenses. Funds are organized into two major categories: governmental and fiduciary. An emphasis is placed on major funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the Town or meets the following criteria:

- a) Total assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type, and
- b) Total assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues or expenditures/expenses of that individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The funds of the Town are described below:

GOVERNMENTAL FUNDS

Governmental funds are used to account for operations that supply basic governmental services. The Town uses the following types of governmental funds:

General Fund is the primary operating fund of the Town and is always classified as a major fund. It is used to account for and report all financial resources not accounted for and reported in other 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 Sewer Operating and ARPA fund are special revenue funds that are considered major in the current year.

Capital Project Funds are used to account for and report resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets. The Capital Projects Fund and Capital and Nonrecurring funds are capital projects funds that are considered major in the current year.

Permanent Funds are used to account for and report assets held by the Town pursuant to trust agreements. The principal portion of this fund type must remain intact, but the earnings may be used to achieve the objectives of the fund.

FIDUCIARY FUNDS (NOT INCLUDED IN GOVERNMENT-WIDE STATEMENTS)

Fiduciary Funds are used to report assets held by the Town in a trustee capacity and, therefore, cannot be used to support the Town's own programs. The following fiduciary funds are used by the Town:

Pension Trust Funds are used to account for resources legally held in a trust for payment of pension benefits, and cannot be used at the Town's discretion or to support the Town's general operations.

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

MAJOR AND NON-MAJOR FUNDS

The funds are further classified as major or non-major as follows:

<u>Fund</u>	<u>Brief Description</u>
<i>Major:</i>	
General Fund	See above for description.
Sewer Operating Fund	Accounts for the operations of the Town's Sewer Collection System.
ARPA Fund	Accounts for the activity related to the American Rescue Plan Act federal grant program.
Capital and Nonrecurring	Accounts 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.

Non Major:

Special Revenue Funds: Grant programs including federal grants, state grants, and private grants. The Town currently maintains seventeen (17) special revenue funds which have been classified as non-major Governmental Funds. The details of these funds may be found in the combining fund statements in the other supplementary information section of these financial statements.

Capital Project Funds: The Town currently maintains one (1) Capital Project nonmajor fund. The details of these funds may be found in the combining fund statements in the other supplementary information section of these financial statements.

Permanent Trust Funds: The Town currently maintains five (5) Permanent Trust nonmajor funds. The details of these funds may be found in the combining fund statements in the other supplementary information section of these financial statements.

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

On the Government-wide Statement of Net Position and the Statement of Activities governmental are presented using the economic resources measurement focus as defined in item (a) below and the accrual basis of accounting.

In the fund financial statements, the current financial resources measurement focus (modified accrual) or the economic resources measurement focus (full accrual) is used as appropriate:

- (a) All governmental funds utilize a current financial resources measurement focus and a modified accrual basis of accounting. Only current financial assets, deferred outflows of resources, liabilities, and deferred inflows of resources are generally included on their balance sheets. Operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

The Government-wide financial statements are reported using the economic resources measurement focus and the full accrual basis of accounting, as are the fiduciary fund financial statements. Revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as 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 when they are both measurable and available for liquidating liabilities of the current period. “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period (usually 60 days). Revenues not considered to be available are recorded as deferred inflows. Expenditures, including capital outlays, are recognized when a related fund liability has been incurred, except for those involving debt service and other long-term obligations that are recognized when due.

Those revenues susceptible to accrual are property taxes, special assessments, federal impact aid, state aid, meals and hotel taxes collected by the State on behalf of the Town, interest and charges for services. Fines, licenses and permit revenues are not susceptible to accrual because generally they are not measurable until received in cash; therefore, they are recognized when received.

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING (CONTINUED)

Recognition of grant revenues is based on the susceptibility of accrual as determined by the legal and contractual requirements established by each grantor. For grants not restrictive as to specific purposes and revocable only for failure to comply with general prescribed requirements, revenues are recognized when actually received. Where expenditure is the prime factor in determining eligibility, grant revenue is recognized as allowable expenditures are made provided they are collected during the year or within 60 days subsequent to year-end. Prior to expenditure, proceeds are recorded as unearned revenues.

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. Internally dedicated resources are reported as general revenues rather than program revenues. Likewise, general revenues include all taxes.

ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSITION/FUND BALANCE

Cash and Cash Equivalents

All investments with original maturities of three months or less when purchased are considered to be cash equivalents. Cash and cash equivalents consist of cash on hand, time and demand deposits and short-term investments maturing within three months from the date of acquisition. The Town maintains deposits in various financial institutions, which are separately displayed in the financial statements as “cash and cash equivalents.”

Investments

The Town follows U.S. GAAP guidance on Fair Value Measurements which establishes a fair value hierarchy organized into three levels based upon the input assumptions used in pricing assets. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in orderly transaction between market participants at the measurement date. Level 1 inputs have the highest reliability and are related to assets with unadjusted quote prices in active markets. Level 2 inputs relate to assets with other than quoted prices in active markets which may include quoted prices for similar assets or liabilities or other inputs which can be corroborated by observable market data. Level 3 inputs are unobservable inputs and are used to the extent that observable inputs do not exist.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment’s level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement.

Investments are stated at fair value.

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSITION/FUND BALANCE (CONTINUED)

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.

Assets Held for Sale

Assets held for resale represents land purchased with the intent of selling the property for future development. This is recorded at the lower of cost or estimated fair value.

Accounts Receivable

In the Government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include property taxes and intergovernmental receivables.

In the fund financial statements, material receivables in governmental funds include revenue accruals such as property taxes collected within 60 days of year-end and grants and other similar intergovernmental revenues since they are usually both measurable and available. Non-exchange transactions earned/measurable but not available are deferred in the fund financial statements in accordance with modified accrual, but not deferred in the Government-wide financial statements in accordance with the accrual basis. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. At June 30, 2024 the Town has estimated the allowance for doubtful accounts for delinquent taxes of \$200,000.

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSITION/FUND BALANCE (CONTINUED)

All property tax and sewer use receivables are shown net of an allowance for uncollectible accounts. The allowance is calculated based upon historical collections and analysis of creditor's ability to pay.

Budget Process

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

- The Sewer Operating Budget is approved prior to July 1 by the Water Pollution Control Authority. The Town does not have legally adopted budgets for its other special revenue funds.

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSITION/FUND BALANCE (CONTINUED)

Budget Process (Continued)

- 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.

Prepays

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid assets. Prepays recorded in governmental-type funds do not reflect current appropriated resources and, as such are reported as non-spendable fund balance.

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSITION/FUND BALANCE (CONTINUED)

Capital Assets

The accounting treatment over capital assets depends on whether the assets are used in governmental fund operations and whether they are reported in the Government-wide or fund financial statements.

In the Government-wide financial statements, long-lived assets are accounted for as capital assets. All capital assets are valued at historical cost, or estimated historical cost if actual is unavailable, except for donated capital assets, which are recorded at their estimated fair value at the date of donation. Capital assets are defined by the Town as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year. Major outlays for capital assets and improvements are capitalized as projects are constructed. The costs of normal maintenance and repairs that do not add to value of the asset or materially extend asset lives are not capitalized.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method. The ranges of estimated useful lives by type of asset are as follows:

Asset	Years
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

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

The Town reviews the carrying value of its long-lived assets to ensure that any impairment issues are identified and appropriately reflected in the financial statements. Should the expected cash flows be less than the carrying value, an impairment loss would be recognized to reduce the carrying value. There were no impairments reported as of June 30, 2024.

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSITION/FUND BALANCE (CONTINUED)

Bond Premiums and Issuance Costs

In the Government-wide statement of net position, bond premiums and discounts are deferred and amortized over the term of the related bonds using the straight-line method. Bond premiums are presented as an addition to the face amount of the bonds payable. Bond issuance costs are expensed in the year incurred.

In the governmental funds, bond premiums and issuance costs are treated as period costs in the year the bonds are issued. Bond issuance costs are included in debt service expenditures and bond premiums are reflected as other financing sources in the governmental funds financial statements, while discounts are reported as other financing uses.

Long-term Obligations

In the Government-wide financial statements, long-term debt and other long-term obligations (including compensated absences, and accrued claims and judgements) are reported as liabilities in the statement of net position.

In the governmental fund financial statements, long-term debt is recognized as a liability of a governmental fund when due. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. The face amount of debt issued is reported as other financing sources in the governmental funds financial statements.

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.

Judgments and Claims

Liabilities for legal cases and other claims against Governmental funds are recorded when the ultimate liability can be estimated and such cases are expected to be liquidated with expendable available financial resources.

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSITION/FUND BALANCE (CONTINUED)

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position and/or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate section represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until that later date. At June 30, 2024 the Town reported \$5,588,306 of deferred outflows of resources related to pension and OPEB in the Government-wide statement of net position. A deferred outflow of resources related to pension or OPEB results from differences between expected and actual experience, changes in assumptions or other inputs. These amounts are deferred and included in pension 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 plan (active employees and inactive employees).

In addition to liabilities, the statement of net position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate section represents the acquisition of net position that applies to a future period and therefore will not be recognized as an inflow of resources (revenue) until a later date. At June 30, 2024 the Town reported \$6,207,352 of deferred inflows of resources related to pension and OPEB in the Government-wide statement of net position. A deferred inflow of resources related to pension or OPEB results from differences between expected and actual experience, changes in assumptions or other inputs. These amounts are deferred and included in pension/OPEB expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension and OPEB plans (active employees and inactive employees).

At June 30, 2024 the Town also had items qualified as a deferred inflow of resources in the governmental funds balance sheet. The unavailable tax and sewer user charges were \$1,337,821 and \$187,924, respectively at June 30, 2024 represents receivables which are assessed on October 31, 2023 and prior and are not collected within 60 days of June 30, 2024.

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSITION/FUND BALANCE (CONTINUED)

Interfund Transactions

Interfund activity within and among the funds of the Town have been classified and reported as follows:

Reciprocal interfund activities:

- Interfund loans are reported as interfund receivables in the lending fund and interfund payables in borrower funds.
- Interfund services are reported as revenues in the seller fund and as expenditures or expenses in the purchasing fund.

Non-reciprocal interfund activities:

- Interfund transfers are reported in governmental funds as other financing uses in the funds making transfers and as other financing sources in the funds receiving transfers.
- Interfund reimbursements are repayments from the fund responsible for particular expenditures or expenses to other funds that initially paid for them. Reimbursements are not displayed separately within the financial statements.

Transactions between funds have been eliminated in the Government-wide financial statements but fully presented within the governmental fund of financial statements with no elimination made between or within funds.

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as either “due from/to other funds” (current portion) or “advances from/to other funds” (noncurrent portion). All other outstanding balances between funds are reported as “due from/to other funds.”

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSITION/FUND BALANCE (CONTINUED)

Net Position/Fund Balance

Government-wide Financial Statements

Net position is classified and displayed in the following three components:

- (a) Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes, or other borrowings, and deferred inflows of resources, if any, that are attributable to the acquisition, construction, or improvement of those assets, increased by deferred outflows of resources related to those assets, if any.
- (b) Restricted net position – Consists of net position with constraints placed on the use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or 2) law through constitutional provisions or enabling legislation.
- (c) Unrestricted net position – the remaining net position that does not meet the definition of “restricted” or “net investment in capital assets”.

Governmental Fund Financial Statements

In accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, fund balance is classified as non-spendable, restricted, committed, assigned, or unassigned. These categories are defined below:

- Non-spendable – Amounts that cannot be spent because they are either a) not in spendable form or b) legally or contractually required to be maintained intact. “Not in spendable form” includes items that are not expected to be converted to cash within one year.
- Restricted – Includes amounts that are restricted for specific purposes. Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSITION/FUND BALANCE (CONTINUED)

Net Position/Fund Balance (Continued)

Governmental Fund Financial Statements (Continued)

- Committed – Amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Board of Selectman, with the Board of Finance approval (the highest levels of decision making authority of the Town) and cannot be used for any other purpose unless the Town removes or changes the specified use by taking the same formal action.
- Assigned – Amounts are constrained by the Town's intent to be used for specific purposes, but are not restricted or committed. Amounts may be constrained to be used for a specific purpose by a governing board or body or official (Town Finance Director) that has been delegated authority to assign amounts by the Town Charter and in accordance with the Town's adopted Fund Balance Policy.
- Unassigned – Residual classification for the General Fund or amounts necessary in other governmental funds to eliminate otherwise negative fund balance amounts in the other four categories.

Net Position Flow Assumption

Sometimes the Town will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the Government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied.

The Town does not have a formal policy over net position. In practice, the Town considers restricted net position to have been depleted before unrestricted net position is applied.

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSITION/FUND BALANCE (CONTINUED)

PENSIONS

For purposes of measuring the net pension liability, deferred outflows or resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the retirement system and additions/deductions from the system's fiduciary net position have been determined on the same basis as they are reported by the retirement system.

OTHER POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, have been determined by an actuarial valuation conducted by the Town and are accounted for in accordance with the requirements of GASB Statement No. 75 *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (OPEB)*.

RECENTLY ISSUED ACCOUNTING STANDARDS

As discussed at Note 14, the Town implemented GASB Statement No. 100, *Accounting Changes and Error Corrections*, which includes the disclosure of the correction of an error relating to Small Cities fund deferred revenue. There was no significant impact on these financial statements from the implementation of additional new accounting standards.

SUBSEQUENT EVENTS

Management has evaluated subsequent events through December 23, 2025, which is the date these financial statements were available to be issued. There are no events requiring recognition or disclosure into these financial statements.

USE OF ESTIMATES

The preparation of basic financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, and liabilities and deferred inflows of resources, and disclosure of contingent assets and liabilities at the date of the basic financial statements. Estimates also affect the reported amounts of revenues, expenditures and expenses during the reporting period. Significant items subject to such estimates include the pension and the other postemployment benefit liability. Actual results could differ from those estimates.

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 2 – CASH DEPOSITS AND INVESTMENTS

CASH DEPOSITS

A reconciliation of the Town's cash and cash equivalents as of June 30, 2024 is as follows:

Government-wide statement of net position:

Cash and cash equivalents	\$ 19,848,091
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CASH DEPOSITS – 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. At June 30, 2024 the Town was insured under the FDIC in the amount of \$1,314,392 with the remaining classified as follows:

Uninsured and uncollateralized	\$ 5,698,510
Uninsured and collateral held by the pledging bank's trust department, not in the Town's name	<u>140,646</u>
	<u>\$ 5,839,156</u>

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 2 – CASH DEPOSITS AND INVESTMENTS (CONTINUED)

INVESTMENTS

Interest Rate Risk

The Town's investment policy limits its exposure to fair value losses arising from changes in interest rates by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity, and investing operating funds primarily in shorter-term securities, money market mutual funds, or similar investment pools. The pension plan's policy strives for a balanced return on investments to limit its exposure to fair value losses by providing long-term return opportunities through an allocation of the funds discussed above. In addition, the plan strives to meet cash requirements for benefit payments.

