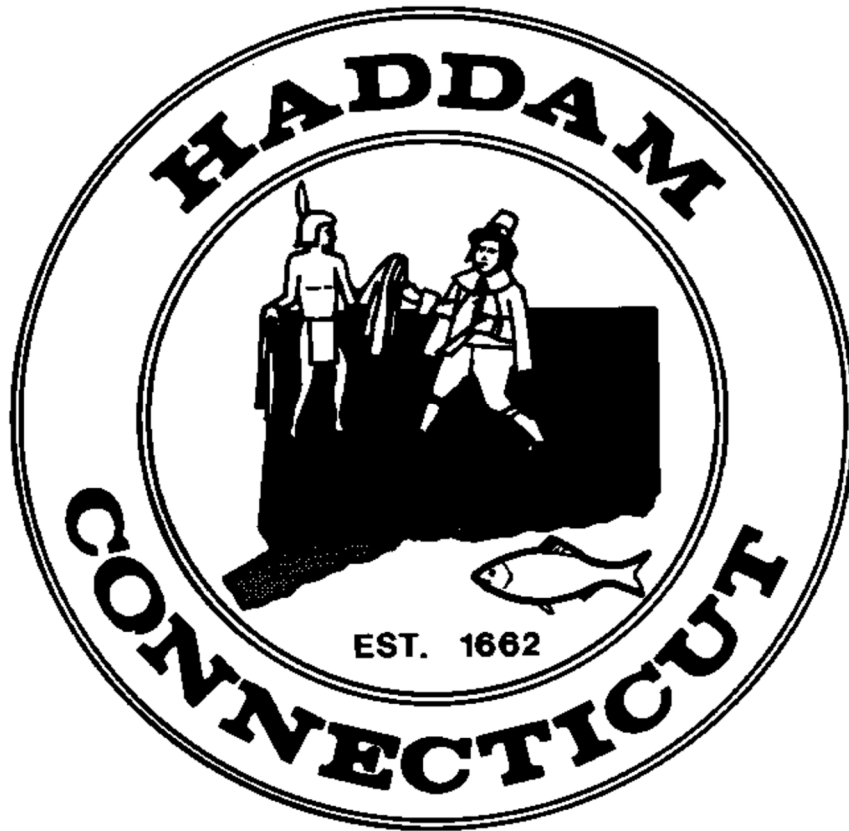


Town of Haddam, Connecticut



Annual Comprehensive Financial Report

For the Year Ended June 30, 2023

Town of Haddam, Connecticut
Annual Comprehensive Financial Report
For the Year Ended June 30, 2023

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Introductory Section

Town of Haddam, Connecticut

Principal Officials June 30, 2023

Board of Selectmen

Robert McGarry, First Selectman
Kate Anderson
Sean Moriarty

Board of Finance

Members

Joseph Centofanti, Chairman
Wayne Rutty, Vice Chairman
Marc Adelberg
Steve Bayley
Majorie DeBold
Gigi Simko
Richard Wells

Alternates

Peter Baird
Mark Lundgren
Connie Pullman

Administration

Finance Director/Treasurer	Ann Harter
Tax Collector	Kristin Battistoni
Town Clerk	Robert Siegrist
Town Planner	William Warner
Building Official	Robert Russo
Assistant Public Works Director	Chris Corsa
Assessor	Tammy Anderson
Social Services	Rebecca Rice

Financial Section



INDEPENDENT AUDITORS' REPORT

Board of Finance
Town of Haddam, Connecticut

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Haddam, Connecticut, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Town of Haddam, Connecticut's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Haddam, Connecticut, as of June 30, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter – Change in Accounting Principle

As discussed in Note 1 to the financial statements, effective July 1, 2022, the Town of Haddam, Connecticut adopted GASB Statement No. 96, *Subscription Based Information Technology Arrangements*. The new accounting guidance requires the recognition of a Subscription Based Information Technology Arrangement asset and corresponding liability. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

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

Other Information

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

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

Board of Finance
Town of Haddam, Connecticut

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 13, 2024, on our consideration of the Town of Haddam, Connecticut's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town of Haddam, Connecticut's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Town of Haddam, Connecticut's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

West Hartford, Connecticut
March 13, 2024



Town of Haddam, Connecticut

Management's Discussion and Analysis For the Year Ended June 30, 2023

As management of the Town of Haddam, Connecticut ("Town"), we offer readers of the Town's financial statements this overview and analysis of the financial activities of the Town of Haddam for the fiscal year ended June 30, 2023. Please read it in conjunction with the Town's financial statements immediately following this section.

Financial highlights

- On a government-wide basis, 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 as follows:

Change in net position	\$ 4,801,477
Total net position	51,696,923
Unrestricted net position	16,115,729

- The significant fund financial factors for the increase are as follows:

Governmental funds:

➤ positive operations of the general fund of	352,647
➤ positive operations of the capital nonrecurring fund of	(1,027,987)
➤ negative operations of the infrastructure fund of	(1,372,809)

Conversion to accrual basis on Exhibit E:

➤ capital outlay net of depreciation expense of	5,913,584
➤ net principal debt activity of	864,046
➤ change in net pension liability of	178,772
➤ amortization of pension deferred outflows of resources of	(304,431)

As of the close of the current fiscal year, the Town's governmental funds reported a combined ending fund balance of \$17,121,644, a decrease of \$2,074,848 in comparison with the prior year. The majority of the decrease is due to the fund financial factors noted above.

- The negative operations of the capital nonrecurring fund was due to project expenditures for projects funded in prior years
- Negative operations of the infrastructure fund was due to expenditure of bond proceeds issued in a prior year

- At the end of the current fiscal year, unassigned fund balance for the general fund was \$5,970,490, an increase of \$349,364 in comparison with the prior year. This unassigned balance represents 16.65% of total budgetary general fund expenditures and transfers out.
- The general fund positive operations was due mostly budget savings for insurance and benefits of \$99,388 and savings in the public works \$128,855

Overview of the basic financial statements

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

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

The government-wide financial statements present the functions of the Town that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the Town include general government, public safety, public works, health and welfare, culture and recreation and education.

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 between these accounts reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial health or position of the Town is improving or deteriorating.
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 occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

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. The Town's funds 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 a Town's near-term financing requirements.

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

For governmental funds information is presented separately in the governmental fund balance sheet and in the governmental fund schedules of revenues, expenditures and changes in fund balances for the following major funds:

- General fund
- Capital nonrecurring fund
- Infrastructure fund

Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these other governmental funds is provided in the form of combining schedules in Schedules 3 and 4 of this report.

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

Notes to financial statements

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

Required supplementary information (RSI)	In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information
General Fund budgetary comparisons	Budgetary comparison schedule is presented to demonstrate compliance with this budget.
Pension and other post-employment benefits	Progress in funding its obligation to provide pension and other post-employment benefits to its employees
Combining schedules	The combining schedules referred to earlier in connection with other governmental funds are presented immediately following the required supplementary information.
Trend tables	Tables of up to 10 years of historical data for various financial and nonfinancial related information.

Government-wide financial analysis

The analysis below focuses on the net position and changes in net position. Unrestricted net position decreased by \$1,288,621 from the prior year.

**Summary Statement of Net Position
June 30**

	2023	2022
Current and other assets	\$ 20,569,258	\$ 21,663,064
Capital assets (net)	45,589,535	39,705,918
Total assets	66,158,793	61,368,982
Deferred outflows of resources	424,422	728,853
Current liabilities outstanding	2,885,496	2,163,289
Long-term liabilities outstanding	11,696,901	12,738,092
Total liabilities	14,582,397	14,901,381
Deferred inflows of resources	303,895	301,008
Net position:		
Net investment in capital assets	35,425,080	29,337,371
Restricted	156,114	153,725
Unrestricted	16,115,729	17,404,350
Total net position	\$ 51,696,923	\$ 46,895,446

As noted earlier, net position may serve over time as a useful indicator of a Town's financial position. In the case of the Town, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$51,696,923 at the close of the fiscal year.

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

\$156,114 of the Town's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position totals \$16,115,729 and may be used to meet the Town's ongoing obligations to citizens and creditors.

The reader should remember that the basis of accounting used in the government-wide statement of activities excludes capital expenditures while its revenues include general taxes whose primary purpose is for the construction of those very assets or their related debt service.

Net position may serve over time as a useful indicator of a Town's financial position. The Town's net position increased \$4,801,447 as detailed below.

**Statement of Changes in Net Position
For the Years Ended June 30**

	<u>2023</u>	<u>2022</u>
Revenues:		
Program revenues:		
Charges for services	\$ 854,662	\$ 911,835
Operating grants and contributions	2,664,337	2,337,882
Capital grants and contributions	1,910,527	1,135,233
General revenues:		
Property taxes	32,464,355	31,225,607
Grants and contributions not restricted to specific programs	5,191	5,276
Income from investments	243,220	36,343
Gain on sale of capital assets	-	8,183
Other	128,044	14,486
Total revenues	<u>38,270,336</u>	<u>35,674,845</u>
Expenses:		
General government	1,916,834	1,666,741
Public safety	1,311,976	1,360,997
Public works	3,551,942	3,482,315
Health and welfare	427,177	432,209
Culture and recreation	589,313	561,023
Education	25,387,181	24,567,989
Interest	284,436	285,932
Total expenses	<u>33,468,859</u>	<u>32,357,206</u>
Change in net position	4,801,477	3,317,639
Net position - July 1	<u>46,895,446</u>	<u>43,577,807</u>
Net position - June 30	<u>\$ 51,696,923</u>	<u>\$ 46,895,446</u>

Management's Discussion and Analysis (continued)

Key elements of this increase are as follows:

Revenues:

Revenue category	Amount	Description
Operating grants and contributions increased by:	\$ 326,455	Due to increase in the Education cost sharing grant of \$186,770 and the new municipal revenue sharing grant of \$162,544
Capital grants and contributions increased by:	775,294	Due to increase in revenues for the sidewalk project of \$221,544 and the connectivity grant of \$399,600
Income from investment increased by:	206,877	Increase in investible monies due to the receipt of the second payment for ARPA and the continued higher interest rates

Expenses

Expense category	Amount	Description
General government expenses increased by:	\$ 250,093	Due to increase in health insurance and pension expense
Education expenses increased by:	819,192	Due to increase in RSD # 17 assessment

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 expendable resources. Such information is useful in assessing the Town's financing requirements. Unassigned fund balance may serve as a useful measure of a Town's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$17,121,644, a decrease of \$2,074,848 in comparison with the prior year.

Nonspendable	\$ 3,283
Restricted	156,114
Committed	8,977,743
Assigned	2,014,014
Unassigned	5,970,490
Total	<u>\$ 17,121,644</u>

General Fund. The general fund is the operating fund of the Town. At the end of the current fiscal year, unassigned fund balance of the general Fund was \$5,970,490. As a measure of the general fund's liquidity, it is useful to compare unassigned fund balance to total expenditures. Unassigned fund balance represents 16.65% of total general fund expenditures and transfers out.

General fund operating results were an increase in fund balance of \$352,647. Key factors related to the operating results of the general fund were as follows:

Revenue factors

- Before transfers, below are the most significant remaining variances were as follows:
 - Property taxes were more than budget by \$259,008 due to higher collections than budgeted for current year taxes of \$142,454 of prior year taxes, motor vehicle supplement of \$76,405 and interest and lien fees of \$66,715
 - Charges for services were in excess of budget by \$225,485 substantially due transfer station permits in excess of budget of \$73,385, and building and use permits of \$112,884 due to the several new construction projects during the year

Expenditure factors

After the transfers detailed below, expenditures were in line with the final budget. The most significant transfers were from unexpended budgets from the benefits and insurance, contingency and police. The unexpended budgets were transferred to the capital and nonrecurring fund.

General Fund Budgetary Highlights

Budget Transfers

- Transfers out to the capital and nonrecurring fund was increased by \$1,325,000 funded from both additional revenue appropriations and transfers from various departments noted above as follows:

Additional revenue appropriations	\$ 1,055,000
Transfers from other departments:	
General government	140,800
Public safety	80,000
Public works	102,900
Culture and recreation	<u>(3,700)</u>
Total	<u>\$ 1,375,000</u>

Capital Nonrecurring Fund. This fund accounts for the Town's annual budget appropriation that is the funding for the Town's twenty-year capital plan. The 20-year capital plan includes funding for over 175 separate projects, many of which are being funded over multiple years. The capital nonrecurring fund's revenues and other financing sources (transfers in) were less than its expenditures by \$1,027,987 due expenditure for projects funded in prior years. Total fund balance at year end totaled \$7,187,365.

Infrastructure Fund. This fund accounts for the bonds issued for road reconstruction projects. The infrastructure fund's expenditures from fund balance were \$1,372,809 as the Town completed additional roads during the year. The remain amount available for additional roads totaled \$1,549,401.

Capital assets and debt administration

Capital assets. The Town's investment in capital assets totaled \$45,589,535 (net of accumulated depreciation). The Town's capital asset purchases are approved in the capital budget.

**Capital Assets
(Net of Accumulated Depreciation)
June 30**

	2023	2022
Land	\$ 3,022,583	\$ 1,016,583
Construction in progress	12,019,404	9,255,296
Buildings and improvements	3,581,274	2,818,668
Land improvements	3,492,602	3,255,385
Right-to-use assets	87,284	35,242
Machinery and equipment	1,374,284	1,321,381
Vehicles	2,526,683	2,691,695
Infrastructure	19,485,421	19,311,668
Total	\$ 45,589,535	\$ 39,705,918
Dollar change	\$ 5,883,617	
Percentage change	14.82%	

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

Land purchase	Former Rossi property	\$ 1,900,000
Construction in progress	Tylerville sidewalks	1,127,064
	Rt 154 sidewalks	339,216
	Beaver Meadow road culvert	493,221
Buildings (4)	Former Rossi property	600,000
Machinery and equipment	Ambulance stretch and loader and CPR device	58,977

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

Long-term debt. All debt is backed by the full faith and credit of the Town. The debt outstanding is as follows:

Long-Term Debt		
June 30		
	<u>2023</u>	<u>2022</u>
Bonds payable	\$ 11,030,000	\$ 11,795,000
Notes payable	-	150,000
Leases payable	25,225	34,987
Subscriptions payable	60,716	-
	<u> </u>	<u> </u>
Total	<u>\$ 11,115,941</u>	<u>\$ 11,979,987</u>
Dollar change	<u>\$ (864,046)</u>	
Percentage change	<u>(7.21%)</u>	

The Town maintains a AAA bond rating from Standard and Poor's.

State statutes limit the amount of general obligation debt a governmental entity may issue to seven times total prior year tax collections including interest and lien fees. The current debt limitation for the Town is \$217,939,253, which is significantly in excess of the Town's outstanding general obligation debt.

Additional information on the Town's long-term debt can be found in Note III. F.

Economic factors and next year's budgets and rates

- At year end the unemployment rate for the Town was 2.9%, which is a decrease from a rate of 3.4% a year ago. The Town's rate is favorable as compared to the State unemployment rate of 3.7%
- State revenues have shown increases in the education cost sharing grant
- Funding capital replacement projects and other capital items continues to be the source of the financial pressure faced by the Town

These factors were considered in preparing the Town's budget for the 2023-2024 fiscal year.

Requests for information

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the Town's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Chairman, Board of Finance, Town of Haddam, 30 Field Park Drive, Haddam, CT 06438.

Basic Financial Statements

Town of Haddam, Connecticut

Statement of Net Position
Governmental Activities
June 30, 2023

Assets

Current assets:	
Cash	\$ 2,111,594
Investments	15,628,713
Receivables (net):	
Property taxes	299,247
Intergovernmental	1,270,964
Leases	38,097
Other	<u>33,676</u>
Total current assets	<u>19,382,291</u>
Noncurrent assets:	
Restricted assets:	
Temporarily restricted:	
Investments	<u>112,640</u>
Receivables (net):	
Property taxes	225,688
Leases	61,523
Loans	<u>85,540</u>
Total receivables (net)	<u>372,751</u>
Other noncurrent assets:	
Property held for sale	<u>701,576</u>
Capital assets (net of accumulated depreciation):	
Land	3,022,583
Construction in progress	12,019,404
Buildings and improvements	3,581,274
Land improvements	3,492,602
Intangible right-to-use assets	87,284
Machinery and equipment	1,374,284
Vehicles	2,526,683
Infrastructure	<u>19,485,421</u>
Total capital assets (net of accumulated depreciation/amortization)	<u>45,589,535</u>
Total noncurrent assets	<u>46,776,502</u>
Total assets	<u>66,158,793</u>

(Continued)

The notes to financial statements are an integral part of this statement.

Town of Haddam, Connecticut

Statement of Net Position
Governmental Activities
June 30, 2023

	<u>Deferred Outflows of Resources</u>	
Pension related		\$ 424,422
	<u>Liabilities</u>	
Liabilities:		
Current liabilities:		
Accounts payable		565,848
Accrued payroll and related liabilities		81,381
Retainage payable		126,869
Unearned revenue		1,212,362
Accrued interest payable		41,997
Overpayments		23,376
Long-term debt		790,814
Compensated absences		33,564
Landfill postclosure		9,285
Total current liabilities		<u>2,885,496</u>
Noncurrent liabilities:		
Performance bonds		112,640
Long-term debt and related liabilities		10,763,868
Compensated absences		33,563
Landfill post closure		176,423
Net pension liability		610,407
Total noncurrent liabilities		<u>11,696,901</u>
Total liabilities		<u>14,582,397</u>
	<u>Deferred Inflows of Resources</u>	
Lease related		96,337
Pension related		207,558
Total deferred inflows of resources		<u>303,895</u>
	<u>Net Position</u>	
Net investment in capital assets		35,425,080
Restricted for:		
Town clerk programs		19,990
Health and welfare		42,458
Community development programs		93,666
Unrestricted		16,115,729
Total net position		<u>\$ 51,696,923</u>
		(Concluded)

The notes to financial statements are an integral part of this statement.

Town of Haddam, Connecticut

Statement of Activities
 Governmental Activities
 For the Year Ended June 30, 2023

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
General government	\$ 1,916,834	\$ 269,006	\$ 260,430	\$ -	\$ (1,387,398)
Public safety	1,311,976	2,472	-	-	(1,309,504)
Public works	3,551,942	543,769	-	1,910,527	(1,097,646)
Health and welfare	427,177	39,415	35,957	-	(351,805)
Culture and recreation	589,313	-	-	-	(589,313)
Education	25,387,181	-	2,367,950	-	(23,019,231)
Interest	284,436	-	-	-	(284,436)
Total	\$ 33,468,859	\$ 854,662	\$ 2,664,337	\$ 1,910,527	(28,039,333)
General revenues:					
Property taxes					32,464,355
Grants and contributions not restricted to specific programs					5,191
Income from investments					243,220
Other					128,044
Total general revenues					32,840,810
Change in net position					4,801,477
Net position - July 1, 2022					46,895,446
Net position - June 30, 2023					\$ 51,696,923

The notes to financial statements are an integral part of this statement.

Town of Haddam, Connecticut

Balance Sheet
Governmental Funds
June 30, 2023

	General	Capital Nonrecurring Fund	Infrastructure Fund	Other Governmental Funds	Total Governmental Funds
<u>Assets</u>					
Cash	\$ 47,614	\$ 314,663	\$ 1,706,859	\$ 42,458	\$ 2,111,594
Investments	15,580,581	-	-	48,132	15,628,713
Restricted investments	112,640	-	-	-	112,640
Receivables:					
Property taxes	345,759	-	-	-	345,759
Intergovernmental	13,660	1,257,304	-	-	1,270,964
Leases	99,620	-	-	-	99,620
Loans	-	-	-	85,540	85,540
Accounts	33,676	-	-	-	33,676
Due from other funds	-	6,989,224	82,107	2,234,975	9,306,306
Total assets	\$ 16,233,550	\$ 8,561,191	\$ 1,788,966	\$ 2,411,105	\$ 28,994,812
<u>Liabilities</u>					
Accounts payable	\$ 533,543	\$ 32,305	\$ -	\$ -	\$ 565,848
Accrued payroll and related liabilities	81,381	-	-	-	81,381
Retainage payable	-	126,869	-	-	126,869
Due to other funds	9,066,741	-	239,565	-	9,306,306
Unearned revenue	-	1,212,362	-	-	1,212,362
Performance bonds	112,640	-	-	-	112,640
Overpayments	23,376	-	-	-	23,376
Total liabilities	9,817,681	1,371,536	239,565	-	11,428,782
<u>Deferred Inflows of Resources</u>					
Unavailable revenue:					
Property taxes	345,759	-	-	-	345,759
Intergovernmental	-	2,290	-	-	2,290
Leases	96,337	-	-	-	96,337
Total deferred inflows of resources	442,096	2,290	-	-	444,386
<u>Fund Balances</u>					
Nonspendable	3,283	-	-	-	3,283
Restricted	-	-	-	156,114	156,114
Committed	-	7,187,365	1,549,401	240,977	8,977,743
Assigned	-	-	-	2,014,014	2,014,014
Unassigned	5,970,490	-	-	-	5,970,490
Total fund balances	5,973,773	7,187,365	1,549,401	2,411,105	17,121,644
Total liabilities, deferred inflows of resources and fund balances	\$ 16,233,550	\$ 8,561,191	\$ 1,788,966	\$ 2,411,105	\$ 28,994,812

(Continued)

The notes to financial statements are an integral part of this statement.

Town of Haddam, Connecticut

**Reconciliation of Fund Balance
to Net Position of Governmental Activities
June 30, 2023**

Amounts reported in the statement of net position (Exhibit A) are different from the governmental fund balance sheet due to:

Total fund balance (Exhibit C, Page 1)	\$ 17,121,644
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Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:

Beginning capital assets	39,705,918
Current year additions (net of construction in progress)	6,894,038
Depreciation/amortization expense	(980,454)
Disposal of assets	(29,967)

Other long-term assets and deferred outflows of resources are not available resources and, therefore, are not reported in the funds:

Property tax interest and lien accrual	219,176
Allowance for doubtful accounts	(40,000)
Deferred outflows related to pensions	424,422

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

Property taxes - accrual basis change	345,759
Property held for sale	701,576
Intergovernmental	2,290

Some liabilities and deferred inflows of resources, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds:

Bonds and notes payable	(11,030,000)
Leases payable	(25,225)
Subscriptions payable	(60,716)
Premium	(438,741)
Compensated absences	(67,127)
Landfill postclosure liability	(185,708)
Net pension liability	(610,407)
Accrued interest payable	(41,997)
Deferred inflows related to pensions	(207,558)

Net position (Exhibit A)	<u>\$ 51,696,923</u>
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(Concluded)

The notes to financial statements are an integral part of this statement.

Town of Haddam, Connecticut

Statement of Revenues, Expenditures and Changes in Fund Balances
 Governmental Funds
 For the Year Ended June 30, 2023

	General	Capital Nonrecurring Fund	Infrastructure Fund	Other Governmental Funds	Total Governmental Funds
Revenues:					
Property taxes	\$ 32,370,545	\$ -	\$ -	\$ -	\$ 32,370,545
Intergovernmental	2,628,071	1,908,237	-	9,422	4,545,730
Charges for services	842,485	-	-	12,177	854,662
Income from investments	243,188	-	-	32	243,220
Contributions	-	-	-	32,035	32,035
Other	128,044	-	-	-	128,044
Total revenues	<u>36,212,333</u>	<u>1,908,237</u>	<u>-</u>	<u>53,666</u>	<u>38,174,236</u>
Expenditures:					
Current:					
General government	2,326,966	-	-	34,802	2,361,768
Public safety	931,324	-	-	-	931,324
Public works	2,220,150	-	-	-	2,220,150
Health and welfare	330,099	-	-	29,986	360,085
Culture and recreation	538,476	-	-	-	538,476
Education	25,387,181	-	-	-	25,387,181
Debt service	1,271,490	-	-	-	1,271,490
Capital outlay	-	5,805,801	1,372,809	76,440	7,255,050
Total expenditures	<u>33,005,686</u>	<u>5,805,801</u>	<u>1,372,809</u>	<u>141,228</u>	<u>40,325,524</u>
Excess (deficiency) of revenues over expenditures	<u>3,206,647</u>	<u>(3,897,564)</u>	<u>(1,372,809)</u>	<u>(87,562)</u>	<u>(2,151,288)</u>
Other financing sources (uses):					
Issuance of debt	-	-	-	76,440	76,440
Transfers in	-	2,869,577	-	-	2,869,577
Transfers out	(2,854,000)	-	-	(15,577)	(2,869,577)
Net other financing sources (uses)	<u>(2,854,000)</u>	<u>2,869,577</u>	<u>-</u>	<u>60,863</u>	<u>76,440</u>
Net change in fund balances	352,647	(1,027,987)	(1,372,809)	(26,699)	(2,074,848)
Fund balances - July 1, 2022	<u>5,621,126</u>	<u>8,215,352</u>	<u>2,922,210</u>	<u>2,437,804</u>	<u>19,196,492</u>
Fund balances - June 30, 2023	<u>\$ 5,973,773</u>	<u>\$ 7,187,365</u>	<u>\$ 1,549,401</u>	<u>\$ 2,411,105</u>	<u>\$ 17,121,644</u>

The notes to financial statements are an integral part of this statement.