Interest rate risk is the risk that changes in the market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. Information about the exposure of the Town's investments to this risk using the segmented time distribution model is as follows:

Investment Type	Credit Rating	Value	Investment Maturities (In Years)	
			Less Than 1	1-10
Interest bearing investments				
Certificates of deposit	N/A	\$ 50,156	\$ --	\$ 50,156
Other investments				
Guaranteed investment contracts	N/A	6,760,517		
Mutual funds - equity	Unrated	2,087,284		
Mutual funds - fixed	Unrated	2,252,758		
		<u>\$ 11,150,715</u>		

Credit Risk

Generally, credit risk is the risk that an issuer of a debt type investment will not fulfill its obligation to the holder of the investment. This is measured by assignment of a rating by a nationally recognized rating organization. U.S. government securities or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk exposure.

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 2 – CASH DEPOSITS AND INVESTMENTS (CONTINUED)

INVESTMENTS (CONTINUED)

Credit Risk (Continued)

The Town has no investment policy that would further limit its investment choices beyond those limited by Connecticut state statutes. Connecticut state statutes permit the Town to invest in obligations of the United States, including its instrumentalities and agencies; in obligations of any state or of any political subdivision, authority or agency thereof, provided such obligations are rated within one of the top two rating categories of any recognized rating service; or in obligations of the State of Connecticut or of any political subdivision thereof, provided such obligations are rated within one of the top three rating categories of any recognized rating service. The pension and Other Post Employment Benefit Trust Funds may also invest in certain real estate mortgages, in certain savings banks or savings and loan associations, or in stocks or bonds or other securities selected by the trustee.

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of a counterparty, 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. The Town's investments in external investment pools, mutual funds and group annuity contracts are not evidenced by securities and are therefore not exposed to custodial credit risk. Investments in equity securities are uninsured and unregistered, with securities held by the counterparty, but not in the Town's or pension fund's name. The Town's investments in mutual funds are not evidenced by securities and are therefore not exposed to custodial credit risk.

Concentrations of Credit Risk

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

NOTE 3 – FAIR VALUE MEASUREMENTS

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants, as of the measurement date. Authoritative guidance establishes a hierarchy of valuation techniques based upon whether the inputs to those valuation techniques reflect assumptions other market participants would use based upon market data obtained from independent sources (also referred to as observable inputs).

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 3 – FAIR VALUE MEASUREMENTS (CONTINUED)

The Town classifies its assets and liabilities measured at fair value into level 1 (securities valued using quoted prices from active markets for identical assets), Level 2 (securities not traded on an active market for which market inputs are observable, either directly or indirectly, and Level 3 (securities valued based on unobservable inputs). Investments are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The Town's financial assets that are accounted for at fair value on a recurring basis as of June 30, 2024, by level within the fair value hierarchy are presented in the table below:

Financial Assets Measured at Fair Value	Prices in Active Market (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Mutual funds - equity	\$ 2,087,284	\$ --	\$ --	\$ 2,087,284
Mutual funds - fixed	<u>2,252,758</u>	<u>--</u>	<u>--</u>	<u>2,252,758</u>
	4,340,042	<u><u>\$ --</u></u>	<u><u>\$ --</u></u>	<u><u>\$ 4,340,042</u></u>
Investment values at contract value:				
Guaranteed investment contracts	6,760,517			
Investment values at amortized costs:				
Certificates of deposit	<u>50,156</u>			
Total investments	<u><u>\$ 11,150,715</u></u>			

NOTE 4 – RECEIVABLES

LOANS RECEIVABLE

Loans receivable represents loans disbursed from Community Development Block Grants (CDBG) and Economic Development Committee proceeds. The loans are noninterest bearing and payment is due only a) in the event of default, which is upon the death of borrower, b) transfer of title of property or c) refinancing property-related debt. Loans receivable consist of the following as of June 30, 2024:

Loans receivable	\$ 709,658
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TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 5 – CAPITAL ASSETS

Capital asset activity for governmental activities for the year ended June 30, 2024 consisted of the following:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Capital assets, not being depreciated:				
Land	\$ 6,740,855	\$ --	\$ --	\$ 6,740,855
Construction in progress	1,543,234	2,788,659	(844,130)	3,487,763
Total capital assets, not being depreciated	<u>8,284,089</u>	<u>2,788,659</u>	<u>(844,130)</u>	<u>10,228,618</u>
Capital assets, being depreciated:				
Buildings	72,681,002	--	--	72,681,002
Building improvements	19,825,666	296,272	--	20,121,938
Land improvement	6,712,443	375,000	--	7,087,443
Machinery and equipment	10,167,867	234,564	--	10,402,431
Vehicles	8,337,441	349,324	--	8,686,765
Infrastructure	145,045,983	2,423,760	--	147,469,743
Total capital assets, being depreciated	<u>262,770,402</u>	<u>3,678,920</u>	<u>--</u>	<u>266,449,322</u>
Less accumulated depreciation for:				
Buildings	(34,199,501)	(1,586,318)	--	(35,785,819)
Building improvements	(7,323,091)	(528,685)	--	(7,851,776)
Land improvement	(5,369,675)	(202,747)	--	(5,572,422)
Machinery and equipment	(5,559,828)	(575,563)	--	(6,135,391)
Vehicles	(5,153,098)	(311,127)	--	(5,464,225)
Infrastructure	(43,706,909)	(2,298,568)	--	(46,005,477)
Total accumulated depreciation	<u>(101,312,102)</u>	<u>(5,503,008)</u>	<u>--</u>	<u>(106,815,110)</u>
Total capital assets, being depreciated, net	<u>161,458,300</u>	<u>(1,824,088)</u>	<u>--</u>	<u>159,634,212</u>
Governmental activities capital assets, net	<u>\$ 169,742,389</u>	<u>\$ 964,571</u>	<u>\$ (844,130)</u>	<u>\$ 169,862,830</u>

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

Governmental Activities:	
General government	\$ 125,159
Public safety	537,604
Public works	2,963,563
Health and safety	30,323
Library	23,876
Recreation	47,810
Education	1,728,189
Land use	46,484
Total depreciation expense - governmental activities	<u>\$ 5,503,008</u>

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 6 – INTERFUND RECEIVABLES AND PAYABLE

Interfund receivable and payable balances at June 30, 2024 are as follows:

Funds	Due From	Due To
Governmental Funds		
General fund	\$ 2,445,068	\$ 2,934,938
Sewer operating fund	--	613,640
Nonmajor governmental funds	<u>1,972,367</u>	<u>868,857</u>
Total due from/to other funds	<u>\$ 4,417,435</u>	<u>\$ 4,417,435</u>

All interfund balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

NOTE 7 – INTERFUND TRANSFERS

Interfund transfers for the year ended June 30, 2024 consisted of the following:

Funds	Transfer In	Transfer Out
Governmental Funds		
General Fund	\$ 400,310	\$ 1,467,784
Capital projects	35,000	--
Capital and nonrecurring	752,692	--
Nonmajor governmental funds	<u>762,593</u>	<u>482,811</u>
Total due from/to other funds	<u>\$ 1,950,595</u>	<u>\$ 1,950,595</u>

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

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 8 – LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities for the year ended June 30, 2024:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Governmental Activities					
General obligation bonds	\$ 11,640,000	\$ 600,000	\$ (2,410,000)	\$ 9,830,000	\$ 2,110,000
Clean water notes	741,616	--	(56,559)	685,057	57,701
Unamortized bond premium	<u>285,786</u>	<u>--</u>	<u>(134,915)</u>	<u>150,871</u>	<u>--</u>
Total bonds and note payable	12,667,402	600,000	(2,601,474)	10,665,928	2,167,701
Other liabilities:					
Finance agreements	2,442,374	535,314	(424,306)	2,553,382	367,753
Compensated absences	1,183,972	304,688	(210,453)	1,278,207	127,821
Early retirement incentive	19,500	7,500	(8,250)	18,750	--
Landfill postclosure costs	212,500	--	(12,500)	200,000	--
Net pension liability	16,737,810	436,777	--	17,174,587	--
Total OPEB liability	<u>13,313,216</u>	<u>--</u>	<u>(466,724)</u>	<u>12,846,492</u>	<u>--</u>
Total governmental activities	<u>\$ 46,576,774</u>	<u>\$ 1,884,279</u>	<u>\$ (3,723,707)</u>	<u>\$ 44,737,346</u>	<u>\$ 2,663,275</u>

TOWN OF PLYMOUTH, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

NOTE 8 – LONG-TERM LIABILITIES (CONTINUED)

The long-term liabilities above typically have been liquidated by the General Fund.

BONDS AND NOTES PAYABLE

A summary of bonds and notes payable outstanding at June 30, 2024 is as follows:

Governmental Activities:									
Date of	Amount	Interest Rate	Maturity Date	Balance June 30, 2023	Additions	Retirements	Balance June 30, 2024	Amounts Due Within One Year	
General Obligation Bonds and Notes Payable:									
7/19/12	\$ 7,150,000	2-4%	7/15/2024	\$ 1,180,000	\$ --	\$ 590,000	\$ 590,000	\$ 590,000	
8/30/13	3,000,000	2-3.25%	8/15/2025	750,000	--	250,000	500,000	250,000	
4/22/14	778,000	2-5%	7/15/2023	89,000	--	89,000	--	--	
10/24/18	6,950,000	3-4%	10/15/2038	6,045,000	--	360,000	5,685,000	370,000	
10/16/19	409,000	3-5%	12/15/2028	283,000	--	42,000	241,000	48,000	
7/19/12	2,350,000	2-4%	7/15/2024	370,000	--	185,000	185,000	185,000	
4/22/14	2,887,000	2-5%	7/15/2023	326,000	--	326,000	--	--	
10/16/19	4,051,000	3-5%	12/15/2026	2,522,000	--	543,000	1,979,000	642,000	
8/30/13	500,000	2-3.25%	8/15/2025	75,000	--	25,000	50,000	25,000	
8/30/13	500,000	2-3.25%	8/15/2025	--	600,000	--	600,000	--	
28,575,000				11,640,000	600,000	2,410,000	9,830,000	2,110,000	
5/1/2016	1,200,499	2.00%	3/1/2035	741,616	--	56,559	685,057	57,701	
Clean water notes payable									
Deferred bond premium				285,786	--	134,915	150,871	--	
Total Governmental Activities Bonds and Notes Payable									
	\$ 29,775,499			\$ 12,667,402	\$ 600,000	\$ 2,601,474	\$ 10,665,928	\$ 2,167,701	

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 8 – LONG-TERM LIABILITIES (CONTINUED)

BONDS AND NOTES PAYABLE (CONTINUED)

Year Ending June 30,	Principal	Interest	Total
Bonds payable			
2025	\$ 2,110,000	\$ 350,031	\$ 2,460,031
2026	1,425,000	280,814	1,705,814
2027	1,160,000	225,875	1,385,875
2028	490,000	192,455	682,455
2029	485,000	176,360	661,360
2030-2034	2,200,000	610,875	2,810,875
2035-2039	<u>1,960,000</u>	<u>190,000</u>	<u>2,150,000</u>
	<u>\$ 9,830,000</u>	<u>\$ 2,026,410</u>	<u>\$ 11,856,410</u>

Legal Debit Limit

Connecticut General Statutes Section 7-374(b) provides that authorized debt of the Town shall not exceed seven times base receipts. Further, the Statute limits the amount of debt that may be authorized by the Town for general purposes, schools, sewers, urban renewal and pension deficit. The Town did not exceed any of the statutory debt limitations at June 30, 2024.

TOWN OF PLYMOUTH, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

NOTE 8 – LONG-TERM LIABILITIES (CONTINUED)

Legal Debt Limit (Continued)

The following schedule provides information regarding the Town's debt limitations:

Total cash collections for the year ended June 30, 2024:	Taxes	\$	33,939,017																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																</
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TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 8 – LONG-TERM LIABILITIES (CONTINUED)

NOTES PAYABLE

Future notes payable maturities as of June 30, 2024 are as follows:

Clean water notes payable

2025	\$ 57,701	\$ 13,174	\$ 70,875
2026	58,866	12,009	70,875
2027	60,054	10,821	70,875
2028	61,266	9,609	70,875
2029	62,502	8,373	70,875
2030-2034	331,798	22,426	354,224
2035	52,870	2,455	55,325
	<u>\$ 685,057</u>	<u>\$ 78,867</u>	<u>\$ 763,924</u>

FINANCE AGREEMENTS

Future minimum obligations and the net present value of these minimum lease payments as of June 30, 2024 are as follows:

	Governmental Activities
Year Ending June 30:	
2025	\$ 460,593
2026	459,593
2027	462,058
2028	431,787
2029	279,830
Thereafter	857,412
Present value of minimum lease payments	2,951,273
Less interest portion of payments	(397,891)
Principal value of lease payments	<u>\$ 2,553,382</u>

TOWN OF PLYMOUTH, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

NOTE 9 – FUND BALANCE

The various components of fund balance at June 30, 2024 are as follows:

	General Funds	Sewer Operating	ARPA Fund	Capital Projects	Capital and Nonrecurring	Nonmajor Governmental Funds	Totals
Nonspendable:							
Land held for resale	\$ --	\$ --	\$ --	\$ 525,781	\$ --	\$ --	\$ 525,781
Loan receivable	--	--	--	--	--	709,658	709,658
Permanent funds	--	--	--	--	--	1,309,388	1,309,388
Restricted for:							
Permanent funds	--	--	--	--	--	405,127	405,127
Public works	--	--	--	--	--	498,658	498,658
Education	--	--	--	--	--	1,147,954	1,147,954
Committed for:							
Debt service	--	--	--	--	--	430,475	430,475
Sewer and operating assessment	--	1,722,395	--	--	--	--	1,722,395
Capital projects	--	--	--	399,765	--	508,165	907,930
General government	--	--	--	--	--	131,808	131,808
Public works	--	--	--	--	--	912,614	912,614
Public safety	--	--	--	--	--	560,532	560,532
Recreation	--	--	--	--	--	252,853	252,853
Assigned to:							
General government	27,433	--	--	--	--	--	27,433
Education	622,786	--	--	--	--	--	622,786
Public safety	47,141	--	--	--	--	--	47,141
Public works	78,081	--	--	--	--	--	78,081
Library	659	--	--	--	--	--	659
Parks and recreation	4,457	--	--	--	--	--	4,457
Land use	2,072	--	--	--	--	--	2,072
Capital outlay	55,348	--	--	--	--	--	55,348
Unassigned	9,929,621	--	--	--	(198,047)	(248,388)	9,483,186
	<u>\$ 10,767,598</u>	<u>\$ 1,722,395</u>	<u>\$ --</u>	<u>\$ 925,546</u>	<u>\$ (198,047)</u>	<u>\$ 6,618,844</u>	<u>\$ 19,836,336</u>

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 9 – FUND BALANCE (CONTINUED)

At June 30, 2024, the following funds had a deficit (negative) fund balance or deficit net position, as applicable:

Governmental Funds:

Capital and nonrecurring	\$ 198,047 *
<i>Special revenue</i>	
Economic development	248,388 *
Total Capital Project Funds	248,388
Total Cumulative Deficits - Governmental Funds	<u><u>\$ 446,435</u></u>

* Deficit will be covered via an administrative plan

** Deficit will be covered via transfer of funds

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 10 – EMPLOYEE RETIREMENT PLANS

DEFINED BENEFIT PLAN – TOWN

Plan Description

Plan Administration – 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 standalone financial reports.

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

Plan Membership –

The Plans consisted of the following as of the date of the latest actuarial valuation of January 1, 2022:

	Town Plan	Board of Education
Terminated vested and other inactive	9	5
Retirees and beneficiaries	57	40
Active plan members	6	18
	<u>72</u>	<u>63</u>

Benefits Provided – 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.

Contributions – The Town is required to contribute the cost of its participants as determined by actuarial calculations.

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

DEFINED BENEFIT PLAN – TOWN (CONTINUED)

Summary of Significant Accounting Policies

Basis of Accounting – The Plans are accounted for using the accrual basis of accounting. Revenues (contributions and investment income) are recognized when they are earned and expenses (benefits, administration and refunds) are recognized when due and payable in accordance with the terms of the Plans. Liabilities are recorded when due and payable in accordance with the terms of the Plans. Administrative costs of the Plans are funded by the Plan.

Investments – Investments are reported at fair value, except for investments in participating interest earning investment contracts, recorded at amortized cost, and certain external investment pools, recorded at net asset value.

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.

Concentrations – As of June 30, 2024, more than 5% of the Town’s Plan’s investments are invested in the following:

Issuer	Investment	Value	% of Plan Investments
Voya	Intermediate Bond Prt I	\$ 500,753	11.26%

Rate of return – For the year ended June 30, 2024 the annual money-weighted rate of return on pension plan investments, net of pension plan investment expenses, was 3.93%. The money-weighted rate of return expresses investment performance, net of investment expense adjusted for the changing amounts actually invested.

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

DEFINED BENEFIT PLAN – TOWN (CONTINUED)

The components of the net pension liability of the Town’s Plans as June 30, 2024 were as follows:

	Town Plan
Total pension liability	\$ 11,652,850
Plan fiduciary net position	<u>4,448,099</u>
Town's net pension liability - Town Plan	<u><u>\$ 7,204,751</u></u>

Plan fiduciary net position as a percentage of the total pension liability	38.17%
--	--------

	Board of Education
Total pension liability	\$ 8,481,022
Plan fiduciary net position	<u>4,968,760</u>
Town's net pension liability - BOE Plan	<u><u>\$ 3,512,262</u></u>

Plan fiduciary net position as a percentage of the total pension liability	58.59%
--	--------

Net Pension Liability

The components of the change in the net pension liability of the Town’s Plans for the year ended June 30, 2024, were as follows:

	Total Pension Liability	Increase (Decrease) Plan Fiduciary Net Position	Net Pension Liability
Town Plan			
Balance as of July 1, 2023	\$ 11,797,362	\$ 4,136,064	\$ 7,661,298
Changes for the year:			
Service cost	60,005	--	60,005
Interest	712,852	--	712,852
Contributions - employer	--	1,049,571	(1,049,571)
Contributions - employee	--	16,883	(16,883)
Net investment income	--	166,137	(166,137)
Benefit payments, including refunds	(917,369)	(917,369)	--
Administrative expense	<u>--</u>	<u>(3,187)</u>	<u>3,187</u>
Net changes	<u>(144,512)</u>	<u>312,035</u>	<u>(456,547)</u>
Balance as of June 30, 2024	<u><u>\$ 11,652,850</u></u>	<u><u>\$ 4,448,099</u></u>	<u><u>\$ 7,204,751</u></u>

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

DEFINED BENEFIT PLAN – TOWN (CONTINUED)

Net Pension Liability (Continued)

	Total Pension Liability	Increase (Decrease) Plan Fiduciary Net Position	Net Pension Liability
Board of Education			
Balance as of July 1, 2023	\$ 8,354,506	\$ 4,952,450	\$ 3,402,056
Changes for the year:			
Service cost	137,337	--	137,337
Interest	514,570	--	514,570
Contributions - employer	--	336,017	(336,017)
Contributions - employee	--	18,955	(18,955)
Net investment income	--	190,381	(190,381)
Benefit payments, including refunds	(525,391)	(525,391)	--
Administrative expense	--	(3,652)	3,652
Net changes	<u>126,516</u>	<u>16,310</u>	<u>110,206</u>
Balance as of June 30, 2024	<u><u>\$ 8,481,022</u></u>	<u><u>\$ 4,968,760</u></u>	<u><u>\$ 3,512,262</u></u>

Actuarial Assumptions – The total pension liability was determined by an actuarial valuation as of January 1, 2022, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Salary increases, including inflation	3.50%
Investment rate of return	6.25%
Discount rate	6.25%

PubG-2010 Mortality table with generational projection per the MP-2021 Ultimate Scale.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of June 30, 2024 are summarized in the following table:

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

DEFINED BENEFIT PLAN – TOWN (CONTINUED)

Net Pension Liability (Continued)

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
US Core Fixed Income	2.48%	1.93%
US Short Treasury Bonds	2.76%	0.91%
US Interim Treasury Bonds	5.25%	1.13%
US Long Credit Bonds	72.43%	2.85%
US Short Corporate Bonds	0.55%	1.82%
US TIPS	1.11%	1.43%
Global Bonds	2.44%	0.49%
US Broad Equity Market	3.59%	3.90%
US Large & Mid Cap Growth Equity	2.24%	3.57%
US Large & Mid Cap Value Equity	3.30%	3.76%
US Mid Cap Equity	0.55%	3.95%
US Small Cap Equity	1.11%	4.54%
Non-US Small Cap Equity	0.80%	5.24%
Emerging Markets Equity	1.12%	6.18%
Commodities	0.27%	1.36%
	<u>100.00%</u>	

Discount Rate – The discount rate used to measure the total pension liability was 6.25%. 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 the Town's contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs of future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, the 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.

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

DEFINED BENEFIT PLAN – TOWN (CONTINUED)

Net Pension Liability (Continued)

Sensitivity of the net pension liability to changes in the discount rate – The following presents the net pension liability of the Town, calculated using the discount rate of 6.25%, 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 (5.25%) or 1-percentage-point higher (7.25%).

	1% Decrease 5.25%	Current Discount 6.25%	1% Increase 7.25%
Town's plan net pension liability	\$ 8,245,194	\$ 7,204,751	\$ 6,309,185

	1% Decrease 5.25%	Current Discount 6.25%	1% Increase 7.25%
Board of Education's plan net pension liability	\$ 4,411,205	\$ 3,512,262	\$ 2,745,781

Pension Expense and Deferred Outflows and Inflows of Resources

For the year ended June 30, 2024, the Town recognized pension expense related to the Town Plan of \$660,058 and pension expense related to the Board Plan of \$225,806. At June 30, 2024, the Town reported deferred outflows and inflows of resources related to the Town Plan from the following sources:

Town Plan	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ --	\$ 340,979
Total	<u>\$ --</u>	<u>\$ 340,979</u>

Board of Education	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$ --	\$ 396,959
Total	<u>\$ --</u>	<u>\$ 396,959</u>

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

DEFINED BENEFIT PLAN – TOWN (CONTINUED)

Amounts reported as deferred outflows and inflows of resources related to the Town's plans will be recognized as a component of pension expense in future years as follows:

Year ended June 30,	Town Plan
2025	\$ (140,318)
2026	(129,424)
2027	(51,891)
2028	(19,346)
	<u>\$ (340,979)</u>

Year ended June 30,	Board Plan
2025	\$ (163,912)
2026	(150,218)
2027	(60,041)
2028	(22,788)
	<u>\$ (396,959)</u>

Payable to the Town

The Town does not have a payable liability to the Town's Plan as of June 30, 2024.

MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM

Plan Description

Plan Administration – 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.

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM – TOWN (CONTINUED)

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

Normal Retirement

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

Early Retirement

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

Disability Retirement – Service Connected

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

Disability Retirement – Non-Service Connected

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

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM – TOWN (CONTINUED)

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.

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. Effective July 1, 2019, member contribution rates are set to increase by 0.5% of compensation each year for six years.

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. The Town's required contribution rate for the year ended June 30, 2024, was 25.61 percent of annual payroll. Contributions to the pension plan from the Town were \$716,215 for the year ended June 30, 2024.

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM – TOWN (CONTINUED)

Summary of Significant Accounting Policies

Basis of Accounting – The Plan is accounted for using the accrual basis of accounting. Revenues (contributions and investment income) are recognized when they are earned and expenses (benefits, administration and refunds) are recognized when due and payable in accordance with the terms of the Plan. Liabilities are recorded when due and payable in accordance with the terms of the Plan. Administrative costs of the Plan are funded by the Plan.

Investments – Investments are reported at fair value, except for investments in participating interest earning investment contracts, recorded at amortized cost, and certain external investment pools, recorded at net asset value.

Investment Policy – Connecticut state statutes permit the Town to invest in obligations of the United States, including its instrumentalities and agencies; in obligations of any state or of any political subdivision, authority or agency thereof, provided such obligations are rated within one of the top two rating categories of any recognized rating service; or in obligations of the State of Connecticut or of any political subdivision thereof, provided such obligations are rated within one of the top three rating categories of any recognized rating service. The Pension Trust Funds may also invest in certain real estate mortgages, in certain savings banks or savings and loan associations, or in stocks or bonds or other securities selected by the trustee, with the care of a prudent investor.

At June 30, 2024, the Town reports a liability of \$6,457,574 for its proportionate share of the net pension liability. The net pension liability was measured at June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation at June 30, 2023. The actuarial assumptions used in the June 30, 2023 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, 2024, the Town's proportion was .42%.

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

Inflation	2.50%
Salary increases, including inflation	3.5-9.5%
Investment rate of return	7.00%

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM – TOWN (CONTINUED)

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 investment was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of June 30, 2023 are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Global Equity	37.00%	6.80%
Public Credit	2.00%	2.90%
Core Fixed Income	13.00%	0.40%
Liquidity Fund	1.00%	-0.40%
Risk Mitigation	5.00%	0.10%
Private Equity	15.00%	11.20%
Private Credit	10.00%	6.10%
Real Estate	10.00%	6.30%
Infrastructure & Natural Resources	7.00%	7.70%
	<u>100.00%</u>	

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM – TOWN (CONTINUED)

Net Pension Liability (Continued)

Discount rate – The discount rate used to measure the total pension liability was 7.0%. 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 the Town's contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs of future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the net pension liability to changes in the discount rate – The following presents the net pension liability of the Town, calculated using the discount rate of 7.0%, 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 (6.0%) or 1-percentage-point higher (8.0%).

	1% Decrease 6.00%	Current Discount 7.00%	1% Increase 8.00%
Town's proportionate share of the State's total net pension liability	\$ 8,076,561	\$ 6,457,574	\$ 5,113,482

Pension Expense and Deferred Outflows and Inflows of Resources

For the year ended June 30, 2024, the Town recognized pension expense related to the Town Plan of \$840,864. At June 30, 2024, the Town reported deferred outflows and inflows of resources related to the Town Plan from the following sources:

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM – TOWN (CONTINUED)

Net Pension Liability (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$ 479,690	\$ --
Changes in proportion and differences between employer contributions and proportionate share of contributions	237,972	258,741
Changes of assumptions	835,013	--
Differences between expected and actual experience	762,262	72,603
Contributions subsequent to measurement date	716,215	--
Total	<u>\$ 3,031,152</u>	<u>\$ 331,344</u>

Amounts reported as deferred outflows and inflows of resources related to the plan will be recognized as a component of pension expense in future years as follows:

Year ended June 30,	Town Plan
2025	\$ 506,182
2026	425,441
2027	756,278
2028	225,688
Thereafter	70,004
	<u>\$ 1,983,593</u>

Payable to the Town

The Town does not have a payable liability to the Plan as of June 30, 2024.

SUMMARY OF PENSION EXPENSE, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES RELATED TO ALL PENSIONS OF THE TOWN

	Town Plan	Board Plan	MERS	Total
Deferred outflows	\$ --	\$ --	\$ 3,031,152	\$ 3,031,152
Deferred inflows	340,979	396,959	331,344	1,069,282
Net pension liability	7,204,751	3,512,262	6,457,574	17,174,587
Pension expense	660,058	225,806	840,864	1,726,728

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

CONNECTICUT STATE TEACHERS' RETIREMENT SYSTEM

Plan Description

The faculty and professional personnel of the Town's Board of Education participate in the Teachers' Retirement System (TRS), which is a cost-sharing multiple-employer defined benefit pension plan that provides retirement disability, survivorship and health insurance benefits to plan members and their beneficiaries. The TRS is governed by Connecticut General Statute (CGS) Title 10, Chapter 167a and is administered by the Connecticut State Teachers' Retirement Board (the Board). The TRS is included as a fiduciary pension trust fund in the State of Connecticut's Comprehensive Annual Financial Report and the Board issues publicly available financial reports.

Benefit Provisions

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

Normal Retirement: Retirement benefits for the employees are calculated as 2.0% of the average annual salary times the years of credited service (maximum benefit of 75.0% of average annual salary during the 3 years of highest salary). In addition, amounts derived from the accumulation of the 6.0% contributions made prior to July 1, 1989 and voluntary contributions are payable.

Early Retirement: Employees are eligible after 25 years of credited service with a minimum of 20 years of Connecticut service, or age 55 with 20 years of credited service with a minimum of 15 years of Connecticut service. Benefit amounts are reduced by 6.0% per year for the first 5 years preceding normal retirement age and 4.0% per year for the next 5 years preceding normal retirement age. Effective July 1, 1999, the reduction for individuals with 30 or more years of service is 3.0% per year by which retirement precedes normal retirement date.

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

CONNECTICUT STATE TEACHERS' RETIREMENT SYSTEM (CONTINUED)

Benefit Provisions (Continued)

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

Disability Retirement: Employees are eligible for service-related disability benefits regardless of length of service. Five years of credited service is required to be eligible for non-service related disability. Disability benefits are calculated as 2% per years of service times the average of the highest three years of pensionable salary, as defined per the Plan, but not less than 15%, nor more than 50%. In addition, disability benefits under this plan (without regard to cost-of-living adjustments) plus any initial award of Social Security benefits and worker's compensation cannot exceed 75% of average annual salary. A plan member who leaves service and has attained 10 years of service will be entitled to 100% of the accrued benefit as of the date of termination of covered employment. Benefits are payable at age 60, and early retirement reductions are based on the number of years of service the member would have had if they had continued working until age 60.