Town of Haddam, Connecticut

Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2023

Amounts reported in the statement of activities (Exhibit B) are different due to:

Net change in fund balances - total governmental funds (Exhibit D) \$ (2,074,848)

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:

Capital outlay	6,894,038
Depreciation expense	<u>(980,454)</u>
Total	<u>5,913,584</u>

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins and donations) is to increase/decrease net position. In the statement of activities, only the loss on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the cost of the capital assets sold:

Disposal of capital assets	<u>(29,967)</u>
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds:

Change in property tax - accrual basis change	41,323
Change in property tax interest and lien revenue	<u>52,487</u>
Total	<u>93,810</u>

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

Debt issued or incurred:	
Subscriptions payable	(76,440)
Principal repayments:	
General obligation bonds	765,000
Notes payable	150,000
Leases payable	9,762
Subscriptions payable	<u>15,724</u>
Total	<u>864,046</u>

The notes to the financial statements are an integral part of this statement.

Town of Haddam, Connecticut

**Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2023**

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

Amortization of/change in:	
Premium	\$ 67,658
Compensated absences	(16,568)
Net pension liability	178,772
Landfill post closure liability	9,285
Accrued interest payable	4,396
Deferred inflows related to intergovernmental	2,290
Deferred outflows related to pension	(304,431)
Deferred inflows related to pension	93,450
	<hr/>
Total	34,852
	<hr/>
Change in net position (Exhibit B)	\$ 4,801,477
	<hr/> <hr/>

The notes to the financial statements are an integral part of this statement.

Town of Haddam, Connecticut
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2023

	<u>Pension Trust Fund</u>
<u>Assets</u>	
Investments:	
Mutual funds:	
Equity	\$ 2,719,573
International equity	1,189,593
Bond	2,152,825
Real estate	169,766
Annuity	<u>372,884</u>
 Total investments	 <u>6,604,641</u>
<u>Net Position</u>	
Restricted for:	
Pension benefits	<u>\$ 6,604,641</u>

The notes to financial statements are an integral part of this statement.

Town of Haddam, Connecticut
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended June 30, 2023

	Pension Trust Fund
Additions:	
Employer contributions	\$ 300,000
Investment income (loss):	
Net change in fair value of investments	516,923
Interest and dividends	8,188
Net investment income (loss)	525,111
Total additions	825,111
Deductions:	
Benefits	450,271
Administration	41,110
Total deductions	491,381
Changes in net position	333,730
Net position - July 1, 2022	6,270,911
Net position - June 30, 2023	\$ 6,604,641

The notes to financial statements are an integral part of this statement.

Town of Haddam, Connecticut

Notes to the Financial Statements
As of and for the Year Ended June 30, 2023**History and organization**

The Town of Haddam, Connecticut, was incorporated in 1668. The Town operates under the Board of Selectmen, Town Meeting and Board of Finance form of government and provides a full range of services including general government, public safety, public works, health and welfare, culture and recreation, and education, to its residents. The Town is a member of Regional School District No. 17 (the "District") along with the Town of Killingworth. The District provides education for grades K-12.

The accompanying financial statements present the Town and its component units, entities for which the Town is considered to be financially accountable. The Town is financially accountable for the pension trust funds; therefore, the pension trust funds are considered fiduciary component units. The financial statements of the fiduciary component units are reported as pension trust funds in the fiduciary fund financial statements. The pension trust funds do not issue separate financial statements.

I. Summary of significant accounting policies**A. Government-wide and fund financial statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Town. *Governmental activities* are normally supported by taxes and intergovernmental revenues.

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

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

B. Measurement focus, basis of accounting and financial statement presentation

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

Town of Haddam, Connecticut

Notes to the Financial Statements
As of and for the Year Ended June 30, 2023

B. Measurement focus, basis of accounting and financial statement presentation (continued)

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Property taxes are considered available only when received by the Town. In addition, the Town considers reimbursement grants to be available if they are collected within one year of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, pension benefits, certain other employee benefits, and certain other long-term liabilities, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in the governmental funds.

Expenditure reimbursement type grants, certain intergovernmental revenues, charges for services, transfers and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period.

The Town reports the following major governmental funds:

General Fund	The Town's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
Capital Nonrecurring Fund	Accounts for and reports resources and expenditures that are restricted, committed or assigned for capital improvements and equipment.
Infrastructure Fund	Accounts for the construction and maintenance of Town roads.

Additionally, the Town reports the following fund types:

Special Revenue Funds	Accounts for and report the proceeds of specific revenue resources that are restricted, committed or assigned to expenditures for specified purposes other than debt.
Capital Project Funds	Accounts for and reports resources and expenditures that are restricted, committed or assigned for the acquisition and construction of capital facilities, including those that are financed through special assessments.
Debt Service Fund	Accounts for and report resources and expenditures that are assigned for the repayment of debt.
Pension Trust Funds	Accounts for the activities of the Town of Haddam Retirement Plan and the Town of Haddam Volunteer Firefighters' Merit Service Retirement Plan, which accumulate resources for pension benefit payments to qualified employees.

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

Town of Haddam, Connecticut

Notes to the Financial Statements
As of and for the Year Ended June 30, 2023**B. Measurement focus, basis of accounting and financial statement presentation (continued)**

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

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position and additions to/deductions from fiduciary net position of the Town's pension plans, have been determined on the same basis as they are reported by the Town's pension plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms.

C. Assets, liabilities, deferred outflows/inflows of resources and equity**1. Cash and investments****a. Cash**

The Town considers cash as cash on hand and demand deposits.

The Town considers cash equivalents money market accounts and short-term investments with original maturities of three months or less from the date of acquisition.

b. Investments

In general, State of Connecticut Statutes allow the Town to invest in obligations of the United States of America or United States government sponsored corporations, in shares or other interests in any custodial arrangement, pool or no-load, open-end management type investment company or investment trust (as defined), in obligations of any State or political subdivision rated within the top two rating categories of any nationally recognized rating service, or in obligations of the State of Connecticut or political subdivision rated within the top three rating categories of any nationally recognized rating service. For the capital nonrecurring fund, not more than 31% can be invested in equity securities. Income from investment is recorded in the fund in which it was earned.

State Treasurer's Investment Fund is an investment pool managed by the State of Connecticut Office of the State Treasurer. Investments must be made in instruments authorized by Connecticut General Statutes 3-27c - 3-27e. Investment guidelines are adopted by the State Treasurer. The fair value of the position in the pool is the same as the value of the pool shares. There were no limitations or restrictions on any withdrawals due to redemption notice periods, liquidity fees, or redemption rates.

The Town's pension funds have adopted a formal investment policy that defines allowable investments, prohibited investments, prohibited transactions, asset allocation guidelines, diversification guidelines and fixed income and cash guidelines.

Town of Haddam, Connecticut

Notes to the Financial Statements
As of and for the Year Ended June 30, 2023

C. Assets, liabilities, deferred outflows/inflows of resources and equity (continued)

The investment guidelines for both plans are as follows:

Asset Class	Target Allocation
Domestic equity	42.00%
International equity	18.00%
Fixed income	33.00%
Real estate and alternatives	3.00%
Cash	4.00%
Total	<u>100.00%</u>

c. Method used to value investments

Investments for the Town are reported at fair value except as described below. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates.

Fair value of investments

The Town measures and records its investments using fair value measurement guidelines established by accounting principles generally accepted in the United States of America (GAAP). These guidelines recognize a three-tiered fair value hierarchy, as follows:

Level 1	Quoted prices for identical investments in active markets
Level 2	Quoted prices for identical investments in markets that are not active
Level 3	Unobservable inputs

Town of Haddam, Connecticut

Notes to the Financial Statements
As of and for the Year Ended June 30, 2023

C. Assets, liabilities, deferred outflows/inflows of resources and equity (continued)

d. Risk policies

Interest rate risk	Interest rate risk is the risk that the government will incur losses in fair value caused by changing interest rates. The Town does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.
Credit risk	Credit risk is the risk that an issuer or other counterparty will not fulfill its specific obligation even without the entity's complete failure. The Town has no investment policy that would limit its investment choices due to credit risk other than State Statutes governing investments in obligations of any State or political subdivision or in obligations of the State of Connecticut or political subdivision.
Concentration of credit risk	Concentration of credit risk is the risk attributed to the magnitude of an entity's investments in a single issuer. The Town follows the limitations specified in the Connecticut General Statutes. Generally, the Town's deposits cannot be 75% or more of the total capital in any one depository.
Custodial credit risk	Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Town will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The Town's policy follows the State of Connecticut requirements that each depository maintain segregated collateral in an amount equal to a defined percentage of its public deposits based upon the bank's risk based capital ratio.
Foreign currency risk	Foreign currency risk is the risk that the value of the investment may be affected by changes in the rate of exchange. The Town does not have a formal policy with respect the foreign currency risk.

2. Receivables and payables

a. Interfunds

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

Town of Haddam, Connecticut

Notes to the Financial Statements
As of and for the Year Ended June 30, 2023

C. Assets, liabilities, deferred outflows/inflows of resources and equity (continued)

b. Property taxes and other receivables

In the fund financial and government-wide financial statements, all trade and property tax receivables are shown net of an allowance for uncollectibles. Allowance percentages range from **18%** to **22%** of outstanding receivable balances and are calculated based upon prior collections.

Property taxes are assessed on property as of October 1. Taxes are billed in the following July and are due in two installments, July 1 and January 1. Personal property and motor vehicle taxes are billed in July and are due in one installment, on July 1, and supplemental motor vehicle taxes are due in full January 1. Liens are effective on the assessment date and are continued by filing before the end of the year following the due date.

c. Leases receivable

The Town is a lessor for noncancellable leases of buildings. The Town recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

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

Key estimates and judgments related to leases receivable include:

Discount Rate	The Town uses the interest rate charged by the vendor as the discount rate to discount the expected payments to the present value. When the interest rate charged by the vendor is not provided, the Town generally uses its estimated incremental borrowing rate as the discount rate.
Term	The term includes the noncancellable period.
Payments	Payments included in the measurement of the liability are composed of fixed payments and any purchase option price that the Town is reasonably certain to exercise.

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

3. Restricted assets

The restricted assets for the Town are restricted for performance bonds. Performance bonds are restricted until the monies are returned to the vendor after satisfactory completion of contract or the Town calls the bond for nonperformance.

Town of Haddam, Connecticut

Notes to the Financial Statements
As of and for the Year Ended June 30, 2023

4. Capital assets

Capital assets, which include property, plant, equipment, and infrastructure assets are reported in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than the capitalization threshold for that asset type and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Capital assets are defined by the Town as assets with an initial individual cost by asset type as detailed below. Property, plant and equipment of the Town are depreciated using the straight-line method over the following estimated useful lives:

Asset Type	Years	Capitalization Threshold
Land	N/A	All
Building and improvements	40-75	\$ 20,000
Land improvements	40-50	20,000
Machinery and equipment	10-50	5,000
Vehicles	10-25	All
Infrastructure	30-75	100,000
Intangible right-to use leased assets	Lease term	20,000
Intangible right-to use subscription assets	Subscription term	20,000

5. Deferred outflows/inflows of resources

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

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

The Town reports deferred outflows and inflows of resources related to pensions in the government-wide statements for differences between expected and actual experience, changes in assumptions, and net difference between projected and actual earnings on plan investments. The deferred outflow or inflow related to differences between expected and actual experience and changes in will be amortized over the average remaining service life of all plan members. The deferred outflow or inflow related to the net difference between projected and actual earnings on plan investments will be amortized over a five-year period.