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

Contributions

Per CGS 10-183z, contribution requirements of active employees and the State are amended and certified by the Board and appropriated by the General Assembly. The contributions are actuarially determined as an amount that, when combined with employee contributions and investment earnings, is expected to finance the costs of the benefits earned by employees during the year, with any additional amounts to finance any unfunded accrued liability.

In accordance with CGS Section 10-183z, the Town does not and is not legally responsible to contribute to the plan as a special funding situation exists that requires the State to contribute 100% of an employer's contribution on behalf of its participating municipalities at an actuarially determined rate. Effective January 1, 2018, active employees are required to contribute 7.0%, previously 6.0%, of their annual earnings to the plan.

Administrative Expenses

Administrative costs of the plan are funded by the State.

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

CONNECTICUT STATE TEACHERS' RETIREMENT SYSTEM (CONTINUED)

Basis of Presentation

The collective net pension liability, deferred outflows and inflows of resources, and pension expense for the TRS has been measured as of June 30, 2023 based on an actuarial valuation performed as of June 30, 2023. Since the Town does not contribute directly to the TRS, the Town does not recognize its proportionate share of these amounts in its financial statements. The information determined as of the June 30, 2023 measurement date for the TRS has been utilized by the Town for reporting on-behalf revenues, expenditures and expenses for the year ended June 30, 2023 and for reporting the proportionate share of the collective net pension liability that is attributed to the Town as of June 30, 2023. This liability is allocated entirely to the State of Connecticut.

Allocation Methodology

The schedule of employer allocations for the TRS was calculated based upon the fiscal year 2019 expected contribution effort for each participating employer. The employer allocations were then applied to the net pension liability and pension expense to determine the amount applicable to each employer.

The components associated with the collective pension expense and deferred inflows and outflows of resources for the TRS have been determined based on the fiduciary net position as audited by the State of Connecticut Auditors of Public Accounts as part of the State of Connecticut's Comprehensive Annual Financial Report as of and for the year ended June 30, 2023. The portion of the collective pension expense allocated to the Town totaled \$4,070,356. The Town has recognized this amount as an operating contribution and related education expense of the governmental activities for the year ended June 30, 2024.

The total collective net pension liability of participating employers for the TRS was approximately \$17.007 billion as of June 30, 2023 measurement date. The portion attributed to the Town totaled \$43,868,277 or approximately 0.258% of the total collective net pension liability.

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

CONNECTICUT STATE TEACHERS' RETIREMENT SYSTEM (CONTINUED)

Actuarial Assumptions

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

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

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

Future cost-of-living increases for teachers who retired prior to September 1, 1992, are made in accordance with increases in the Consumer Price Index, with a minimum of 3% and a maximum of 5% per annum. For teachers who were members of the Teachers' Retirement System before July 1, 2007, and retire on or after September 1, 1992, pension benefit adjustments are made that are consistent with those provided for Social Security benefits on January 1 of the year granted, with a maximum of 6% per annum. If the return on assets in the previous year was less than 8.5%, the maximum increase is 1.5%. For teachers who were members of the Teachers' Retirement System after July 1, 2007, pension benefit adjustments are made that are consistent with those provided for Social Security benefits on January 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 return on assets in the previous year was less than 11.5%, the maximum increase is 3%, and if the return on the assets in the previous year was less than 8.5%, the maximum increase is 1.0%.

Long-Term Rate of Return

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

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

CONNECTICUT STATE TEACHERS' RETIREMENT SYSTEM (CONTINUED)

Long-Term Rate of Return (Continued)

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Global Equity	37.00%	6.80%
Public Credit	2.00%	2.90%
Core Fixed Income	13.00%	0.40%
Liquidity Fund	1.00%	-0.40%
Risk Mitigation	5.00%	0.10%
Private Equity	15.00%	11.20%
Private Credit	10.00%	6.10%
Real Estate	10.00%	6.20%
Infrastructure and Natural Resources	7.00%	7.70%
	<u>100.00%</u>	

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 the State contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

CONNECTICUT STATE TEACHERS' RETIREMENT SYSTEM (CONTINUED)

Proportionate Share of the Collective Net Pension Liability

The following presents the proportionate share of the collective net pension liability attributed to the Town as of the June 30, 2023 measurement date, calculated using a discount rate of 6.90%, as well as what the proportionate share of the net pension liability attributed to the Town would be if it were calculated using a discount rate that is 1-percentage-point lower (5.90%) or 1-percentage-point higher (7.90%) than the current rate:

	1% Decrease 5.90%	Current Discount 6.90%	1% Increase 7.90%
Town's proportionate share of the State's total net pension liability	\$ 65,166,350	\$ 52,103,428	\$ 41,258,521

DEFINED CONTRIBUTION 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, 2023, there were 78 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, 2024, employee and employer contributions were \$112,837 and \$231,719, 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.

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 11 – OTHER POST-EMPLOYMENT BENEFITS

TOWN PLAN

Plan Administration

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.

Benefits 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.

Plan Membership

Membership of the OPEB Plan consisted of the following as of July 1, 2022, the date of the latest actuarial valuation:

Actives	218
Retirees	60
Spouses of retirees	19
Beneficiaries	3
Total members	<u>300</u>

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 11 – OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

TOWN PLAN (CONTINUED)

Net OPEB Liability

The Town's net OPEB liability reported as of June 30, 2024 totaled \$12,846,492. The net OPEB liability was measured as of June 30, 2023 and was determined by an actuarial valuation as of January 1, 2023.

Actuarial assumptions – The total OPEB liability as of June 30, 2024 was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Discount rate	3.93%
Inflation rate	2.50%
Salary increases	3.50%
Healthcare cost trend rate	6.80% initial 3.90% final

Changes in Total OPEB Liability

Balance as of July 1, 2023	\$ 13,313,216
Changes for the year:	
Service cost	275,093
Interest	481,467
Changes assumptions	(421,256)
Benefit payments, including refunds	<u>(802,028)</u>
Net changes	<u>(466,724)</u>
Balance as of June 30, 2024	<u><u>\$ 12,846,492</u></u>

Discount rate – The discount rate used to measure the total OPEB liability was 3.93%. The projection of cash flows used to determine the discount rates assumed that plan member contributions will be made at the current contribution rates and that the Town's contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rates of return on the OPEB Plan's investments were applied to all periods of projected benefit payments to determine the OPEB Plan's total OPEB liability.

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 11 – OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

TOWN PLAN (CONTINUED)

Changes in OPEB Liability (Continued)

Sensitivity of the net OPEB liability to changes in the discount rate – The following presents the Town's net OPEB liability for the OPEB Plan, calculated using the discount rate disclosed above, as well as what the Town's net OPEB liability would be for the OPEB Plan if it were calculated using the discount rate that is 1-percentage-point lower (2.93%) or 1-percentage-point higher (4.93%) than the current rate:

	Discount Rates		
	1% Decrease	Current	1% Increase
	2.93%	3.93%	4.93%
Total OPEB Liability	\$ 14,460,357	\$ 12,846,492	\$ 11,507,461

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates – The following presents the Town's net OPEB liability for the OPEB Plan as well as what the Town's net OPEB liability would be for the OPEB Plan if it were calculated using a health care trend rate that is 1-percentage-point lower (2.90%) or 1-percentage-point higher (4.90%) than the current rate:

	Healthcare Cost Trend Rates		
	1% Decrease	Current	1% Increase
	2.90%	3.90%	4.90%
Total OPEB Liability	\$ 11,182,455	\$ 12,846,492	\$ 14,899,875

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 11 – OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

TOWN PLAN (CONTINUED)

OPEB Expense and Deferred Outflows and Inflows of Resources

For the year ended June 30, 2023, the Town recognized OPEB expense of \$34,960. At June 30, 2024, the Town reported deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ 1,660,215	\$ 3,149,719
Differences between expected and actual experience	896,939	1,988,351
Total	<u>\$ 2,557,154</u>	<u>\$ 5,138,070</u>

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

Year Ended June 30,	
2025	\$ (657,254)
2026	(629,679)
2027	(467,465)
2028	(476,798)
2029	(430,328)
Thereafter	80,608
	<u>\$ (2,580,916)</u>

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 11 – OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

CONNECTICUT STATE TEACHERS' RETIREMENT SYSTEM

Plan Description

The faculty and professional personnel of the Town's Board of Education participates in the State of Connecticut's Teachers' Retirement System (TRS) which is a cost sharing multiple-employer defined benefit pension plan that provides retirement, disability, survivorship and health insurance benefits to plan members and their beneficiaries. The TRS is governed by Connecticut General Statute (CGS) *Title 10, Chapter 167a* and is administered by the Connecticut State Teachers' Retirement Board (the Board). The OPEB trust fund is included in the TRS, and the TRS is included in the State of Connecticut audit as a pension trust fund.

Benefit Provisions

The Plan covers retired teachers and administrators of public schools in the State who are receiving benefits from the Plan. The Plan provides healthcare insurance benefits to eligible retirees and their spouses. Any member that is currently receiving a retirement or disability through the Plan is eligible to participate in the healthcare portion of the Plan. Subsidized Local School District Coverage provides a subsidy paid to members still receiving coverage through their former employer and the TRB Sponsored Medicare Supplement Plans provide coverage for those participating in Medicare, but not receiving Subsidized Local School District Coverage.

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

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 11 – OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

CONNECTICUT STATE TEACHERS' RETIREMENT SYSTEM (CONTINUED)

Benefit Provisions (Continued)

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

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.

Contributions

Per CGS 10-183z, which reflects Public Act 79-436 (as amended), contribution requirements of active employers and the State of Connecticut are amended and certified by the TRB and appropriated by the General Assembly. The State pays for one third of Plan costs through an annual appropriation in the General Fund. School district employers are not required to make contributions to the Plan.

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.

Contributions remitted by the State are recognized when legally due, based upon statutory requirements.

Administrative Expenses

Administrative costs of the Plan are to be paid by the General Assembly per Section 10-183r of the Connecticut General Statutes.

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 11 – OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

CONNECTICUT STATE TEACHERS' RETIREMENT SYSTEM (CONTINUED)

Basis of Presentation

The collective net OPEB liability, deferred outflows and inflows of resources, and OPEB expense for the TRS has been measured as of June 30, 2023 based on an actuarial valuation performed as of June 30, 2023. Since the Town does not contribute directly to the TRS, the Town does not recognize its proportionate share of these amounts in its financial statements. The information determined as of June 30, 2023 measurement date for the TRS has been utilized by the Town for reporting on-behalf revenues, expenditures and expenses for the year ended June 30, 2023 and for reporting the proportionate share of the collective net OPEB liability that is attributed to the Town as of June 30, 2023.

The components associated with the OPEB expense and deferred inflows and outflows of resources have been determined using the unrecognized portions of each year's experience and assumption changes for the year ended June 30, 2023.

Allocation Methodology

The schedule of allocations have been prepared to provide the total amount of employer contributions from the State and the proportionate share percentages that have been determined based on these contributions. Based on these percentages the proportionate share amounts of the net OPEB liability associated with each participating employer and the employer OPEB expense and revenue for State support for each participating employer for the year ending June 30, 2023.

The components associated with the collective OPEB expense and deferred inflows and outflows of resources for the TRS have been determined based on the fiduciary net position as audited by the State of Connecticut Auditors of Public Accounts as part of the State of Connecticut's Comprehensive Annual Financial Report as of and for the year ended June 30, 2023. The portion of the collective OPEB expense allocated to the Town totaled \$55,390. The Town has recognized this amount as an operating contribution and related education expense of the governmental activities for the year ended June 30, 2024.

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 11 – OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

CONNECTICUT STATE TEACHERS' RETIREMENT SYSTEM (CONTINUED)

Allocation Methodology (Continued)

The total collective net OPEB liability of participating employers for the TRS was approximately \$1.604 billion as of the June 30, 2023 measurement date. The portion attributed to the Town totaled \$4,109,855 or approximately 0.258% of the total collective net OPEB liability.

Actuarial Assumptions

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

Inflation	2.50%
Real wage growth	0.50%
Wage inflation	3.00%
Salary increases	3.00%-6.50%, including inflation
Investment rate of return	3.00%, net of investment related expense
Discount rate	3.53%
Healthcare cost trend rates:	
Medicare	Known increases until calendar year 2024, then general trend decrease to an ultimate rate of 4.5% by 2031.

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

Long-Term Rate of Return

The long-term expected rate of return on plan assets is reviewed as part of the actuarial valuation process. Several factors are considered in evaluation of 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 of investment expense and inflation) for each major asset class.

The long-term expected rate of return was determined by weighing 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 in the market that alters expected returns in the future years.

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 11 – OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

CONNECTICUT STATE TEACHERS' RETIREMENT SYSTEM (CONTINUED)

Long-Term Rate of Return (Continued)

The target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
U.S. Treasuries (Cash Equivalents)	100.00%	0.77%

Discount Rate

The discount rate used to measure the total OPEB liability was 3.53%. The projection of cash flows used to determine the discount rate was performed in accordance with the applicable standards. The projection's basis was an actuarial valuation performed as of June 30, 2022. In addition to the actuarial methods and assumptions of the June 30, 2022 actuarial valuation, the following actuarial methods and assumptions were used in the projection of cash flows:

- Total payroll for the initial projection year consists of the payroll of the active membership present on the valuation date. In subsequent projection years, total payroll was assumed to increase annually at a rate of 3.00%.
- Employee contributions were assumed to be made at the current member contribution rate.
- Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- No future employer contributions were assumed to be made.
- For future plan members, contribution inflows were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.

Based on those assumptions, the Plan's fiduciary net position was projected to be depleted in 2024 and, as a result, the Municipal Bond Index Rate was used in the determination of the single equivalent rate.

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 11 – OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

CONNECTICUT STATE TEACHERS' RETIREMENT SYSTEM (CONTINUED)

Proportionate Share of the Collective Net OPEB Liability

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate – The following presents the proportionate share of the collective net OPEB liability attributed to the Town as of the June 30, 2023 measurement date, calculated using a discount rate of 3.53%, as well as what the proportionate share of the net OPEB liability attributed to the Town would be if it were calculated using a discount rate that is 1-percentage-point lower (2.53%) or 1-percentage-point higher (3.53%) than the current rate:

	1% Decrease 2.53%	Current Discount 3.53%	1% Increase 4.53%
Town's proportionate share of the State's total net OPEB liability	\$ 3,366,332	\$ 4,109,855	\$ 3,403,002

Sensitivity of the Net OPEB liability to Changes in the Healthcare Cost Trend Rates – The following presents the proportionate share of the collective net OPEB liability attributed to the Town as of the June 30, 2023 measurement date, calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease in Trend Rates 3.50%	Current Trend Rates 4.50%	1% Increase in Trend Rates 5.50%
Town's proportionate share of the State's total net OPEB liability	\$ 3,357,592	\$ 4,109,855	\$ 5,149,303

NOTE 12 – RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts, theft of assets, damage to and destruction of assets, error and omissions, and natural disasters for which the Town carries commercial insurance. There have been no significant reductions in insurance coverage in the last three years. Settlement amounts have not exceeded insurance coverage for the current year or three prior years.

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 13 – COMMITMENTS AND CONTINGENCIES

GRANTS AND CONTRACTS

The amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal and state government. Any disallowed claims, including amounts already received, may constitute a liability of the applicable funds. The amount of expenditures which may be disallowed by the grantor cannot be determined at this time, although the Town expects such amounts, if any, to be immaterial.

LITIGATION

The Town is contingently liable with respect to lawsuits and other claims incidental to the ordinary course of its operations. Claims covered by the risk management program are reviewed and losses are accrued as required in the judgment of management. In the opinion of management, based on the advice of legal counsel, the ultimate disposition of lawsuits and claims will not have a material adverse effect on the financial position of the Town.

NOTE 14 – CORRECTION OF AN ERROR IN PREVIOUSLY ISSUED FINANCIAL STATEMENTS

During fiscal year 2024, the Town determined that the Small Cities fund deferred inflows were incorrectly classified and should have been recognized as earned in the year the loans were issued. Therefore, deferred inflows of resources were overstated and nonspendable fund balance was understated by \$729,033. The effect of correcting that error is shown in the table below:

Reporting Unit Affected by Resatement of Beginning Balances			
Nonmajor - Small Cities Fund			
	Balance reported as of 6/30/2023	Restatement	Restated balance as of 6/30/2023
Loan receivables	\$ 729,033	\$ --	\$ 729,033
Deferred inflows of Resources			
Unavailable revenues	729,033	(729,033)	--
Fund Balance			
Nonspendable	--	729,033	729,033
Restricted	266,761	--	266,761
Total Fund Balance	<u>\$ 266,761</u>	<u>\$ 729,033</u>	<u>\$ 995,794</u>

TOWN OF PLYMOUTH, CONNECTICUT

SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES BUDGET AND ACTUAL – BUDGETARY BASIS GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2024

	Budgeted Amounts			Variance With
	Original	Final	Actual	Final Budget Over (Under)
Property Taxes				
Current taxes	\$ 32,511,858	\$ 32,511,858	\$ 32,430,620	\$ (81,238)
Supplemental motor vehicle tax	410,000	410,000	365,710	(44,290)
Prior year taxes	450,000	450,000	577,780	127,780
Interest and lien fees	250,000	250,000	217,663	(32,337)
PILOT - retirement community	17,500	17,500	19,533	2,033
PILOT - housing authority	5,000	5,000	--	(5,000)
PILOT - telephone access	18,073	18,073	25,686	7,613
Total Property Taxes	<u>33,662,431</u>	<u>33,662,431</u>	<u>33,636,992</u>	<u>(25,439)</u>
Intergovernmental				
PILOT - state property	7,721	7,721	--	(7,721)
PILOT - federal	--	--	10,463	10,463
Motor vehicle property tax grant	554,172	554,172	554,172	--
Veteran's grant	6,660	6,660	5,437	(1,223)
Disability exemption	2,500	2,500	2,880	380
ECS grant	9,700,783	9,700,783	9,810,839	110,056
Adult education	9,150	9,150	10,097	947
Penquot PILOT	33,955	33,955	32,955	(1,000)
Dial a ride	19,287	19,287	19,287	--
State grants - miscellaneous	--	--	322,022	322,022
Recreation - grants	--	--	65,579	65,579
Total Intergovernmental Revenues	<u>10,334,228</u>	<u>10,334,228</u>	<u>10,833,731</u>	<u>499,503</u>
Charges For Services				
Recording fees	80,000	80,000	--	(80,000)
Conveyance tax / blight fees	120,500	120,500	135,692	15,192
Vital statistics	12,000	12,000	15,471	3,471
Miscellaneous town clerk	18,000	18,000	35,809	17,809
Land use system fees	1,500	1,500	--	(1,500)
Zoning board of appeals	1,000	1,000	1,010	10
Fire marshal	1,000	1,000	575	(425)
Fire hawk program	250	250	290	40
Insurance reports	1,000	1,000	1,457	457
Hancock dam control	13,000	13,000	20,088	7,088
Recreation facility rental	1,500	1,500	1,485	(15)
Recreational - other	--	--	57,090	57,090
Recreation programs	101,000	101,000	253,823	152,823
Miscellaneous public works / metal reimbursement	22,500	22,500	35,903	13,403
Conservation commission	5,000	5,000	660	(4,340)
Permit application fees	1,000	1,000	--	(1,000)
Aircraft registrations	450	450	270	(180)
Public hearings	1,500	1,500	1,720	220
Sub-division hearings	1,000	1,000	--	(1,000)
Total Charges For Services	<u>382,200</u>	<u>382,200</u>	<u>561,343</u>	<u>179,143</u>

The notes to the required supplementary information are an integral part of this schedule.

TOWN OF PLYMOUTH, CONNECTICUT

SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES BUDGET AND ACTUAL – BUDGETARY BASIS (CONTINUED) GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2024

	Budgeted Amounts			Variance With
	Original	Final	Actual	Final Budget Over (Under)
Licenses and Permits				
Zoning permits	\$ 6,000	\$ 6,000	\$ 6,605	\$ 605
Transfer station permits	12,500	12,500	16,619	4,119
ROW permits	1,250	1,250	4,170	2,920
Gun permits	10,000	10,000	12,195	2,195
Structural permits	70,000	70,000	116,279	46,279
Electrical permits	20,000	20,000	22,970	2,970
Demolition permits	2,000	2,000	3,360	1,360
Plumbing permits	3,000	3,000	4,800	1,800
Heating permits	12,000	12,000	15,530	3,530
Total Licenses and Permits	<u>136,750</u>	<u>136,750</u>	<u>202,528</u>	<u>65,778</u>
Fines				
Parking tickets and alarm fines	150	150	5,663	5,513
Library	--	--	27	27
Total Fines	<u>150</u>	<u>150</u>	<u>5,690</u>	<u>5,540</u>
Other				
WPCA insurance reimbursement	65,000	65,000	69,700	4,700
Total Other	<u>65,000</u>	<u>65,000</u>	<u>69,700</u>	<u>4,700</u>
Investment - Interest	<u>15,000</u>	<u>15,000</u>	<u>288,736</u>	<u>273,736</u>
Total Revenues	<u>44,595,759</u>	<u>44,595,759</u>	<u>45,598,720</u>	<u>1,002,961</u>
Other Financing Sources				
Transfers in	--	--	400,310	400,310
Total Other Financing Sources	<u>--</u>	<u>--</u>	<u>400,310</u>	<u>400,310</u>
Total Revenues and Other Financing Sources	<u>\$ 44,595,759</u>	<u>\$ 44,595,759</u>	<u>\$ 45,999,030</u>	<u>\$ 1,403,271</u>

The notes to the required supplementary information are an integral part of this schedule.

TOWN OF PLYMOUTH, CONNECTICUT

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES BUDGET AND ACTUAL - BUDGETARY BASIS GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2024

	Budgeted Amounts			Variance With
	Original	Final	Actual	Final Budget (Over) Under
General Government				
Mayor	\$ 171,302	\$ 171,302	\$ 172,836	\$ (1,534)
Town Council	--	--	5,015	(5,015)
Human Resource	45,000	45,000	50,625	(5,625)
Comptroller	386,750	386,750	319,171	67,579
Central Office	159,978	159,978	264,483	(104,505)
Treasurer	3,600	3,600	3,600	--
Registrar	74,080	74,080	58,074	16,006
Clerical Office Staff	151,123	151,123	136,943	14,180
Board of Finance	146,700	146,700	91,890	54,810
Assessors	107,500	107,500	77,138	30,362
Board of Assessment Appeals	1,800	1,800	407	1,393
Tax Collector	89,140	89,140	90,056	(916)
Legal Services	98,500	98,500	104,305	(5,805)
Property and Casualty Insurance	1,316,119	1,316,119	1,287,314	28,805
Employee benefits	3,538,241	3,538,241	3,201,096	337,145
Town clerk	134,800	134,800	129,727	5,073
Probate court	8,155	8,155	8,155	--
Special services	11,700	11,700	4,106	7,594
Total General Government	<u>6,444,488</u>	<u>6,444,488</u>	<u>6,004,941</u>	<u>439,547</u>
Public Safety				
Fire marshal	89,152	89,152	89,761	(609)
Police department	3,373,998	3,373,998	3,360,278	13,720
Emergency management	50,910	50,910	31,395	19,515
Fire department	365,750	365,750	348,476	17,274
Total Public Safety	<u>3,879,810</u>	<u>3,879,810</u>	<u>3,829,910</u>	<u>49,900</u>
Health and Welfare				
Human services commission	67,017	67,017	74,143	(7,126)
Public health	64,707	64,707	64,707	--
Ambulance corps	62,350	62,350	66,755	(4,405)
Public health - dial a ride	35,000	35,000	40,560	(5,560)
Total Health and Welfare	<u>229,074</u>	<u>229,074</u>	<u>246,165</u>	<u>(17,091)</u>
Public Works				
Facilities	236,875	236,875	230,286	6,589
Snow removal	330,250	330,250	277,399	52,851
Highway department	833,708	833,708	686,272	147,436
Transfer station	690,451	690,451	663,305	27,146
Public works director	102,700	102,700	95,487	7,213
Maintenance garage	520,200	520,200	502,330	17,870
Utilities - hydrants and streetlights	509,000	509,000	527,059	(18,059)
Other public buildings	192,500	192,500	199,144	(6,644)
Building inspector	80,904	80,904	80,509	395
Total Public Works	<u>3,496,588</u>	<u>3,496,588</u>	<u>3,261,791</u>	<u>234,797</u>

The notes to the required supplementary information are an integral part of this schedule.

TOWN OF PLYMOUTH, CONNECTICUT

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES BUDGET AND ACTUAL - BUDGETARY BASIS (CONTINUED) GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2024

	Budgeted Amounts			Variance With
	Original	Final	Actual	Final Budget (Over) Under
Land Use				
Planning and zoning	161,227	161,227	156,935	4,292
Zoning board of appeals	2,250	2,250	1,487	763
Conservation commission	4,400	4,400	2,264	2,136
Economic development	34,960	34,960	28,401	6,559
Historic properties	3,000	3,000	1,150	1,850
Total Land Use	<u>205,837</u>	<u>205,837</u>	<u>190,237</u>	<u>15,600</u>
Terryville Library	<u>484,239</u>	<u>484,239</u>	<u>483,193</u>	<u>1,046</u>
Parks and Recreation	<u>211,350</u>	<u>211,350</u>	<u>288,545</u>	<u>(77,195)</u>
Education	<u>25,827,235</u>	<u>25,827,235</u>	<u>25,897,885</u>	<u>(70,650)</u>
Debt Service	<u>3,255,690</u>	<u>3,255,690</u>	<u>3,261,812</u>	<u>(6,122)</u>
Total Expenditures	<u>44,034,311</u>	<u>44,034,311</u>	<u>43,464,479</u>	<u>569,832</u>
Other Financing Uses				
Transfers out:				
Capital and nonrecurring	460,448	460,448	792,942	(332,494)
Recreation revolving fund	101,000	101,000	674,842	(573,842)
Total Other Financing Uses	<u>561,448</u>	<u>561,448</u>	<u>1,467,784</u>	<u>(906,336)</u>
Total Expenditures and Uses	<u>44,595,759</u>	<u>44,595,759</u>	<u>44,932,263</u>	<u>(336,504)</u>
Excess (Deficiency) of Revenues				
Over Expenditures - Budgetary	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 1,066,767</u>	<u>\$ 1,066,767</u>

The notes to the required supplementary information are an integral part of this schedule.

TOWN OF PLYMOUTH, CONNECTICUT
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
CONNECTICUT STATE TEACHERS' RETIREMENT SYSTEM
LAST TEN FISCAL YEARS

2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Proportion of net pension liability									
attributed to the Town	0.258%	0.258%	0.258%	0.258%	0.258%	0.258%	0.258%	0.258%	0.258%
Town's proportionate share of the net pension liability	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
State's proportionate share of the net pension liability attributed to the Town	43,868,277	46,691,559	38,071,822	48,069,968	41,935,227	32,334,497	35,923,636	37,889,711	31,111,382
Total	\$ 43,868,277	\$ 46,691,559	\$ 38,071,822	\$ 48,069,968	\$ 41,935,227	\$ 32,334,497	\$ 35,923,636	\$ 37,889,711	\$ 31,111,382
Town's covered payroll	\$ 12,190,348	\$ 11,835,289	\$ 11,856,849	\$ 10,553,667	\$ 10,896,793	\$ 10,553,667	\$ 10,219,392	\$ 10,367,890	\$ 10,781,038
Town's proportionate share of the net pension liability as a percentage of its covered payroll	27.79%	25.35%	31.14%	21.95%	25.98%	32.64%	28.45%	27.36%	34.65%
Plan fiduciary net position as a percentage of the total pension liability	58.39%	54.06%	60.77%	49.24%	52.00%	57.69%	55.93%	52.26%	59.50%
									61.51%