Town of Haddam, Connecticut

**Notes to the Financial Statements
As of and for the Year Ended June 30, 2023****C. Assets, liabilities, deferred outflows/inflows of resources and equity (continued)**

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

Deferred inflows of resources include deferred inflows relating to the lease receivable. These amounts are deferred and are amortized to lease revenue in a systematic and rational manner over the term of the lease.

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

6. Compensated absences

Town employees accumulate vacation and sick leave hours for subsequent use or for payment upon termination or retirement. Sick leave and vacation leave expenditures are recognized in the governmental funds in the current year to the extent they are paid during the year or the vested amount is expected to be paid with available resources. A liability for these amounts has been recorded in the government-wide financial statements.

7. Long-term liabilities

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

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

8. Lease and subscription liabilities

The Town is a lessee for noncancellable leases of buildings and equipment. Additionally, the Town has certain software subscriptions that require recognition in the financial statements. The Town recognizes a lease/subscription liability and an intangible right-to-use lease/subscription asset (lease/subscription asset) in the government-wide financial statements. The Town recognizes lease/subscription liabilities with an initial, individual value of \$20,000 or more.

At the commencement of a lease/subscription, the Town initially measures the lease/subscription liability at the present value of payments expected to be made during the term. Subsequently, the lease/subscription liability is reduced by the principal portion of payments made.

Town of Haddam, Connecticut

Notes to the Financial Statements
As of and for the Year Ended June 30, 2023

C. Assets, liabilities, deferred outflows/inflows of resources and equity (continued)

The lease/subsription asset is initially measured as the initial amount of the lease/subsription liability, adjusted for payments made at or before the commencement date, plus certain initial direct costs. Subsequently, the lease/subsription asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases and subscriptions include:

Discount rate	The Town uses the interest rate charged by the lessor/subsription vendor as the discount rate to discount the expected payments to the present value. When the interest rate charged is not provided, the Town generally uses its estimated incremental borrowing rate as the discount rate.
Term	The lease/subsription term includes the noncancellable period of the lease/agreement.
Payments	Lease/subsription payments included in the measurement of the liability are composed of fixed payments and any purchase option price that the Town is reasonably certain to exercise.

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

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

9. Net position and fund balances

In the government-wide financial statements, net position is classified into the following categories:

Net investment in capital assets	This category presents the net position that reflects capital assets net of depreciation/amortization and of only the debt applicable to the acquisition or construction of these assets. Debt issued for non-capital purposes and unspent bond proceeds are excluded.
Restricted net position	This category presents the net position restricted by external parties (creditors, grantors, contributors or laws and regulations).
Unrestricted net position	The category presents the net position of the Town, which is not classified in the preceding two categories.

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. It is the Town's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

Town of Haddam, Connecticut

Notes to the Financial Statements
As of and for the Year Ended June 30, 2023

C. Assets, liabilities, deferred outflows/inflows of resources and equity (continued)

In the fund financial statements, fund balances are classified into the following categories:

Nonspendable	This category presents amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.
Restricted	This category presents amounts that can be spent only for specific purposes because of enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors or the laws or regulations of other governments.
Committed	This category presents amounts that can be used only for specific purposes determined by a formal action at the highest level of decision-making authority for the Town. Commitments may be established, modified or rescinded only through resolutions approved by the Board of Finance.
Assigned	This category presents amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Intent is also expressed by a properly approved purchase order (encumbrance).
Unassigned	This category presents amounts that do not meet the criteria above and are available for any purpose. This category is only reported in the general fund for positive amounts and in any other fund that has a fund balance deficit.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Town considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned or unassigned fund balances are available, the Town considers amounts to have been spent first out of committed funds, then assigned funds and finally unassigned funds, as needed, unless the Board of Finance has provided otherwise in its commitment or assignment actions.

10. Use of estimates

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

11. Reclassifications

Certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

Town of Haddam, Connecticut

Notes to the Financial Statements
As of and for the Year Ended June 30, 2023

II. Stewardship, compliance and accountability**A. Basis of budgeting**

Only the General Fund has a legally adopted annual budget.

The Town uses the budgetary basis of accounting under which purchase orders for contracts or other commitments are recorded in order to reserve that portion of the applicable appropriation.

Appropriations for capital projects are continued until completion of applicable projects, even when projects extend more than one fiscal year.

B. Capital projects authorizations

The following is a summary of certain capital projects:

Project	Project Authorization	Cumulative Expenditures	Balance
Dublin Hill bridge	\$ 2,357,326	\$ 2,357,326	\$ -
Tylerville water line	7,300,000	7,150,085	149,915
Bridge Street sidewalk	2,720,320	2,131,244	589,076
Route 154 sidewalks	470,350	404,840	65,510
LOTICIP	3,138,600	247,182	2,891,418
Beaver Meadow culvert	815,600	701,475	114,125
Sewer facility study	278,205	29,991	248,214
Community septic design	100,000	-	100,000
Scovill Hoe Remediation	2,126,000	416,852	1,709,148
Swing Bridge pedestrian walk way	300,000	150,000	150,000
Totals	<u>\$ 19,606,401</u>	<u>\$ 13,588,995</u>	<u>\$ 6,017,406</u>

III. Detailed notes**A. Cash and investments****1. Deposits – custodial credit risk**

At year end, the Town's bank balance, including certificates of deposit and money market funds, was exposed to custodial credit risk as follows:

Bank Balance	<u>\$12,508,502</u>
Uninsured and uncollateralized	\$ 5,551,036
Uninsured and collateral held by the pledging bank's trust department, not in the Town's name	<u>1,118,409</u>
Total amount subject to custodial credit risk	<u>\$ 6,669,445</u>

Town of Haddam, Connecticut

Notes to the Financial Statements
As of and for the Year Ended June 30, 2023

A Cash and investments (continued)

Financial instruments that potentially subject the Town to significant concentrations of credit risk consist primarily of cash. From time to time, the Town's cash account balances exceeded the Federal Deposit Insurance Corporation limit. The Town reduces its credit risk by maintaining its cash deposits with major financial institutions and monitoring their credit ratings.

2. Investments

- a. The Town's investments consisted of the following types and maturities. Specific identification was used to determine maturities:

Type of investment	Fair Value	Investment Maturities (In Years)			
		N/A	Less Than 1	1-5 Years	5-10 Years
Pooled fixed income	\$ 5,599,783	\$ -	\$ 5,599,783	\$ -	\$ -
Bank money markets	5,405,466	-	5,405,466	-	-
Certificates of deposit	40,006	-	40,006	-	-
Negotiable certificates of deposit	3,906,049	-	321,821	3,584,228	-
U.S. government agency bonds	790,049	-	341,589	448,460	-
<u>Mutual funds:</u>					
Equity	2,719,573	2,719,573	-	-	-
International equity	1,189,593	1,189,593	-	-	-
Bonds	2,152,825	-	-	974,799	1,178,026
Real estate	169,766	169,766	-	-	-
Fixed income contract	372,884	372,884	-	-	-
Total	22,345,994	\$ 4,451,816	\$ 11,708,665	\$ 5,007,487	\$ 1,178,026
Less pension funds	<u>(6,604,641)</u>				
Other funds	<u>\$ 15,741,353</u>				

Town of Haddam, Connecticut

Notes to the Financial Statements
As of and for the Year Ended June 30, 2023

A. Cash and investments (continued)

b. The Town had the following recurring fair value measurements:

<u>Investments by fair value level</u>	<u>Amount</u>	<u>Quoted Market Prices in Active Markets Level 1</u>	<u>Significant Observable Inputs Level 2</u>
Mutual funds:			
Equity	\$ 2,719,573	\$ 2,719,573	\$ -
International equity	1,189,593	1,189,593	-
Bond	2,152,825	2,152,825	-
Real estate	169,766	169,766	-
Fixed income contract	372,884	-	372,884
Negotiable certificates of deposit	3,906,049	3,906,049	-
U.S. government agency bonds	790,049	790,049	-
Total investments by fair value level	<u>11,300,739</u>	<u>\$ 10,927,855</u>	<u>\$ 372,884</u>
<u>Other investments:</u>			
Certificates of deposit	40,006		
Bank money markets	5,405,466		
Pooled fixed income	<u>5,599,783</u>		
Total other investments	<u>11,045,255</u>		
Total investments	<u>\$ 22,345,994</u>		

Level 1: Quoted prices for identical investments in active markets

Level 2: Quoted prices for identical investments that are not active

The market approach was used to determine the market value of the U.S. government securities and corporate bonds.

c. The Town's investments subject to credit risk had average ratings by Standard & Poor's as follows:

	<u>Bond Mutual Fund</u>	<u>Pooled Fixed Income</u>	<u>U.S Government Securities</u>
AAA	\$ -	\$ 6,389,832	\$ 790,049
Unrated	<u>2,152,825</u>	<u>-</u>	<u>-</u>
Totals	<u>\$ 2,152,825</u>	<u>\$ 6,389,832</u>	<u>\$ 790,049</u>

Town of Haddam, Connecticut

Notes to the Financial Statements
As of and for the Year Ended June 30, 2023

A. Cash and investments (continued)

- d. Certain investments are covered by the Securities Investor Protection Corporation ("SIPC") up to \$500,000, including \$250,000 of cash from sale or for purchase of investments, but not cash held solely for earning interest. SIPC protects securities such as notes, stocks, debentures, certificates of deposit and money funds.

The following Town investments are held by the counterparty's trust department or agent but not in the Town's name and therefore, are subject to custodial credit risk as follows:

	Total	Less Insured Amounts	Amount Subject to Custodial Credit Risk
Negotiable certificates of deposit	\$ 3,906,049	\$ 500,000	\$ 3,406,049
U.S. government securities	790,049	-	790,049
Total	<u>\$ 4,696,098</u>	<u>\$ 500,000</u>	<u>\$ 4,196,098</u>

B. Receivables

1. Receivable balances have been disaggregated by type and presented separately in the financial statements. Only receivables with allowances for uncollectible accounts, including the applicable allowances for uncollectible accounts, are presented below.

	Property Taxes		
	Taxes	Interest and lien fees	Total
Current portion	<u>\$ 229,100</u>	<u>\$ 70,147</u>	<u>\$ 299,247</u>
Long-term portion	216,659	149,029	365,688
Less allowance for uncollectibles	<u>(100,000)</u>	<u>(40,000)</u>	<u>(140,000)</u>
Net long-term portion	<u>116,659</u>	<u>109,029</u>	<u>225,688</u>
Totals (net)	<u>\$ 345,759</u>	<u>\$ 179,176</u>	<u>\$ 524,935</u>

Town of Haddam, Connecticut

Notes to the Financial Statements
As of and for the Year Ended June 30, 2023

B. Receivables (continued)

2. Lease receivable

The Town reports the following lease balances and activity:

Description	Lease Receivable	Deferred Inflow of Resources	Lease Revenue	Lease Interest Revenue
Buildings	\$ 99,620	\$ 96,337	\$ 19,308	\$ 4,924
Less: current portion	(38,097)			
Long-term portion	\$ 61,523			

Description	Agreement Terms
Buildings	The Town is the lessor for two buildings. Both buildings include the option to extend for an additional 3-year period. The leases will mature in 2025.

C. Interfund accounts

1. Interfund payables and receivables

A summary of interfund balances is as follows:

	Corresponding Fund	Due From	Due To
General fund:			
Capital nonrecurring fund	N/A	\$ -	\$ 6,749,659
Infrastructure fund	N/A	-	82,107
Medical Insurance Reserve fund	N/A	-	134,782
Grants	N/A	-	39,003
Town Clerk fund	N/A	-	19,990
Debt service	N/A	-	2,014,013
Silver Springs fund	N/A	-	27,187
Total general fund		-	9,066,741
Capital or nonrecurring:			
General fund	N/A	6,749,659	-
Infrastructure fund	N/A	239,565	-
Total capital nonrecurring fund		6,989,224	-

Town of Haddam, Connecticut

Notes to the Financial Statements
As of and for the Year Ended June 30, 2023

C. Interfund accounts (continued)

1. Interfund payables and receivables (continued)

Table with 4 columns: Fund Name, Corresponding Fund, Due From, Due To. Rows include Infrastructure fund (General, Capital nonrecurring), Total infrastructure fund, Other governmental funds (Medical Insurance Reserve, Grants, Town Clerk, Debt service, Silver Springs), Total other governmental funds, and Total.

All interfund balances resulted from the time lag between the dates payments occurred between funds for interfund goods and services provided or in instances where certain funds do not have a cash account.

2. Interfund transfers

A summary of interfund transfers for the fiscal year is as follows:

Table with 3 columns: Fund Name, Transfers In, Transfers Out. Rows include General fund (Capital or nonrecurring), Capital nonrecurring (General fund, Material Testing fund), Total Capital nonrecurring, Other governmental funds (Capital nonrecurring fund), and Total.

Transfers are used to move budgeted appropriations from the general fund for funding of the capital nonrecurring projects fund and various programs and activities in other funds.

Town of Haddam, Connecticut

Notes to the Financial Statements
As of and for the Year Ended June 30, 2023

D. Capital assets

Capital asset activity for the fiscal year was as follows:

	Balance July 1, 2022	Increases	Decreases	Balance June 30, 2023
Capital assets, not being depreciated/amortized:				
Land	\$ 1,016,583	\$ 2,006,000	\$ -	\$ 3,022,583
Construction in progress	9,255,296	6,765,967	4,001,859	12,019,404
Total capital assets, not being depreciated/ amortized	<u>10,271,879</u>	<u>8,771,967</u>	<u>4,001,859</u>	<u>15,041,987</u>
Capital assets, being depreciated/amortized:				
Buildings and improvements	5,635,552	894,948	-	6,530,500
Land improvements	4,228,186	328,323	-	4,556,509
Intangible right-to-use assets	44,351	76,440	-	120,791
Machinery and equipment	2,106,750	127,822	6,471	2,228,101
Vehicles	7,911,174	58,581	-	7,969,755
Infrastructure	50,638,233	637,816	1,235,365	50,040,684
Total capital assets, being depreciated/amortized	<u>70,564,246</u>	<u>2,123,930</u>	<u>1,241,836</u>	<u>71,446,340</u>
Total capital assets	<u>80,836,125</u>	<u>10,895,897</u>	<u>5,243,695</u>	<u>86,488,327</u>
Less accumulated depreciation/amortization for:				
Buildings and improvements	2,816,884	132,342	-	2,949,226
Land improvements	972,801	91,106	-	1,063,907
Intangible right-to-use assets	9,109	24,398	-	33,507
Machinery and equipment	785,369	74,919	6,471	853,817
Vehicles	5,219,479	223,593	-	5,443,072
Infrastructure	31,326,565	434,096	1,205,398	30,555,263
Total accumulated depreciation/amortization	<u>41,130,207</u>	<u>980,454</u>	<u>1,211,869</u>	<u>40,898,792</u>
Total capital assets, being depreciated/amortized, net	<u>29,434,039</u>	<u>1,143,476</u>	<u>29,967</u>	<u>30,547,548</u>
Capital assets, net	<u>\$39,705,918</u>	<u>\$ 9,915,443</u>	<u>\$ 4,031,826</u>	<u>\$45,589,535</u>

Town of Haddam, Connecticut

Notes to the Financial Statements
As of and for the Year Ended June 30, 2023

D. Capital assets (continued)

Intangible right-to-use assets by category are as follows:

Category	Asset	Accumulated Amortization
Intangible right-to-use land improvements	\$ 22,191	\$ 6,340
Intangible right-to-use machinery and equipment	22,160	11,879
Intangible right-to-use subscription assets	76,440	15,288
Total intangible right-to use assets	<u>\$ 120,791</u>	<u>\$ 33,507</u>

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

General government	\$ 64,436
Public safety	254,428
Public works	638,191
Health and welfare	1,098
Culture and recreation	22,301
Total depreciation/amortization expense	<u>\$ 980,454</u>

E. Construction commitments

At year-end, the Town had construction commitments totaling \$332,845 for the Bridge Street sidewalk project and the Beaver Meadow culvert project.

Town of Haddam, Connecticut
Notes to the Financial Statements
As of and for the Year Ended June 30, 2023

F. Changes in long-term liabilities

1. Summary of changes

Description	Original Amount	Date of Issue	Date of Maturity	Interest Rate	Balance July 1, 2022	Additions	Deductions	Balance June 30, 2023	Current Portion	Long-Term Portion
<u>Bonds:</u>										
Improvement bond	\$ 2,800,000	08/30/12	08/15/32	2.00-3.00%	\$ 1,540,000	\$ -	\$ 140,000	\$ 1,400,000	\$ 140,000	\$ 1,260,000
Improvement bond	6,480,000	05/09/17	05/15/37	1.45-4.00%	4,855,000	-	325,000	4,530,000	325,000	4,205,000
Improvement bond	6,000,000	06/03/20	06/01/40	2.00-5.00%	5,400,000	-	300,000	5,100,000	300,000	4,800,000
Total bonds	15,280,000				11,795,000	-	765,000	11,030,000	765,000	10,265,000
<u>Direct borrowings:</u>										
Notes payable	450,000				150,000	-	150,000	-	-	-
Total bonds and notes	15,730,000				11,945,000	-	915,000	11,030,000	765,000	10,265,000
Leases payable	44,351				34,987	-	9,762	25,225	9,382	15,843
Subscriptions payable	76,440				-	76,440	15,724	60,716	16,432	44,284
Premium					506,399	-	67,658	438,741	-	438,741
Total long-term debt and related liabilities					12,486,386	76,440	1,008,144	11,554,682	790,814	10,763,868
Compensated absences					50,559	97,250	80,682	67,127	33,564	33,563
Landfill closure and post closure liability					194,993	-	9,285	185,708	9,285	176,423
Net pension liability					789,179	646,339	825,111	610,407	-	610,407
Total long-term liabilities					\$13,521,117	\$ 820,029	\$ 1,923,222	\$ 12,417,924	\$ 833,663	\$11,584,261

All long-term liabilities are generally liquidated by the general fund.

Town of Haddam, Connecticut

Notes to the Financial Statements
As of and for the Year Ended June 30, 2023

F. Changes in long-term liabilities (continued)

2. The following is a summary of principal and interest amounts of bond and note maturities:

Year Ending June 30,	Debt Maturities	
	Bond Principal	Total Interest
2024	\$ 765,000	\$ 324,990
2025	765,000	294,190
2026	765,000	268,177
2027	765,000	240,400
2028	765,000	212,500
2029	765,000	184,460
2030	765,000	159,280
2031	765,000	136,995
2032	765,000	117,605
2033	765,000	98,075
2034	620,000	80,400
2035	620,000	64,800
2036	620,000	49,200
2037	620,000	33,600
2038	300,000	18,000
2039	300,000	12,000
2040	300,000	6,000
Total	<u>\$ 11,030,000</u>	<u>\$ 2,300,672</u>

3. Statutory debt limitations

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

Category	Debit Limit	Net Indebtedness	Balance
General purpose	\$ 70,051,903	\$ 11,030,000	\$ 59,021,903
Schools	140,103,806	3,308,700	136,795,106
Sewers	116,753,171	-	116,753,171
Urban renewal	101,186,082	-	101,186,082
Pension deficit	93,402,537	-	93,402,537

The total overall statutory debt limit for the Town is equal to seven times, annual receipts from taxation for the prior year:

\$ 217,939,253

Town of Haddam, Connecticut

Notes to the Financial Statements
As of and for the Year Ended June 30, 2023

F. Changes in long-term liabilities (continued)

The indebtedness reflected above includes bonds outstanding in addition to the amount of bonds authorized and unissued against which bond anticipation notes are issued and outstanding.

As a member of Regional School District No. 17 ("District"), the Town is contingently liable for its pro rata share of the District's debt. At year-end, the District had \$5,380,000 bonds outstanding of which 61.50% is the Town's portion which totaled \$3,308,700.

4. Authorized/unissued bonds

The amount of authorized and unissued bonds for general purposes is \$1,007,250.

5. Landfill closure and post-closure care costs

State and Federal laws and regulations require that the Town perform certain maintenance and monitoring functions at the landfill site for 30 years. Estimated total current costs of landfill post-closure care is \$194,993 which is based on the amount estimated to be paid for all equipment, facilities and services required to monitor and maintain the landfill. However, the actual cost of monitoring and other post-closure care may be higher due to inflation, changes in technology or changes in landfill laws and regulations.

6. Leases

Lease agreements are summarized as follows:

Description	Year	Lease Term (years)	Interest Rate*	Original Amount*	Balance June 30, 2023
Postage meter	2022	1.58	2.00%	\$ 4,783	\$ 1,098
Copiers	2022	3.33	2.00%	17,377	7,341
Cell tower	2022	5.58	2.00%	22,191	16,786
Totals				\$ 44,351	\$ 25,225

*All interest rates have been imputed based on the rate from recently issued debt as there were no interest rates specified in the lease agreement.

Description	Lease Agreement Terms
Postage meter	The lease is not renewable and the Town will not acquire the equipment at the end of the term.
Copiers	These leases are not renewable and the Town will not acquire the equipment at the end of the term.
Cell tower	This lease includes 2 additional 5-year extension terms that the Town intends to exercise.

Town of Haddam, Connecticut

Notes to the Financial Statements
As of and for the Year Ended June 30, 2023

F. Changes in long-term liabilities (continued)

The following is a summary of lease payable principal and interest payments to maturity:

Year Ending June 30	Principal	Interest
2024	\$ 9,382	\$ 505
2025	5,592	317
2026	3,747	205
2027	4,099	130
2028	2,405	48
Totals	<u>\$ 25,225</u>	<u>\$ 1,205</u>

7. Subscription arrangements

Subscription arrangements are summarized as follows:

Description	Year	Subscription Term (years)	Interest Rate*	Original Amount	Balance June 30, 2023
Town clerk software	2023	2.5	4.50%	<u>\$76,440</u>	<u>\$ 60,716</u>

* All interest rates have been imputed based on the rate from recently issued debt as there were no interest rates specified in the subscription agreement.

Description	Terms
Town clerk software	The Town has a subscription arrangement for the use of the software for public access to on-line land records. This arrangement does not include an option to extend.

Town of Haddam, Connecticut

Notes to the Financial Statements
As of and for the Year Ended June 30, 2023

F. Changes in long-term liabilities (continued)

The following is a summary of subscription payable principal and interest payments to maturity:

Year Ending June 30	Principal	Interest
2024	\$ 16,432	\$ 2,732
2025	17,171	1,993
2026	17,944	1,220
2027	9,169	413
Totals	<u>\$60,716</u>	<u>\$ 6,358</u>

G. Fund balance classifications and restricted net position

Fund balances are classified as follows:

	General	Capital Nonrecurring	Infrastructure	Other Governmental Funds	Total
Nonspendable:					
Lease receivable	\$ 3,283	\$ -	\$ -	\$ -	\$ 3,283
Restricted:					
Housing rehabilitation programs	-	-	-	93,666	93,666
Social services programs	-	-	-	42,458	42,458
Town clerk programs*	-	-	-	19,990	19,990
Total restricted	-	-	-	156,114	156,114
Committed:					
Approved projects	-	6,854,520	1,549,401	-	8,403,921
Construction commitments	-	332,845	-	-	332,845
Insurance	-	-	-	134,782	134,782
Health and welfare programs	-	-	-	39,003	39,003
Public works programs	-	-	-	27,186	27,186
Open space programs	-	-	-	40,006	40,006
Total committed	-	7,187,365	1,549,401	240,977	8,977,743
Assigned:					
Debt service	-	-	-	2,014,014	2,014,014
Unassigned:					
	5,970,490	-	-	-	5,970,490
Total	<u>\$ 5,973,773</u>	<u>\$ 7,187,365</u>	<u>\$ 1,549,401</u>	<u>\$ 2,411,105</u>	<u>\$ 17,121,644</u>

* The amount of net position which is restricted by enabling legislation totaled: \$ 19,990

Town of Haddam, Connecticut

**Notes to the Financial Statements
As of and for the Year Ended June 30, 2023****IV. Other information****A. Risk management**

The Town is exposed to various risks of loss including torts, theft of, damage to and destruction of assets; errors or omissions; injuries to employees and natural disasters. Generally, the Town obtains commercial insurance for these risks, but has chosen to retain limited risks for employee medical, dental, and prescriptions claims. The Town contracts with outside organizations to pay claims and provide administrative services. Additionally, insurance coverage has been purchased to limit the Town's liability for worker's compensation, general liability and medical claims. Settled claims have not exceeded commercial coverage in any of the past three years, and there has not been any significant reductions in insurance coverage from amounts held in prior years.