TOWN OF PLYMOUTH, CONNECTICUT

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS TOWN PENSION PLAN

LAST TEN FISCAL YEARS

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability										
Service cost	\$ 60,005	\$ 57,958	\$ 63,387	\$ 58,624	\$ 73,472	\$ 74,251	\$ 114,084	\$ 98,404	\$ 115,976	\$ 98,673
Interest	712,852	706,412	720,304	733,469	749,589	729,721	694,335	723,989	732,516	767,685
Differences between expected and actual experience	--	349,188	--	(602,507)	--	400,227	--	(494,442)	--	628,618
Changes of assumptions	--	(64,181)	--	632,524	--	(215,414)	(976,609)	(242,319)	682,826	84,414
Benefit payments, including refunds	(917,369)	(978,497)	(1,021,907)	(1,052,607)	(1,079,311)	(1,034,011)	(1,031,860)	(1,015,886)	(981,480)	(982,385)
Net change in total pension liability	(144,512)	70,880	(238,216)	(230,497)	(256,250)	(45,226)	(1,200,050)	(930,254)	549,838	597,005
Total pension liability - beginning	11,797,362	11,726,482	11,964,698	12,195,195	12,451,445	12,496,671	13,696,721	14,626,975	14,077,137	13,480,132
Total pension liability - ending	11,652,850	11,797,362	11,726,482	11,964,698	12,195,195	12,451,445	12,496,671	13,696,721	14,626,975	14,077,137
Plan Fiduciary Net Position										
Contributions - employer	1,049,571	463,675	1,471,838	852,991	905,871	895,388	896,925	535,642	506,258	427,558
Contributions - members	16,883	18,400	19,688	22,009	24,129	28,812	28,792	33,819	36,739	38,924
Net Investment Income	166,137	104,911	(112,020)	199,618	139,000	173,650	112,123	113,085	145,026	143,751
Benefit payments, including refunds	(917,369)	(978,497)	(1,021,907)	(1,052,607)	(1,079,311)	(1,034,011)	(1,031,860)	(1,015,886)	(981,480)	(982,385)
Administrative expense	(3,187)	(3,561)	(3,407)	(3,341)	(2,026)	(2,041)	(1,855)	(1,782)	(2,036)	(2,850)
Net change in plan fiduciary net position	312,035	(395,072)	354,192	18,670	(12,337)	61,798	4,125	(335,122)	(295,493)	(375,002)
Plan fiduciary net position - beginning	4,136,064	4,531,136	4,176,944	4,158,274	4,170,611	4,108,813	4,104,688	4,439,810	4,735,303	5,110,305
Plan fiduciary net position - ending	4,448,099	4,136,064	4,531,136	4,176,944	4,158,274	4,108,813	4,104,688	4,104,688	4,439,810	4,735,303
Town's Net Pension Liability	\$ 7,204,751	\$ 7,661,298	\$ 7,195,346	\$ 7,787,754	\$ 8,036,921	\$ 8,280,834	\$ 8,387,858	\$ 9,592,033	\$ 10,187,165	\$ 9,341,834
Plan fiduciary net position as a percentage of total pension liability	38.17%	35.06%	38.64%	34.91%	34.10%	33.49%	32.88%	29.97%	30.35%	33.64%
Covered Payroll	\$ 482,746	\$ 478,484	\$ 478,484	\$ 478,484	\$ 604,243	\$ 604,243	\$ 698,640	\$ 698,640	\$ 822,601	\$ 822,601
Town's net pension liability as a percentage of covered payroll	1492.45%	1601.16%	1503.78%	1627.59%	1330.08%	1370.45%	1200.60%	1372.96%	1238.41%	1135.65%

The notes to the required supplementary information are an integral part of this schedule.

TOWN OF PLYMOUTH, CONNECTICUT

SCHEDULE OF CONTRIBUTIONS AND INVESTMENT RETURNS
TOWN PENSION PLAN

LAST TEN FISCAL YEARS

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	\$ 881,460	\$ 837,263	\$ 837,263	\$ 772,087	\$ 772,087	\$ 697,840	\$ 697,840	\$ 655,422	\$ 655,422	\$ 489,090
Contributions in relation to the actuarially determined contribution	1,049,571	463,675	1,471,838	852,991	905,871	895,388	896,925	535,642	506,258	427,558
Contribution deficiency	<u>\$ (168,111)</u>	<u>\$ 373,588</u>	<u>\$ (634,575)</u>	<u>\$ (80,904)</u>	<u>\$ (133,784)</u>	<u>\$ (197,548)</u>	<u>\$ (199,085)</u>	<u>\$ 119,780</u>	<u>\$ 149,164</u>	<u>\$ 61,532</u>
Covered employee payroll	\$ 482,746	\$ 478,484	\$ 478,484	\$ 478,484	\$ 604,243	\$ 604,243	\$ 698,640	\$ 698,640	\$ 822,601	\$ 822,601
Contributions as a percentage of covered employee payroll	217.42%	96.91%	307.60%	178.27%	149.92%	148.18%	128.38%	76.67%	61.54%	51.98%
Annual money-weighted rate of return, net of investment expense	3.93%	2.48%	-2.56%	4.91%	3.46%	4.38%	2.83%	270.00%	3.24%	2.98%

The notes to the required supplementary information are an integral part of this schedule.

TOWN OF PLYMOUTH, CONNECTICUT

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS BOARD OF EDUCATION PENSION PLAN

LAST TEN FISCAL YEARS

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability	\$ 137,337	\$ 132,690	\$ 171,621	\$ 156,690	\$ 152,735	\$ 147,570	\$ 189,081	\$ 164,406	\$ 188,475	\$ 177,388
Service cost	514,570	544,196	534,716	499,120	489,364	474,580	467,016	447,670	435,979	422,826
Interest	--	--	--	(121,403)	--	112,537	--	159,905	--	(73,776)
Differences between expected and actual experience	--	(33,602)	--	515,964	--	--	--	(36,238)	--	666,442
Changes of assumptions	(525,391)	(526,310)	(505,476)	(486,341)	(493,426)	(512,946)	(474,749)	(427,733)	(399,341)	(402,323)
Benefit payments, including refunds	126,516	(479,104)	200,861	564,030	148,673	221,741	181,348	308,010	225,113	790,557
Net change in total pension liability	8,354,506	8,833,610	8,632,749	8,068,719	7,920,046	7,698,305	7,516,957	7,208,947	6,983,834	6,193,277
Total pension liability - beginning	8,481,022	8,354,506	8,833,610	8,632,749	8,068,719	7,920,046	7,698,305	7,516,957	7,208,947	6,983,834
Total pension liability - ending	16,310	16,645	(281,211)	118,721	184,456	100,433	19,713	68,628	85,175	(42,517)
Net change in plan fiduciary net position	4,952,450	4,935,805	5,217,016	5,098,295	4,913,839	4,813,406	4,793,693	4,725,065	4,639,890	4,682,407
Plan fiduciary net position - beginning	4,968,760	4,952,450	4,935,805	5,217,016	5,098,295	4,913,839	4,813,406	4,793,693	4,725,065	4,639,890
Plan fiduciary net position - ending	\$ 3,512,262	\$ 3,402,056	\$ 3,897,805	\$ 3,415,733	\$ 2,970,424	\$ 3,006,207	\$ 2,884,899	\$ 2,723,264	\$ 2,483,882	\$ 2,343,944
Town's Net Pension Liability	58.59%	59.28%	55.88%	60.43%	63.19%	62.04%	62.53%	63.77%	65.54%	66.44%
Plan fiduciary net position as a percentage of total pension liability	Covered Payroll	\$ 870,151	\$ 1,072,445	\$ 1,072,445	\$ 1,072,445	\$ 1,013,992	\$ 1,248,150	\$ 1,248,150	\$ 1,310,909	\$ 1,310,909
Town's net pension liability as a percentage of covered payroll	403.64%	317.22%	363.45%	318.50%	292.94%	296.47%	231.13%	218.18%	189.48%	178.80%

The notes to the required supplementary information are an integral part of this schedule.

TOWN OF PLYMOUTH, CONNECTICUT

SCHEDULE OF CONTRIBUTIONS AND INVESTMENT RETURNS
BOARD OF EDUCATION PENSION PLAN

LAST TEN FISCAL YEARS

2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	\$ 400,722	\$ 409,938	\$ 409,938	\$ 338,430	\$ 338,430	\$ 336,017	\$ 336,017	\$ 293,169	\$ 245,080
Contributions in relation to the actuarially determined contribution	336,017	407,740	336,017	336,017	486,017	381,220	336,017	308,169	193,702
Contribution deficiency	\$ 64,705	\$ 2,198	\$ 73,921	\$ 2,413	\$ (147,587)	\$ (45,203)	\$ --	\$ (50,000)	\$ 51,378
Covered employee payroll	\$ 870,151	\$ 1,072,445	\$ 1,072,445	\$ 1,072,445	\$ 1,013,992	\$ 1,013,992	\$ 1,248,150	\$ 1,310,909	\$ 1,310,909
Contributions as a percentage of covered employee payroll	38.62%	38.02%	31.33%	31.33%	47.93%	37.60%	26.92%	23.51%	14.78%
Annual money-weighted rate of return, net of investment expense	3.93%	2.48%	-2.56%	4.91%	3.46%	4.38%	2.83%	270.00%	2.98%

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

2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Proportion of net pension liability attributed to the Town	0.420%	0.420%	0.420%	0.350%	0.250%	0.850%	0.740%	0.900%	1.300%
Town's proportionate share of the net pension liability	\$ 6,457,574	\$ 5,674,456	\$ 3,000,626	\$ 4,641,104	\$ 4,068,038	\$ 3,511,701	\$ 2,117,489	\$ 2,475,886	\$ 1,726,911
Town's covered payroll	\$ 2,796,772	\$ 2,715,313	\$ 2,542,505	\$ 2,350,505	\$ 2,451,816	\$ 2,436,144	\$ 2,376,745	\$ 2,504,545	\$ 2,153,852
Town's proportionate share of the net pension liability as a percentage of its covered payroll	230.89%	208.98%	118.02%	197.45%	165.92%	144.15%	89.09%	98.86%	80.18%
Plan fiduciary net position as a percentage of the total pension liability	69.54%	68.71%	82.59%	71.18%	72.69%	73.60%	91.68%	88.29%	92.72%
									90.48%

TOWN OF PLYMOUTH, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
MUNICIPAL EMPLOYEES RETIREMENT SYSTEM

LAST TEN FISCAL YEARS

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	\$ 716,215	\$ 854,962	\$ 667,643	\$ 670,496	\$ 577,582	\$ 480,537	\$ 521,967	\$ 459,067	\$ 332,951	\$ 443,277
Contributions in relation to the actuarially determined contribution	716.215	854.962	667.643	670.496	577.582	480.537	521.967	459.067	332.951	443.277
Contribution deficiency	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Covered employee payroll	\$ 2,796,772	\$ 2,715,313	\$ 2,542,505	\$ 2,350,505	\$ 2,451,816	\$ 2,436,144	\$ 2,376,745	\$ 2,504,545	\$ 2,153,852	\$ 2,153,852
Contributions as a percentage of covered employee payroll	25.61%	31.49%	26.26%	28.53%	23.56%	19.73%	21.96%	18.33%	15.46%	20.58%

TOWN OF PLYMOUTH, CONNECTICUT
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
OTHER POST-EMPLOYMENT BENEFITS PLAN
LAST SEVEN FISCAL YEARS

	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability							
Service cost	\$ 275,093	\$ 293,026	\$ 370,648	\$ 340,745	\$ 275,840	\$ 443,847	\$ 518,079
Interest	481,467	440,021	321,474	373,723	511,253	703,558	664,878
Changes in benefit terms	--	(14,900)	--	--	--	--	--
Differences between expected and actual experience	--	1,149,597	--	(3,620,631)	--	(45,770)	--
Changes of assumptions	(421,256)	(294,467)	(2,301,397)	1,576,047	2,230,112	(3,683,969)	(671,022)
Benefit payments, including refunds	(802,028)	(787,171)	(748,073)	(706,658)	(847,450)	(796,716)	(863,119)
Net change in total OPEB liability	(466,724)	786,106	(2,357,348)	(2,036,774)	2,169,755	(3,379,050)	(351,184)
Total OPEB liability - beginning	13,313,216	12,527,110	14,884,458	16,921,232	14,751,477	18,130,527	18,481,711
Total OPEB liability - ending	\$ 12,846,492	\$ 13,313,216	\$ 12,527,110	\$ 14,884,458	\$ 16,921,232	\$ 14,751,477	\$ 18,130,527
Covered payroll	\$ 14,572,922	\$ 14,572,922	\$ 14,938,812	\$ 14,938,812	\$ 12,233,133	\$ 12,233,133	\$ 14,782,465
Town's net OPEB liability as a percentage of covered payroll	88.15%	91.36%	83.86%	99.64%	138.32%	120.59%	122.65%

This Schedule is intended to present information for 10 years, additional years will be displayed as they become available.

TOWN OF PLYMOUTH, CONNECTICUT

SCHEDULE OF TOWN'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
CONNECTICUT STATE TEACHERS' RETIREMENT SYSTEM

LAST SEVEN FISCAL YEARS

	2024	2023	2022	2021	2020	2019	2018
Proportion of the net OPEB liability attributed to the Town	0.258%	0.258%	0.258%	0.258%	0.258%	0.258%	0.258%
Town's proportionate share of the net OPEB liability	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
State's proportionate share of the net OPEB liability attributed to the Town	4,109,855	4,089,110	4,147,855	7,169,637	6,540,035	6,463,879	6,463,879
Total	<u>\$ 4,109,855</u>	<u>\$ 4,089,110</u>	<u>\$ 4,147,855</u>	<u>\$ 7,169,637</u>	<u>\$ 6,540,035</u>	<u>\$ 6,463,879</u>	<u>\$ 6,463,879</u>
Town's covered payroll	\$ 12,190,348	\$ 11,835,289	\$ 11,856,849	\$ 10,553,667	\$ 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%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total OPEB liability	11.92%	9.46%	6.11%	2.50%	2.08%	1.49%	1.49%

This Schedule is intended to present information for 10 years, additional years will be displayed as they become available.

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 – STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – BUDGETARY BASIS – GENERAL FUND

This budget is adopted on a basis consistent with General Accepted Accounting Principles (modified accrual basis) with the following exceptions: 1. The town does not recognize as income or expenditures payments made for the teacher's retirement by the State of Connecticut on the Town's behalf; 2. Revenues and expenditures from capital leasing and for renewing long-term debt are included in the budget as the net revenue or expenditure expected; 3. Encumbrances are treated as expenditures against the budget in the year committed; 4. Payroll is budgeted on a cash basis; 5. Revenues and expenditures from consolidated fund activities are not included in the general Fund budget.

As described above, accounting principles applied for purposes of developing data on a budgetary basis differ from those used to present financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP basis). A reconciliation of General Fund amounts presented on the budgetary basis to amounts presented on the GAAP basis is as follows for the year ended June 30, 2024:

Deficiency of Expenses and Other Financing Uses Over Revenues and Other Financing Sources - Budgetary Basis	\$ 1,066,767
On-behalf state OPEB contribution - revenue	55,390
On-behalf state OPEB contribution - expenditures	(55,390)
On-behalf state pension contribution - revenue	4,070,356
On-behalf state pension contribution - expenditures	<u>(4,070,356)</u>
Deficiency of Expenses and Other Financing Uses Over Revenues and Other Financing Sources - GAAP Basis	<u>\$ 1,066,767</u>

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 2 – SCHEDULE OF THE TOWN’S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY – CONNECTICUT STATE TEACHERS’ RETIREMENT SYSTEM

The Town began to report this schedule when it implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27*, in fiscal year 2015. GASB Statement No. 68 requires the information within this schedule to be presented for the ten most recent fiscal years.

Actuarial valuations are prepared every two years with the most recent available actuarial valuation performed as of June 30, 2022. This information is utilized by the Town for reporting as of June 30, 2023.

Benefit Changes – There have been no changes in benefit terms that have had a significant effect on the measurement of the total pension liability.

Assumptions Changes – There have been no changes in assumptions that have had a significant effect on the measurement of the total pension liability.

NOTE 3 – SCHEDULE OF THE TOWN’S NET PENSION LIABILITY – TOWN EMPLOYEE AND BOARD OF EDUCATION RETIREMENT PLAN S

The Town began to report this schedule when it implemented GASB Statement No. 67, *Financial reporting for Pension Plans – An Amendment of GASB Statement No. 25* in fiscal year 2014. GASB Statement No. 67 requires the measurement of the total pension liability.

Benefit Changes – There have been no changes in benefit terms that have had a significant effect on the measurement of the total pension liability.

Assumptions Changes – There have been no changes in assumption changes that have had a significant effect on the measurement of the total pension liability.

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 3 – SCHEDULE OF CONTRIBUTIONS AND INVESTMENT RETURNS – TOWN EMPLOYEE RETIREMENT PLAN (CONTINUED)

Actuarial determined contribution rates are calculated as of July 1, two fiscal years prior to the fiscal year in which contributions are reported. Actuarial contributions for fiscal year ending June 30, 2024 were determined from the July 1, 2022 valuation.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age
Amortization method	Level Percentage of Salary
Asset valuation method	Market Value
Inflation	2.50%
Investment rate of return	3.00%
Salary increases	3.0 - 6.5%

NOTE 4 – SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY – MUNICIPAL EMPLOYEES RETIREMENT SYSTEM

The Town began to report this schedule when it implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27*, in fiscal year 2015. GASB Statement No. 68 requires the information within this schedule to be presented for the ten most recent fiscal years.

Actuarial valuations are prepared every two years with the most recent available actuarial valuation performed as of June 30, 2022. This information is utilized by the Town for reporting as of June 30, 2023.

Benefit Changes – There have been no changes in benefit terms that have had a significant effect on the measurement of the total pension liability.

Assumptions Changes – There have been no changes in assumptions that have had a significant effect on the measurement of the total pension liability.

NOTE 5 – SCHEDULE OF CHANGES IN NET OPEB LIABILITY – OTHER POST-EMPLOYMENT BENEFITS PLAN

The Town began to report this schedule when it implemented GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans other than Pension Plans*, in fiscal year 2017. GASB Statement No. 74 requires the information within this schedule to be presented for the ten most recent fiscal years.

The Town measures the total OPEB liability at the end of each fiscal year using the Entry Age Normal Method.

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 5 – SCHEDULE OF CHANGES IN NET OPEB LIABILITY – OTHER POST-EMPLOYMENT BENEFITS PLAN (CONTINUED)

Benefit Changes – There have been no changes in benefit terms that have had a significant effect on the measurement of the total OPEB liability.

The July 1, 2022 actuarial valuation directly calculated the June 30, 2024 total OPEB liability. The June 30, 2024 total OPEB liability was increased by service cost and interest and decreased by benefit payments to estimate the total OPEB liability as of June 30, 2024.

The following methods and assumptions were utilized to determine the contribution rates for the year ended June 30, 2024:

Actuarial cost method	Entry Age
Amortization method	Level percentage of Salary
Asset valuation method	Market Value
Inflation	2.50%
Discount rate	3.93%
Healthcare cost trend rates	6.80%, current
	3.90%, final

NOTE 6 – SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET OTHER POST-EMPLOYMENT BENEFITS LIABILITY – CONNECTICUT STATE TEACHERS' RETIREMENT SYSTEM

The Town began to report this schedule when it implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pension*, in fiscal year 2018. GASB Statement No. 75 requires the information within this schedule to be presented for the ten most recent fiscal years.

Actuarial valuations are prepared every two years with the most recent available actuarial valuation performed as of June 30, 2023. This information is utilized by the Town for reporting as of June 30, 2024.

Benefit Changes – There have been no changes in benefit terms that have had a significant effect on the measurement of the total OPEB liability.

Assumption Changes – There have been no changes in assumptions that have had a significant effect on the measurement of the total OPEB liability.

TOWN OF PLYMOUTH, CONNECTICUT

SCHEDULE OF PROPERTY TAXES LEVIED, COLLECTED AND OUTSTANDING

FOR THE YEAR ENDED JUNE 30, 2024

Grand List	Balance	Current	Lawful Corrections		Transfers	Balance	Collections				Balance
Year	June 30, 2022	Levy	Additions	Deductions	To Suspense	To Be Collected	Taxes	Interest	Fees	Total	June 30, 2024
2022	\$ --	\$ 34,053,029	\$ --	\$ 241,485	\$ --	\$ 33,811,544	\$ 32,824,996	\$ 141,631	\$ 15,590	\$ 32,982,217	\$ 986,548
2021	715,161	--	--	4,227	--	710,934	410,539	90,148	3,974	504,661	300,395
2020	260,099	--	1,153	2,205	--	259,047	125,134	46,309	1,416	172,859	133,913
2019	12,156	--	--	1,111	--	11,045	--	1,269	95	1,364	11,045
2018	2,377	--	--	--	--	2,377	59	290	--	349	2,318
2017	1,734	--	--	--	--	1,734	315	293	--	608	1,419
2016	963	--	--	--	--	963	194	212	--	406	769
	\$ 992,490	\$ 34,053,029	\$ 1,153	\$ 249,028	\$ --	\$ 34,797,644	\$ 33,361,237	\$ 280,152	\$ 21,075	\$ 33,662,464	1,436,407
Current year revenue per budget versus actual											
	33,374,110	Allowance for doubtful accounts (200,000)									
	130,977	Total receivable for general fund at year end \$ 1,236,407									
	(143,850)										
	\$ 33,361,237	Total current year tax collections									

TOWN OF PLYMOUTH, CONNECTICUT

BUDGET AND ACTUAL - BUDGETARY BASIS SEWER OPERATING FUND

FOR THE YEAR ENDED JUNE 30, 2024

	Original Budget	Final Budget	Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
Revenues				
User charges collected	\$ 1,876,370	\$ 1,876,370	\$ 2,057,068	\$ 180,698
Sewer connection - lateral fees	--	--	10,000	10,000
Investment income	--	--	13,413	13,413
Permit fees	--	--	25,759	25,759
Total Revenues	<u>1,876,370</u>	<u>1,876,370</u>	<u>2,106,240</u>	<u>229,870</u>
Expenditures				
Wages and benefits	787,777	787,777	755,864	31,913
Plant expenditures	615,750	615,750	610,382	5,368
Collection system expenditures	135,500	135,500	118,105	17,395
Administrative expenditures	133,512	133,512	244,892	(111,380)
Capital outlay	203,831	203,831	207,239	(3,408)
Total Expenditures	<u>1,876,370</u>	<u>1,876,370</u>	<u>1,936,482</u>	<u>(60,112)</u>
Deficiency of Revenues Under Expenditures				
Before Other Financing Sources (Uses)	--	--	169,758	169,758
Deficiency of Revenues and Other Financing Sources				
Under Expenditures and Other Financing Uses	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 169,758</u>	<u>\$ 169,758</u>

TOWN OF PLYMOUTH, CONNECTICUT

COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2024

	Capital Project				Total Nonmajor
	Special	Education	Debt	Permanent	
	Revenue	Sinking Fund	Service	Funds	Funds
Assets					
Cash and cash equivalents	\$ 3,176,099	\$ 171,692	\$ 4,000	\$ 77,005	\$ 3,428,796
Investments	50,156	--	--	312,453	362,609
Restricted investments	--	--	--	1,271,020	1,271,020
Intergovernmental receivables	109,031	--	--	--	109,031
Other receivables	92,682	--	--	--	92,682
Loan receivables	709,658	--	--	--	709,658
Due from other funds	<u>1,155,264</u>	<u>336,473</u>	<u>426,475</u>	<u>54,155</u>	<u>1,972,367</u>
Total Assets	<u>\$ 5,292,890</u>	<u>\$ 508,165</u>	<u>\$ 430,475</u>	<u>\$ 1,714,633</u>	<u>\$ 7,946,163</u>
Liabilities					
Accounts payable	\$ 99,915	\$ --	\$ --	\$ 118	\$ 100,033
Unearned revenue	358,429	--	--	--	358,429
Due to other funds	<u>868,857</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>868,857</u>
Total Liabilities	<u>1,327,201</u>	<u>--</u>	<u>--</u>	<u>118</u>	<u>1,327,319</u>
Fund Balances					
Nonspendable	709,658	--	--	1,309,388	2,019,046
Restricted	1,646,612	--	--	405,127	2,051,739
Committed	--	508,165	430,475	--	938,640
Assigned	1,857,807	--	--	--	1,857,807
Unassigned	<u>(248,388)</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>(248,388)</u>
Total Fund Balances	<u>3,965,689</u>	<u>508,165</u>	<u>430,475</u>	<u>1,714,515</u>	<u>6,618,844</u>
Total Liabilities, Deferred Inflows of					
Resources and Fund Balance	<u>\$ 5,292,890</u>	<u>\$ 508,165</u>	<u>\$ 430,475</u>	<u>\$ 1,714,633</u>	<u>\$ 7,946,163</u>

TOWN OF PLYMOUTH, CONNECTICUT

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2024

	Special Revenue	Capital Project Education Sinking Fund	Debt Service	Permanent Funds	Total Nonmajor Funds
Revenues					
Intergovernmental	\$ 2,775,571	\$ --	\$ --	\$ --	\$ 2,775,571
Charges for services	1,617,131	--	--	--	1,617,131
Other	312,644	--	4,000	45,408	362,052
Interest	316	--	--	193,182	193,498
Total Revenues	<u>4,705,662</u>	<u>--</u>	<u>4,000</u>	<u>238,590</u>	<u>4,948,252</u>
Expenditures					
General government	23,527	--	--	--	23,527
Public safety	1,105,288	--	--	--	1,105,288
Public works	938,358	--	--	--	938,358
Health and safety	52,941	--	--	54,112	107,053
Library	--	--	--	57,594	57,594
Education	2,653,369	--	--	--	2,653,369
Capital outlay	--	--	--	--	--
Total Expenditures	<u>4,773,483</u>	<u>--</u>	<u>--</u>	<u>111,706</u>	<u>4,885,189</u>
Excess (deficiency) of revenues over expenditures	(67,821)	--	4,000	126,884	63,063
Other Financing Sources (Uses)					
Transfers in	760,593	--	--	2,000	762,593
Transfers out	(118,890)	(363,921)	--	--	(482,811)
Total Other Financing Sources (Uses)	<u>641,703</u>	<u>(363,921)</u>	<u>--</u>	<u>2,000</u>	<u>279,782</u>
Net change in fund balance	573,882	(363,921)	4,000	128,884	342,845
Fund Balances - Beginning, as restated	<u>3,391,807</u>	<u>872,086</u>	<u>426,475</u>	<u>1,585,631</u>	<u>6,275,999</u>
Fund Balances - Ending	<u>\$ 3,965,689</u>	<u>\$ 508,165</u>	<u>\$ 430,475</u>	<u>\$ 1,714,515</u>	<u>\$ 6,618,844</u>

TOWN OF PLYMOUTH, CONNECTICUT

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE GOVERNMENTAL FUNDS

JUNE 30, 2024

	Education	ATM	Historical	Blight	Police	Dog
Assets	Grants	Fund	Preservation	Fund	Extra Duty	Fund
Cash and cash equivalents	\$ 877,893	\$ 26,694	\$ 25,910	\$ 42,150	\$ 703,461	\$ 30,841
Investments	--	--	--	--	--	--
Intergovernmental receivables	19,721	--	--	--	--	--
Other receivables	--	--	--	--	92,682	--
Loan receivables	--	--	--	--	--	--
Due from other funds	--	--	45,632	87,966	--	138,659
Total Assets	\$ 897,614	\$ 26,694	\$ 71,542	\$ 130,116	\$ 796,143	\$ 169,500
Liabilities						
Accounts payable	\$ 87,624	\$ --	\$ --	\$ --	\$ --	\$ 341
Unearned revenue	349,530	--	--	--	--	--
Due to other funds	168,759	--	--	--	404,770	--
Total Liabilities	605,913	--	--	--	404,770	341
Fund Balances						
Nonspendable	--	--	--	--	--	--
Restricted	291,701	--	--	--	--	--
Committed	--	26,694	71,542	130,116	391,373	169,159
Unassigned	--	--	--	--	--	--
Total Fund Balances	291,701	26,694	71,542	130,116	391,373	169,159
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 897,614	\$ 26,694	\$ 71,542	\$ 130,116	\$ 796,143	\$ 169,500

TOWN OF PLYMOUTH, CONNECTICUT

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE GOVERNMENTAL FUNDS

JUNE 30, 2024

	Sewer	Water	Miscellaneous	Recreation	CDBG	Small Cities
Assets						
Cash and cash equivalents	\$ --	\$ 208,366	\$ 31,136	\$ 223,613	\$ --	\$ 174,425
Investments	--	--	--	--	50,156	--
Intergovernmental receivables	--	--	--	--	--	--
Other receivables	--	--	--	--	--	--
Loan receivables	--	--	--	--	--	709,658
Due from other funds	23,388	550,744	2,436	29,240	--	--
Total Assets	<u>\$ 23,388</u>	<u>\$ 759,110</u>	<u>\$ 33,572</u>	<u>\$ 252,853</u>	<u>\$ 50,156</u>	<u>\$ 884,083</u>
Liabilities						
Accounts payable	--	\$ --	\$ --	\$ --	\$ --	\$ 6,950
Unearned revenue	--	--	--	--	--	--
Due to other funds	--	--	--	--	38,843	13,097
Total Liabilities	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>38,843</u>	<u>20,047</u>
Fund Balances						
Nonspendable	--	--	--	--	--	709,658
Restricted	--	--	--	--	11,313	154,378
Committed	23,388	759,110	33,572	252,853	--	--
Unassigned	--	--	--	--	--	--
Total Fund Balances	<u>23,388</u>	<u>759,110</u>	<u>33,572</u>	<u>252,853</u>	<u>11,313</u>	<u>864,036</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 23,388</u>	<u>\$ 759,110</u>	<u>\$ 33,572</u>	<u>\$ 252,853</u>	<u>\$ 50,156</u>	<u>\$ 884,083</u>