B. Commitments and litigation

Amounts received or receivable from Federal and State grantor agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, 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.

The Town is a defendant in various lawsuits and the outcome of these lawsuits is not presently determinable. The resolution of these matters is not expected to have a material adverse effect on the financial condition of the Town.

C. Tax abatements

The Town provides a tax abatement under the High Meadow tax abatement program. The High Meadow tax abatement agreement was created to provide a real property tax abatement to facilitate the provision of low-income elderly housing within the Town pursuant to Connecticut General Statutes Section 8-215. Under the terms of the agreement, moneys equivalent to taxes abated are to be utilized for either or both the following purpose:

- The reduction of rents below levels, which would be achieved in the absence of such an abatement program.
- To provide necessary related facilities or services in such housing.

In performing the above, the property owner receives an abatement of 100% of the real property taxes. Continuation of the agreement is conditioned upon continued compliance with the provisions of the agreement and is terminated upon sale or transfer of the property for any other purpose unless the Town has consented thereto. During the fiscal year, taxes abated through this program total **\$31,383**. No other commitments have been made by the Town to the abatement recipient under this program.

Town of Haddam, Connecticut

Notes to the Financial Statements
As of and for the Year Ended June 30, 2023

V. Pensions plans

A. Town pension plans

1. Plan description

a. Plan administration

The Town administers two single-employer defined benefit pension plans: Town of Haddam Retirement Plan (the Town Employees' Pension Plan) and the Town of Haddam Volunteer Firefighters' Merit Service Retirement Plan (the Volunteer Firefighters' Pension Plan) (the "Plans"). Benefit provisions of the Plans are established and can be amended by the Board of Selectmen. The Town of Haddam Retirement Plan is closed to employees hired after July 1, 2016. The Plans do not issue separate standalone reports and are reported as pension trust funds.

b. Plan membership

The membership in the plans is as follows:

	January 1 2022	July 1 2021
Member category	Town Employees' Plan	Volunteer Firefighters' Plan
Retirees and beneficiaries currently receiving benefits	22	30
Vested terminated plan members	10	56
Active members	13	56
Total	<u>45</u>	<u>142</u>

Town of Haddam, Connecticut

Notes to the Financial Statements
As of and for the Year Ended June 30, 2023

A. Town pension plans (continued)

2. Benefit provisions

	Town Employees' Plan	Volunteer Firefighters' Plan
Normal retirement	Age 65 with 5 years of continuous service	Later attainment of age 65 or 5 years of continuous service
Benefit calculation	2.00% average monthly compensation multiplied by years of service	Member before July 1, 1990: \$10.00 per month multiplied by years of credited service
		Member between July 1, 1990 - July 1, 2000: \$15.00 per month multiplied by years of credited service
		Member between July 1, 2000 - July 1, 2010: \$17.50 per month multiplied by years of credited service
		Member after July 1, 2010: \$20.00 per month multiplied by years of credited service. To a maximum monthly pension of \$437.50
Final average compensation	Average monthly compensation, based on highest 5 consecutive years out of final 10	N/A - volunteer plan
Early retirement requirement	Age 55 with 7 years of vesting service	Age 55, 5 years of active participation and 10 years of credited service
Early retirement benefit	Accrued benefit as of early retirement date	Benefit reduced by 6.60% for first 5 years and 3.30% for next 5 years until normal retirement date
Vesting - service	20% with 3 years of service increasing annually to 100% with 7 years of service	50% with 5 years of credited service increasing annually to 100% with 10 years of service

3. Contributions

Contribution requirements of the plan members and the Town are established, and may be amended, by the Board of Selectmen. The Town is required to annually contribute an actuarially determined amount to fund benefits. Contribution amounts and percentages were as follows:

	Town Employees' Plan	Volunteer Firefighters' Plan
Employer contributions	\$ 200,000	\$ 100,000
Town average contribution rate of covered payroll was	25.82%	N/A

Town of Haddam, Connecticut

Notes to the Financial Statements
As of and for the Year Ended June 30, 2023

A. Town pension plans (continued)**4. Investments****a. Investment policy**

The pension plans' policy in regard to the allocation of invested assets is established and may be amended by the Plan Trustees by a majority vote of its members. It is the policy of the Plan 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

The adopted asset allocation policy for the plan is below.

b. Concentrations

There were no investments in any one organization that represented 5% or more of the pension plan's net position.

c. Rate of return

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

Best estimates of arithmetic real rates of return for each major asset class included in the pension plans' target asset allocation (see the discussion of the pension plans' investment policy) are as follows:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Rate of Return</u>	
		<u>Town Employees Plan</u>	<u>Volunteer Firefighters Plan</u>
Domestic equity	42.00%	5.76%	5.70%
International equity	18.00%	7.65%	7.90%
Fixed income	33.00%	2.27%	1.95%
Real estate and alternatives	3.00%	6.71%	4.11%
Cash	4.00%	0.61%	0.20%
Total/weighted average	<u>100.00%</u>	3.50%	4.50%
Inflation		<u>3.00%</u>	<u>2.00%</u>
Expected long-term real rate of return		<u>6.50%</u>	<u>6.50%</u>

Town of Haddam, Connecticut

Notes to the Financial Statements
As of and for the Year Ended June 30, 2023

A. Town pension plans (continued)

d. Annual money-weighted rate of return

The annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was as follows:

	<u>Town Employees'</u>	<u>Volunteer Firefighters'</u>
Rate of return	8.92%	8.91%

The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

5. Net pension liability

The components of the net pension liability were as follows:

	<u>Town Employees Plan</u>	<u>Volunteer Firefighters Plan</u>
Total pension liability	\$ 4,786,754	\$ 2,428,294
Plan fiduciary net position	<u>4,606,263</u>	<u>1,998,378</u>
Net pension liability	<u>\$ 180,491</u>	<u>\$ 429,916</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>96.23%</u>	<u>82.30%</u>

Town of Haddam, Connecticut

Notes to the Financial Statements
As of and for the Year Ended June 30, 2023

A. Town pension plans (continued)

6. Actuarial methods and significant assumptions

The pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement.

Assumption	Town Employees' Plan	Volunteer Firefighters' Plan
Valuation date	January 1, 2022	July 1, 2021
Actuarial cost method	Entry age normal	Entry age normal
Asset valuation method	Fair value	Fair value
Investment rate of return	6.50%	6.50%
Inflation	3.00%	2.00%
Salary increases	4.00%	N/A
Discount rate	6.50%	6.50%
Mortality rates	PRI-2012 Amount Weighted White Collar Mortality Table with Improvement Scale MP-2021	SOA Pub-2010 Mortality Table for Public Safety Employees Adjusted with Improvement Scale MP-2020

7. Changes from prior year

a. Changes in assumptions (both plans)

There were no changes in assumptions.

Changes in benefit terms (both plans)

b. There were no changes in benefit terms.

8. Discount rate

The discount rate used to measure the total pension liability was as follows:

	<u>Town Employees'</u>	<u>Volunteer Firefighters'</u>
Discount rate	6.50%	6.50%

The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that Town contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's projected fiduciary net position will be sufficient to cover projected benefit payments and administrative expenses indefinitely. Therefore, the long-term expected rate of return on pension plan investments was used to discount plan liabilities.

Town of Haddam, Connecticut

Notes to the Financial Statements
As of and for the Year Ended June 30, 2023

A. Town pension plans (continued)**9. Changes in the net pension liability**

The Town's 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 dated as noted below.

<u>Actuarial valuation date: January 1, 2022</u>	<u>Increase (Decrease)</u>		
<u>Town Employees' Plan</u>	<u>Total Pension Liability (a)</u>	<u>Plan Fiduciary Net Position (b)</u>	<u>Net Pension Liability (Asset) (a) - (b)</u>
Balance at July 1, 2022	\$ 4,702,070	\$4,389,671	\$ 312,399
Service cost	105,828	-	105,828
Interest	302,171	-	302,171
Contributions - employer	-	200,000	(200,000)
Net investment income	-	366,783	(366,783)
Benefit payments, including refunds of member contributions	(323,315)	(323,315)	-
Administration	-	(26,876)	26,876
Net change	84,684	216,592	(131,908)
Balance at June 30, 2023	<u>\$ 4,786,754</u>	<u>\$4,606,263</u>	<u>\$ 180,491</u>
<u>Actuarial valuation date: July 1, 2021</u>	<u>Increase (Decrease)</u>		
<u>Volunteer Firefighters' Plan</u>	<u>Total Pension Liability (a)</u>	<u>Plan Fiduciary Net Position (b)</u>	<u>Net Pension Liability (a) - (b)</u>
Balance at July 1, 2022	\$ 2,358,020	\$1,881,240	\$ 476,780
Service cost	45,089	-	45,089
Interest	152,141	-	152,141
Contributions - employer	-	100,000	(100,000)
Net investment income	-	158,328	(158,328)
Benefit payments, including refunds of member contributions	(126,956)	(126,956)	-
Administration	-	(14,234)	14,234
Net change	70,274	117,138	(46,864)
Balance at June 30, 2023	<u>\$ 2,428,294</u>	<u>\$1,998,378</u>	<u>\$ 429,916</u>

Town of Haddam, Connecticut

Notes to the Financial Statements
As of and for the Year Ended June 30, 2023

A. Pension plans (continued)

10. Sensitivity of the net pension liability to changes in the discount rate

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

Plan	Discount Rate	1% Decrease	Current Discount Rate	1% Increase
Town Employees' Plan	6.50%	\$ 726,240	\$ 180,491	\$ (288,904)
Volunteer Firefighters' Plan	6.50%	712,822	429,916	191,322

11. Pension expense and deferred outflows and inflows of resources

For the fiscal year, the Town recognized pension expense as follows:

Plan	
Town Employees' Plan	\$ 252,852
Volunteer Firefighters' Plan	106,673

The Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Town Employees' Plan</u>	Deferred Outflows of Resources
Description of Outflows/Inflows	
Differences between expected and actual experience	\$ 12,992
Changes in assumptions	1,770
Net difference between projected and actual earnings on pension plan investments	<u>255,940</u>
Total	<u>\$ 270,702</u>

Town of Haddam, Connecticut

Notes to the Financial Statements
As of and for the Year Ended June 30, 2023

A. Pension plans (continued)

<u>Volunteer Firefighters' Plan</u>	Deferred Outflows of Resources	Deferred Inflows of Resources	Net
Description of Outflows/Inflows			
Differences between expected and actual experience	\$ 22,839	\$ 182,729	\$ (159,890)
Changes in assumptions	9,914	24,829	(14,915)
Net difference between projected and actual earnings on pension plan investments	<u>120,967</u>	<u>-</u>	<u>120,967</u>
Total	<u>\$ 153,720</u>	<u>\$ 207,558</u>	<u>\$ (53,838)</u>

Actual investment earnings below (or above) projected earnings are amortized over 5 years. Changes of assumptions and experience losses (gains) are amortized over the average remaining service period of actives and inactive employees, which were as follows:

Plan	Years
Town Employees' Plan	2.30
Volunteer Firefighters' Plan	5.60

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

Year Ending June 30,	Town Employees' Plan	Volunteer Firefighters' Plan
2024	\$ 62,448	\$ (8,586)
2025	21,888	(34,586)
2026	203,628	27,226
2027	<u>(17,262)</u>	<u>(37,892)</u>
Total	<u>\$ 270,702</u>	<u>\$ (53,838)</u>

Town of Haddam, Connecticut

Notes to the Financial Statements
As of and for the Year Ended June 30, 2023

B. Total pension plans

<u>Plan</u>	<u>Net Pension Liability</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Pension Expense</u>
Town Employees' Plan	\$ 180,491	\$ 270,702	\$ -	\$ 11,738
Volunteer Firefighters Plan	<u>429,916</u>	<u>153,720</u>	<u>207,558</u>	<u>117,143</u>
Total	<u>\$ 610,407</u>	<u>\$ 424,422</u>	<u>\$ 207,558</u>	<u>\$ 128,881</u>

C. Defined contribution retirement savings plan

The Town established a defined contribution plan effective July 1, 2018 to provide benefits at retirement to employees of the Town. The Board of Selectmen and First Selectman administers this single employer defined contribution benefit plan. All full-time employees of the Town are eligible to participate in the defined contribution plan and there are no required employee contribution amounts. Plan provisions and contribution requirements are established by an ordinance approved by the Town's Board of Selectmen and may be amended by the Board subject to various bargaining unit approvals.