TOWN OF PLYMOUTH, CONNECTICUT

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE GOVERNMENTAL FUNDS

JUNE 30, 2024

Assets		Town		School		Cafeteria		Fund		Student		Activities		Total Nonmajor Special Revenue Funds	
Cash and cash equivalents	\$ 52,619	\$ --	\$ 427,541	\$ 3,149	\$ 348,301	\$ 3,176,099	\$ 50,156	109,031	92,682	709,658	1,155,264				
Investments	--	--	--	--	--	--	--	--	--	--	--	--	--		
Intergovernmental receivables	--	--	89,310	--	--	--	--	--	--	--	--	--	--		
Other receivables	--	--	--	--	--	--	--	--	--	--	--	--	--		
Loan receivables	--	--	--	--	--	--	--	--	--	--	--	--	--		
Due from other funds	277,199	--	--	--	--	--	--	--	--	--	--	--	--		
Total Assets	\$ 329,818	\$ --	\$ 516,851	\$ 3,149	\$ 348,301	\$ 5,292,890									
Liabilities															
Accounts payable	\$ --	\$ 5,000	\$ --	\$ --	\$ --	\$ 99,915									
Unearned revenue	--	--	8,899	--	--	358,429									
Due to other funds	--	243,388	--	--	--	868,857									
Total Liabilities	--	248,388	8,899	--	--	1,327,201									
Fund Balances															
Nonspendable	--	--	--	--	--	709,658									
Restricted	329,818	--	507,952	3,149	348,301	1,646,612									
Committed	--	--	--	--	--	1,857,807									
Unassigned	--	(248,388)	--	--	--	(248,388)									
Total Fund Balances	329,818	(248,388)	507,952	3,149	348,301	3,965,689									
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 329,818	\$ --	\$ 516,851	\$ 3,149	\$ 348,301	\$ 5,292,890									

TOWN OF PLYMOUTH, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

	Education	ATM	Historical	Blight	Police	Dog
Revenues	Grants	Fund	Preservation	Fund	Extra Duty	Fund
Intergovernmental	\$ 1,530,533	\$ 517	\$ --	\$ --	\$ --	\$ --
Charges for services	--	--	2,782	--	1,389,847	6,129
Other	--	6,610	--	--	--	--
Interest	--	--	--	--	--	--
Total Revenues	<u>1,530,533</u>	<u>7,127</u>	<u>2,782</u>	<u>--</u>	<u>1,389,847</u>	<u>6,129</u>
Expenditures						
General government	--	7,168	--	16,359	--	--
Public safety	--	--	--	--	1,103,677	1,611
Public works	--	--	--	--	--	--
Health and safety	--	--	--	--	--	--
Education	1,718,857	--	--	--	--	--
Total Expenditures	<u>1,718,857</u>	<u>7,168</u>	<u>--</u>	<u>16,359</u>	<u>1,103,677</u>	<u>1,611</u>
Excess (deficiency) of revenues over expenditures	(188,324)	(41)	2,782	(16,359)	286,170	4,518
Other Financing Sources (Uses)						
Transfers in	363,921	--	--	--	--	3,250
Transfers out	--	--	--	--	(118,890)	--
Total Other Financing Sources (Uses)	<u>363,921</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>(118,890)</u>	<u>3,250</u>
Net change in fund balance	175,597	(41)	2,782	(16,359)	167,280	7,768
Fund Balances - Beginning, as restated	<u>116,104</u>	<u>26,735</u>	<u>68,760</u>	<u>146,475</u>	<u>224,093</u>	<u>161,391</u>
Fund Balances - Ending	<u>\$ 291,701</u>	<u>\$ 26,694</u>	<u>\$ 71,542</u>	<u>\$ 130,116</u>	<u>\$ 391,373</u>	<u>\$ 169,159</u>

TOWN OF PLYMOUTH, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

	Sewer	Water	Miscellaneous	Recreation	CDBG	Small
	Assessment	Assessment	Contributions	Revolving	Loan Fund	Cities
Revenues						
Intergovernmental	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 604,168
Charges for services	--	1,733	--	--	--	--
Other	--	--	21,259	--	--	--
Interest	--	--	166	--	150	--
Total Revenues	<u>--</u>	<u>1,733</u>	<u>21,425</u>	<u>--</u>	<u>150</u>	<u>604,168</u>
Expenditures						
General government	--	--	--	--	--	--
Public safety	--	--	--	--	--	--
Public works	--	--	--	--	--	735,926
Health and safety	--	--	52,941	--	--	--
Education	--	--	--	--	--	--
Total Expenditures	<u>--</u>	<u>--</u>	<u>52,941</u>	<u>--</u>	<u>--</u>	<u>735,926</u>
Excess (deficiency) of revenues over expenditures	--	1,733	(31,516)	--	150	(131,758)
Other Financing Sources (Uses)						
Transfers in	--	--	--	393,422	--	--
Transfers out	--	--	--	--	--	--
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>393,422</u>	<u>--</u>	<u>--</u>
Net change in fund balance	--	1,733	(31,516)	393,422	150	(131,758)
Fund Balances - Beginning, as restated	<u>23,388</u>	<u>757,377</u>	<u>65,088</u>	<u>(140,569)</u>	<u>11,163</u>	<u>995,794</u>
Fund Balances - Ending	<u>\$ 23,388</u>	<u>\$ 759,110</u>	<u>\$ 33,572</u>	<u>\$ 252,853</u>	<u>\$ 11,313</u>	<u>\$ 864,036</u>

TOWN OF PLYMOUTH, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

	Open	Economic	School	Cafeteria	Town	Student	Total Nonmajor
	Space	Development			Fund	Activities	Funds
Revenues							
Intergovernmental	\$ --	\$ --	\$ 640,353	\$ --	\$ --	\$ --	\$ 2,775,571
Charges for services	5,428	--	211,212	--	--	--	1,617,131
Other	--	--	--	--	--	284,775	312,644
Interest	--	--	--	--	--	--	316
Total Revenues	<u>5,428</u>	<u>--</u>	<u>851,565</u>	<u>--</u>	<u>--</u>	<u>284,775</u>	<u>4,705,662</u>
Expenditures							
General government	--	--	--	--	--	--	23,527
Public safety	--	--	--	--	--	--	1,105,288
Public works	--	202,432	--	--	--	--	938,358
Health and safety	--	--	--	--	--	--	52,941
Education	--	--	783,436	--	--	151,076	2,653,369
Total Expenditures	<u>--</u>	<u>202,432</u>	<u>783,436</u>	<u>--</u>	<u>--</u>	<u>151,076</u>	<u>4,773,483</u>
Excess (deficiency) of revenues over expenditures	5,428	(202,432)	68,129	--	--	133,699	(67,821)
Other Financing Sources (Uses)							
Transfers in	--	--	--	--	--	--	760,593
Transfers out	--	--	--	--	--	--	(118,890)
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>641,703</u>
Net change in fund balance	5,428	(202,432)	68,129	--	--	133,699	573,882
Fund Balances - Beginning, as restated	<u>324,390</u>	<u>(45,956)</u>	<u>439,823</u>	<u>3,149</u>	<u>214,602</u>	<u>3,965,689</u>	
Fund Balances - Ending	<u>\$ 329,818</u>	<u>\$ (248,388)</u>	<u>\$ 507,952</u>	<u>\$ 3,149</u>	<u>\$ 348,301</u>	<u>\$ 3,965,689</u>	

TOWN OF PLYMOUTH, CONNECTICUT

COMBINING BALANCE SHEET
NONMAJOR PERMANENT GOVERNMENTAL FUNDS

JUNE 30, 2024

Assets		Cash and cash equivalents	Investments	Restricted investments	Due from other funds	Total Assets	Liabilities		Accounts payable	Total Liabilities	Fund Balances	Nonspendable	Restricted	Total Fund Balances	Total Liabilities and Fund Balance
Terryville	Public Library	\$ 7,926	--	483,004	20,861	\$ 511,791	\$ 226,349	\$ 638,719	\$ 329,381	\$ 8,393	\$ 1,714,633				
Mercy	J. Cone	\$ 7,055	--	219,294	--	\$ 226,349									
	Hillside	\$ 45,096	--	568,722	24,901	\$ 638,719									
	Plymouth	\$ 16,928	312,453	--	--	\$ 329,381									
	St Matthews	\$ --	--	--	8,393	\$ 8,393									
	Funds	\$ 77,005	312,453	1,271,020	54,155	\$ 1,714,633									
	Total Nonmajor														

TOWN OF PLYMOUTH, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR PERMANENT GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

Revenues	Other revenue		Interest	Total Revenues		Expenditures		Health and safety		Library	Total Expenditures		Excess (deficiency) of revenues over expenditures		Other Financing Sources		Transfers in		Total Other Financing Sources		Net change in fund balance		Fund Balances - Beginning		Fund Balances - Ending			
	\$		\$																									
Terryville	28,098		69,717	26,566	81,085	43,477	--	45,406	12,188	--	45,406	12,188	52,409	14,378	37,608	22,489	--	2,000	--	2,000	--	52,409	14,378	211,971	226,349	\$	511,673	
Public Library																												
Trust																												
Mercy	--	\$	26,566			63,775	17,310	\$			--	43,477	10,635	--	--	37,608	22,489	--	2,000	--	2,000	--	37,608	24,489	601,111	638,719	\$	1,240,830
J. Cone																												
Trust																												
Hillside																												
Cemetery																												
Plymouth																												
Cemetery																												
St Matthews																												
Cemetery																												
Funds																												
Permanent																												
Total Nonmajor																												

**Independent Auditors' Report on Internal Control Over Financial Reporting
and on Compliance and Other Matters Based on an Audit of Financial
Statements Performed in Accordance with *Government Auditing Standards***

To the Honorable Mayor and
Members of the Board of Finance
Town of Plymouth, Connecticut

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Plymouth, Connecticut (Town) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Town's basic financial statements and have issued our report thereon dated December 23, 2025.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2024-001 and 2024-002 that we consider to be material weaknesses.

Report on Compliance and Other Matters

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

Town of Plymouth's Response to Findings

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

Purpose of this Report

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

CBIZ CPAs P.C.

Providence, RI
December 23, 2025

TOWN OF PLYMOUTH, CONNECTICUT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2024

INTERNAL CONTROL OVER FINANCIAL REPORTING FINDING

Current Year Findings

Material Weaknesses:

2024-001: Financial Reporting: Month-End and Year-End Closing Process

Criteria: An effective internal control system over the financial reporting closing process provides reasonable assurance that reliable financial statements are prepared in accordance with the appropriate accounting standards and in compliance with applicable laws and regulations. Monthly and year-end closing procedures should be documented, communicated and monitored by the Town.

Condition: During our fiscal 2024 audit, we noted deficiencies in the Town's internal controls over the financial reporting closing process:

- The Town's financial records were not closed in a timely manner in order to produce monthly and year-end financial statements resulting in delays in the audit process.
- The Town was not properly accounting for its year end accruals related to receivables and unearned revenue resulting in material audit entries.
- The Town determined that the Small Cities fund deferred inflows were incorrectly classified and should have been recognized as earned in the year the loans were issued. Therefore, deferred inflows of resources were overstated and nonspendable fund balance was understated by \$729,033 necessitating a material prior period adjustment.

Cause: The Town's lack of following internal control policies and procedures to allow for an appropriate month-end and year-end closing process and related review and reconciliation of accounting data and financial information used to prepare financial statements that are fairly presented in accordance with accounting principles general accepted in the United States of America.

Effect: Lack of an established and effective internal control system as well as ensuring management review/oversight over the financial reporting closing process increases the risk of potential misstatement of the Town's financial information.

Prior Year Finding: No

Recommendation: We recommend that the Town review its current financial reporting closing process and implement and follow adequate policies and procedures (including checklists and documented workflows) to document and ensure that ongoing review and management oversight over the month-end and year-end close takes place.

Views of responsible officials and Planned Corrective Action: See management's corrective action plan.

TOWN OF PLYMOUTH, CONNECTICUT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2024

INTERNAL CONTROL OVER FINANCIAL REPORTING FINDING (CONTINUED)

Current Year Finding (Continued):

Material Weaknesses (Continued):

2024-002: Internal Controls

Criteria: An effective internal control system requires controls to be in place to prevent the potential for management override within an entity's financial reporting system.

Condition: During our fiscal 2024 audit we noted various deficiencies in the Town's internal control processes:

- The Town did not have proper controls to prevent payments to a fictitious vendor in the amount of \$208,300 in FY2024, half of which was recovered subsequent to the payment.
- The Town did not establish clear roles and responsibilities for accounting and finance personnel leading to the potential for inadequate segregation of duties within accounting and finance.
- The Town's financial reporting system allowed for journal entries to be posted without review and approval from the finance director.
- The Town lacked a comprehensive anti-fraud program including a code of conduct and a whistleblower hotline for reporting suspicious activities.
- The Town lacked certain operational policies such as conflict of interest, anti-bribery, procurement, revenue and travel and entertainment, to ensure transparency, prevent unethical behavior and promote compliance with legal and regulatory standards.
- The Town did not establish monthly or quarterly budget-to-actual reporting for departments.

Cause: The Town's internal control policies and related procedures are insufficient and should be enhanced to ensure to allow for appropriate review.

Effect: Lack of an established and effective internal control system as well as ensuring adequate management review/oversight over financial reporting increases the risk of potential misstatement of the Town's financial information or misappropriation of assets.

Prior Year Finding: No

Recommendation: We recommend that the Town implement and follow formal internal control policies and procedures to rectify the conditions noted above.

Views of responsible officials and Planned Corrective Action: See management's corrective action plan.

TOWN OF PLYMOUTH, CONNECTICUT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2024

INTERNAL CONTROL OVER FINANCIAL REPORTING FINDING

Prior Year Findings:

None noted

TOWN OF PLYMOUTH, CONNECTICUT

CORRECTIVE ACTION PLAN

Corrective Action Plan:

2024-001: Financial Reporting: Month-End and Year-End Closing Process

- Establish a written month-end and year-end closing policy including checklists, responsibilities, and deadlines.
- Designate staff to reconcile key balance sheet accounts monthly, with Finance Director's review and approval.
- Provide training to accounting staff on GAAP and governmental accrual accounting.
- Use accounting software tools to automate recurring accruals and reports.
- Develop a closing calendar and require quarterly reviews by the Finance Director.

Responsible Official: Vijay Dora, Director of Finance

Anticipated Completion Date: Initial implementation by March 31, 2026; full compliance by June 30, 2026.

Expected Outcome: Improved accuracy, timeliness, and completeness of financial reports; reduced audit adjustments; enhanced confidence in financial data.

2024-002: Internal Controls

- Develop and adopt a Townwide Internal Control Policy Manual covering financial reporting, authorization, and segregation of duties.
- Implement Code of Conduct, Conflict of Interest, Anti-Bribery, and Procurement Policies aligned with Connecticut laws.
- Establish a Whistleblower Hotline for confidential reporting of unethical behavior.
- Require quarterly budget-to-actual reports from all departments, with Finance review of significant variances.
- Conduct annual staff training on ethics, internal control, and fraud prevention.

Responsible Official: Vijay Dora, Director of Finance

Anticipated Completion Date: Policy framework implemented by May 31, 2026; full rollout and training by September 30, 2026.

Expected Outcome: Strengthened internal control environment, enhanced accountability, fraud deterrence, and improved transparency.