The Plan requires the Town to contribute a minimum of 3% for all employees participating in the plan up to a 5% matching contribution. Employees are fully vested in all employee contributions and are fully vested after 1,000 hours worked in a year for employer contributions.

There are 13 participants in the plan. During the fiscal year contributions and covered payroll were as follows:

Employee contributions	\$ 26,158
Town contributions	24,721
Covered payroll	503,629

Town of Haddam, Connecticut

Notes to the Financial Statements
As of and for the Year Ended June 30, 2023

D. Pension plan statements

Pension Trust Funds
Combining Statement of Fiduciary Net Position
June 30, 2023

	Town Employees' Plan	Volunteer Firefighters' Plan	Total
<u>Assets</u>			
Investments at fair value:			
Mutual Funds:			
Equity	\$ 1,894,754	\$ 824,819	\$ 2,719,573
International equity	831,282	358,311	1,189,593
Bond	1,502,089	650,736	2,152,825
Real estate	118,275	51,491	169,766
Fixed income contract	259,863	113,021	372,884
	<u>4,606,263</u>	<u>1,998,378</u>	<u>6,604,641</u>
Total investments			
	<u>4,606,263</u>	<u>1,998,378</u>	<u>6,604,641</u>
<u>Net Position</u>			
Restricted for pension benefits	<u>\$ 4,606,263</u>	<u>\$ 1,998,378</u>	<u>\$ 6,604,641</u>

Town of Haddam, Connecticut

Notes to the Financial Statements
As of and for the Year Ended June 30, 2023

E. Pension plan statements (continued)

Pension Trust Funds
Combining Statement of Changes in Fiduciary Net Position
For the Year Ended June 30, 2023

	Town Employees' Plan	Volunteer Firefighters' Plan	Total
Additions:			
Contributions:			
Employer contribution	\$ 200,000	\$ 100,000	\$ 300,000
Investment income (loss):			
Change in fair value of investments	361,068	155,855	516,923
Interest and dividends	5,715	2,473	8,188
Total investment income (loss)	366,783	158,328	525,111
Total additions	566,783	258,328	825,111
Deductions:			
Benefits	323,315	126,956	450,271
Administration	26,876	14,234	41,110
Total deductions	350,191	141,190	491,381
Changes in net position	216,592	117,138	333,730
Net position - July 1, 2022	4,389,671	1,881,240	6,270,911
Net position - June 30, 2023	\$ 4,606,263	\$ 1,998,378	\$ 6,604,641

Required Supplementary Information

Type	Description
Budgetary	Schedule of Revenues - Budget and Actual - General Fund
	Schedule of Expenditures and Other Financing Uses - Budget and Actual - General Fund
	Notes to Required Supplementary Information - Budgets and Budgetary Accounting
<u>Pension Plans</u> Employee Plan Volunteer Fire Plan	Schedule of Changes in Net Pension Liability and Related Ratios and Schedule of Investment Returns
	Schedule of Contributions
	Notes to Required Supplementary Information

Town of Haddam, Connecticut

Required Supplementary Information

**General Fund
Schedule of Revenues
Budget and Actual
For the Year Ended June 30, 2023**

	Original Budget	Additional Appropriations and Transfers	Final Budget	Actual	Variance With Final Budget
Property taxes:					
Property taxes	\$ 31,495,537	\$ 117,000	\$ 31,612,537	\$ 31,637,991	\$ 25,454
Motor vehicle supplement	300,000	76,000	376,000	376,405	405
Prior year tax collections	200,000	-	200,000	170,287	(29,713)
Interest and lien fees	100,000	66,000	166,000	166,715	715
South central water authority	3,000	-	3,000	3,410	410
Telecommunications access	13,000	-	13,000	15,737	2,737
Total property taxes	32,111,537	259,000	32,370,537	32,370,545	8
Intergovernmental revenues:					
Education cost grant	2,368,188	-	2,368,188	2,367,950	(238)
State owned property	-	59,000	59,000	59,710	710
Mashantucket Pequot	-	-	-	908	908
Property tax relief - veterans	-	-	-	3,556	3,556
Property tax relief - disabled	-	-	-	727	727
Other state grants	-	195,000	195,000	195,220	220
Total intergovernmental revenues	2,368,188	254,000	2,622,188	2,628,071	5,883
Charges for services:					
Town clerk - recording fees	40,000	-	40,000	38,899	(1,101)
Town clerk	10,000	-	10,000	13,346	3,346
Conveyance tax	150,000	-	150,000	124,557	(25,443)
Transfer station permits	100,000	73,000	173,000	173,385	385
Dog licenses	5,000	-	5,000	2,472	(2,528)
Building and land use permits	257,500	112,000	369,500	370,384	884
Photocopy fees	7,500	-	7,500	7,480	(20)
Rental of buildings	2,500	16,000	18,500	39,415	20,915
Recycling fees	-	-	-	1,288	1,288
State trooper OT reimbursements	30,000	-	30,000	38,934	8,934
Cell tower rent	2,000	-	2,000	-	(2,000)
Other fees	12,500	-	12,500	32,325	19,825
Total charges for services	617,000	201,000	818,000	842,485	24,485
Income from investments	20,000	223,000	243,000	243,188	188
Other	10,000	118,000	128,000	128,044	44
Total revenues	\$ 35,126,725	\$ 1,055,000	\$ 36,181,725	\$ 36,212,333	\$ 30,608

See Notes to Required Supplementary Information.

Town of Haddam, Connecticut

Required Supplementary Information

General Fund
Schedule of Expenditures and Other Financing Uses
Budget and Actual
For the Year Ended June 30, 2023

	Original Budget	Additional Appropriations and Transfers	Final Budget	Actual	Variance With Final Budget
General government:					
Selectmen	\$ 166,838	\$ 5,400	\$ 172,238	\$ 167,792	\$ 4,446
Finance Department	145,918	900	146,818	146,807	11
Probate	2,435	-	2,435	2,435	-
Elections	67,450	8,800	76,250	76,165	85
Board of Finance	49,250	-	49,250	48,636	614
Assessor	134,791	-	134,791	130,595	4,196
Board of Assessment Appeal	110	-	110	0	110
Tax Collector	70,727	-	70,727	69,372	1,355
Town Counsel	39,000	-	39,000	27,188	11,812
Town Clerk	123,774	5,000	128,774	127,437	1,337
Planning and zoning	200	-	200	-	200
Zoning Board of Appeals	110	-	110	-	110
Wetlands	100	-	100	-	100
Central Services	126,672	7,500	134,172	133,966	206
Benefits and Insurance	1,212,220	(28,900)	1,183,320	1,083,932	99,388
EDC	6,150	-	6,150	5,311	839
Land Use Office	328,240	-	328,240	304,830	23,410
Conservation	2,000	-	2,000	1,000	1,000
Sustainability Committee	1,500	-	1,500	1,500	-
Contingency	139,500	(139,500)	-	-	-
Total general government	2,616,985	(140,800)	2,476,185	2,326,966	149,219
Public safety:					
Fire Protection	340,205	-	340,205	326,767	13,438
Police	370,625	(80,000)	290,625	284,904	5,721
Animal Control	20,585	-	20,585	19,544	1,041
Emergency Management	13,710	-	13,710	6,862	6,848
Fire Marshal	23,546	-	23,546	19,880	3,666
Dispatch Services	124,983	-	124,983	124,982	1
Ambulance and Paramedic Services	148,449	-	148,449	148,385	64
Total public safety	1,042,103	(80,000)	962,103	931,324	30,779
Public works:					
Administration and operations	1,221,394	(146,900)	1,074,494	1,023,516	50,978
Public Buildings and Property	494,151	68,500	562,651	546,105	16,546
Snow and Ice Removal	269,000	(32,500)	236,500	216,503	19,997
Engineering	50,000	8,000	58,000	57,785	215
Waste Disposal	417,360	-	417,360	376,241	41,119
Total public works	2,451,905	(102,900)	2,349,005	2,220,150	128,855
Health and welfare:					
Social and Senior Services	146,504	-	146,504	133,935	12,569
Youth and Family Services	102,000	-	102,000	102,000	-
Health District	94,164	-	94,164	94,164	-
Total health and welfare	342,668	-	342,668	330,099	12,569

(Continued)

See Notes to Required Supplementary Information.

Town of Haddam, Connecticut
Required Supplementary Information
General Fund
Schedule of Expenditures and Other Financing Uses
Budget and Actual
For the Year Ended June 30, 2023

	<u>Original Budget</u>	<u>Additional Appropriations and Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Culture and recreation:					
Haddam park and recreation	\$ 49,600	\$ -	\$ 49,600	\$ 49,171	\$ 429
H/K Recreation Authority	88,183	-	88,183	88,183	-
Culture and recreation	<u>397,610</u>	<u>3,700</u>	<u>401,310</u>	<u>401,122</u>	<u>188</u>
Total culture and recreation	<u>535,393</u>	<u>3,700</u>	<u>539,093</u>	<u>538,476</u>	<u>617</u>
Education - RSD No. 17	<u>25,387,181</u>	<u>-</u>	<u>25,387,181</u>	<u>25,387,181</u>	<u>-</u>
Debt service	<u>1,271,490</u>	<u>-</u>	<u>1,271,490</u>	<u>1,271,490</u>	<u>-</u>
Total expenditures	33,647,725	(320,000)	33,327,725	33,005,686	322,039
Other financing uses:					
Transfers out:					
Capital nonrecurring	<u>1,479,000</u>	<u>1,375,000</u>	<u>2,854,000</u>	<u>2,854,000</u>	<u>-</u>
Total expenditures and other financing uses	<u>\$ 35,126,725</u>	<u>\$ 1,055,000</u>	<u>\$ 36,181,725</u>	<u>\$ 35,859,686</u>	<u>\$ 322,039</u>

(Concluded)

See Notes to Required Supplementary Information.

Town of Haddam, Connecticut**Notes to Required Supplementary Information****Budgets and Budgetary Accounting
For the Year Ended June 30, 2023**

The Town adheres to the following procedures in establishing the budgetary data included in the general fund financial statements in accordance with State Statutes. The operating budget, which is prepared by function and department, includes proposed expenditures and the means of financing them.

Formal budgetary integration is employed as a management control device during the year.

The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP) (modified accrual basis).

The budget is recommended by the Board of Finance at a Town Meeting in May.

The legal level of control (the level at which expenditures may not legally exceed appropriations) is at the department level.

The Board of Finance is authorized to transfer budgeted amounts within and between departments and to approve the first additional appropriation for a department, not to exceed \$32,500, in any one year. Additional appropriations after the first or in excess of \$32,500 must be approved by vote of a Town Meeting.

During the year, there were additional appropriations from increased revenue appropriations of: \$ 1,055,000

Town of Haddam, Connecticut

Required Supplementary Information

Employee Plan
Last Ten Years

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Schedule of Changes in Net Pension Liability and Related Ratios										
Total pension liability:										
Service cost	\$ 105,828	\$ 101,580	\$ 118,973	\$ 138,172	\$ 165,348	\$ 122,689	\$ 132,292	\$ 167,624	\$ 168,836	\$ 168,836
Interest	302,171	308,774	326,495	359,561	349,710	338,780	323,985	318,674	315,305	285,670
Differences between expected and actual experience	-	99,600	8,967	(597,056)	113,222	20,588	(233,719)	44,324	(118,691)	111,968
Changes in assumptions	-	13,568	(23,631)	(74,621)	(11,248)	44,903	383,635	(46,251)	194,605	-
Benefit payments, including refunds of member contributions	<u>(323,315)</u>	<u>(925,905)</u>	<u>(391,707)</u>	<u>(308,466)</u>	<u>(507,102)</u>	<u>(356,873)</u>	<u>(645,672)</u>	<u>(159,641)</u>	<u>(163,836)</u>	<u>(125,095)</u>
Net change in total pension liability	84,684	(402,383)	39,097	(482,410)	109,930	170,087	(39,479)	324,730	396,219	441,379
Total pension liability - July 1	<u>4,702,070</u>	<u>5,104,453</u>	<u>5,065,356</u>	<u>\$5,547,766</u>	<u>5,437,836</u>	<u>5,267,749</u>	<u>5,307,228</u>	<u>4,982,498</u>	<u>4,586,279</u>	<u>4,144,900</u>
Total pension liability - June 30 (a)	<u>\$4,786,754</u>	<u>\$4,702,070</u>	<u>\$ 5,104,453</u>	<u>\$5,065,356</u>	<u>\$ 5,547,766</u>	<u>\$ 5,437,836</u>	<u>\$ 5,267,749</u>	<u>\$ 5,307,228</u>	<u>\$ 4,982,498</u>	<u>\$4,586,279</u>
Plan fiduciary net position:										
Contributions - employer	\$ 200,000	250,000	\$ 358,931	\$ 466,478	\$ 234,590	\$ 255,963	\$ 273,000	\$ 256,564	\$ 240,000	\$ 227,608
Net investment income (loss)	366,783	(747,643)	1,215,394	83,237	280,946	206,196	447,515	(24,561)	57,117	523,998
Benefit payments, including refunds of member contributions	(323,315)	(925,905)	(391,707)	(308,466)	(507,102)	(356,873)	(645,672)	(159,641)	(163,836)	(125,095)
Administration	<u>(26,876)</u>	<u>(26,717)</u>	<u>(26,925)</u>	<u>(22,761)</u>	<u>(24,888)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,243</u>
Net change in plan fiduciary net position	216,592	(1,450,265)	1,155,693	218,488	(16,454)	105,286	74,843	72,362	133,281	637,754
Plan fiduciary net position - July 1	<u>4,389,671</u>	<u>5,839,936</u>	<u>4,684,243</u>	<u>4,465,755</u>	<u>4,482,209</u>	<u>4,376,923</u>	<u>4,301,980</u>	<u>4,229,618</u>	<u>4,096,337</u>	<u>3,458,583</u>
Plan fiduciary net position - June 30 (b)	<u>\$4,606,263</u>	<u>\$4,389,671</u>	<u>\$ 5,839,936</u>	<u>\$4,684,243</u>	<u>\$ 4,465,755</u>	<u>\$ 4,482,209</u>	<u>\$ 4,376,823</u>	<u>\$ 4,301,980</u>	<u>\$ 4,229,618</u>	<u>\$4,096,337</u>
Net pension liability (asset) - June 30 (a)-(b)	<u>\$ 180,491</u>	<u>\$ 312,399</u>	<u>\$ (735,483)</u>	<u>\$ 381,113</u>	<u>\$ 1,082,011</u>	<u>\$ 955,627</u>	<u>\$ 890,926</u>	<u>\$ 1,005,248</u>	<u>\$ 752,880</u>	<u>\$ 489,942</u>
percentage of the total pension liability	<u>96.23%</u>	<u>93.36%</u>	<u>114.41%</u>	<u>92.48%</u>	<u>80.50%</u>	<u>82.43%</u>	<u>83.09%</u>	<u>81.06%</u>	<u>84.89%</u>	<u>89.32%</u>
Covered payroll	<u>\$ 774,604</u>	<u>\$ 774,604</u>	<u>\$ 903,508</u>	<u>\$ 879,353</u>	<u>\$ 967,343</u>	<u>\$ 1,121,054</u>	<u>\$ 776,316</u>	<u>\$ 845,364</u>	<u>\$ 989,549</u>	<u>\$1,096,743</u>
Net pension liability as a percentage of covered payroll	<u>23.30%</u>	<u>40.33%</u>	<u>(81.40%)</u>	<u>43.34%</u>	<u>111.85%</u>	<u>85.24%</u>	<u>114.76%</u>	<u>118.91%</u>	<u>76.08%</u>	<u>44.67%</u>
Schedule of Investment Returns										
Annual money weighted rate of return, net of investment expense	<u>8.92%</u>	<u>(13.13%)</u>	<u>25.72%</u>	<u>1.85%</u>	<u>6.48%</u>	<u>4.63%</u>	<u>11.05%</u>	<u>(0.56%)</u>	<u>1.38%</u>	<u>13.72%</u>

See Notes to Required Supplementary Information.

Town of Haddam, Connecticut

Required Supplementary Information

Employee Plan
Schedule of Contributions
Last Ten Years

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarially determined contributions	\$ 41,604	\$ 106,611	\$ 358,931	\$ 388,181	\$ 312,786	\$ 255,963	\$ 255,222	\$ 256,565	\$ 233,178	\$ 227,608
Contributions in relation to the actuarially determined contribution	<u>200,000</u>	<u>250,000</u>	<u>358,931</u>	<u>\$ 466,478</u>	<u>234,590</u>	<u>255,963</u>	<u>273,000</u>	<u>256,564</u>	<u>240,000</u>	<u>227,608</u>
Contribution excess (deficiency)	<u>\$ 158,396</u>	<u>\$ 143,389</u>	<u>\$ -</u>	<u>\$ 78,297</u>	<u>\$ (78,196)</u>	<u>\$ -</u>	<u>\$ 17,778</u>	<u>\$ (1)</u>	<u>\$ 6,822</u>	<u>\$ -</u>
Covered payroll	<u>\$ 774,604</u>	<u>\$ 774,604</u>	<u>\$ 903,508</u>	<u>\$ 879,353</u>	<u>\$ 967,343</u>	<u>\$ 1,121,054</u>	<u>\$ 776,316</u>	<u>\$ 845,364</u>	<u>\$ 989,549</u>	<u>\$ 1,096,743</u>
Contributions as a percentage of covered payroll	<u>25.82%</u>	<u>32.27%</u>	<u>39.73%</u>	<u>53.05%</u>	<u>24.25%</u>	<u>22.83%</u>	<u>35.17%</u>	<u>30.35%</u>	<u>24.25%</u>	<u>20.75%</u>

Town of Haddam, Connecticut

Notes to Required Supplementary Information

Employee Plan
Schedule of Contributions
Last Ten Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
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Changes of Benefit Terms	None	None	None	None	None	None	None	None	None	None
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The actuarially determined contribution rates are calculated as of	January 1, 2022	January 1, 2022	January 1, 2019	January 1, 2019	January 1, 2018	January 1, 2018	January 1, 2017	January 1, 2016	January 1, 2014	January 1, 2014
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Actuarial methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal
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Amortization Method	Level Percentage	Level Percentage	Level Percentage	Level Percentage	Level Percentage	Level Percentage	Level Percentage	Level Percentage	Level Percentage	Level Percentage
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Asset Valuation Method	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value
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Salary Increases	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	5.00%	5.00%
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Investment Rate of Return (Net)	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	7.00%
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Mortality Rate	PRI 2012 amount weighted white collar with improvement scale MP-2021	PRI 2012 amount weighted white collar with improvement scale MP-2021	PRI 2012 amount weighted white collar with improvement scale MP-2020	RP-2014 projected with scale MP-2018	RP-2014 projected with scale MP-2018	RP-2014 adjusted to 2006 mortality Table with scale MP-2017	RP-2014 non-annuitant tables projected to 2020 using Scale BB	RP-2000 non-annuitant tables projected using Scale AA	RP-2000 non-annuitant tables projected using Scale AA	RP-2014 Optional Combined Tables (IRB 2007-24)
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Town of Haddam, Connecticut

Required Supplementary Information

Volunteer Fire Plan
Last Ten Years

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Schedule of Changes in Net Pension Liability and Related Ratios										
Total pension liability:										
Service cost	\$ 45,089	\$ 44,016	\$ 45,245	\$ 41,360	\$ 32,628	\$ 32,997	\$ 40,115	\$ 39,598	\$ 35,108	\$ 34,543
Interest	152,141	162,104	161,747	153,234	143,095	139,401	123,339	122,360	119,279	111,006
Differences between expected and actual experience	-	(226,192)	(70,469)	10,998	5,922	180,934	22,095	(40,547)	75,106	(17,856)
Changes in assumptions	-	(10,538)	(14,798)	29,238	(4,676)	(66,314)	65,356	-	51,745	89,800
Benefit payments, including refunds of member contributions	<u>(126,956)</u>	<u>(120,626)</u>	<u>(111,271)</u>	<u>(104,242)</u>	<u>(90,274)</u>	<u>(99,143)</u>	<u>(109,566)</u>	<u>(103,147)</u>	<u>(102,370)</u>	<u>(96,232)</u>
Net change in total pension liability	70,274	(151,236)	10,454	130,588	86,695	187,875	141,339	18,264	178,868	121,261
Total pension liability - July 1	<u>2,358,020</u>	<u>2,509,256</u>	<u>2,498,802</u>	<u>2,368,214</u>	<u>2,281,519</u>	<u>2,093,644</u>	<u>1,952,305</u>	<u>1,934,041</u>	<u>1,755,173</u>	<u>1,633,912</u>
Total pension liability - June 30 (a)	<u>\$ 2,428,294</u>	<u>\$ 2,358,020</u>	<u>\$ 2,509,256</u>	<u>\$ 2,498,802</u>	<u>\$ 2,368,214</u>	<u>\$ 2,281,519</u>	<u>\$ 2,093,644</u>	<u>\$ 1,952,305</u>	<u>\$ 1,934,041</u>	<u>\$ 1,755,173</u>
Plan fiduciary net position:										
Contributions - employer	\$ 100,000	\$ 124,277	\$ 86,107	\$ 111,777	\$ 77,009	\$ 107,708	\$ 96,615	\$ 60,922	\$ 83,000	\$ 82,646
Net investment income (loss)	158,328	(307,385)	456,760	29,221	106,928	71,440	160,819	(10,975)	20,591	196,428
Benefit payments, including refunds of member contributions	(126,956)	(120,626)	(111,271)	(104,242)	(90,274)	(99,143)	(109,566)	(103,147)	(102,370)	(96,232)
Administration	<u>(14,234)</u>	<u>(15,222)</u>	<u>(14,741)</u>	<u>(13,666)</u>	<u>(13,348)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in plan fiduciary net position	117,138	(318,956)	416,855	23,090	80,315	80,005	147,868	(53,200)	1,221	182,842
Plan fiduciary net position - July 1	<u>1,881,240</u>	<u>2,200,196</u>	<u>1,783,341</u>	<u>1,760,251</u>	<u>1,679,936</u>	<u>1,599,931</u>	<u>1,452,063</u>	<u>1,505,263</u>	<u>1,504,042</u>	<u>1,321,200</u>
Plan fiduciary net position - June 30 (b)	<u>\$ 1,998,378</u>	<u>\$ 1,881,240</u>	<u>\$ 2,200,196</u>	<u>\$ 1,783,341</u>	<u>\$ 1,760,251</u>	<u>\$ 1,679,936</u>	<u>\$ 1,599,931</u>	<u>\$ 1,452,063</u>	<u>\$ 1,505,263</u>	<u>\$ 1,504,042</u>
Net pension liability - June 30 (a)-(b)	<u>\$ 429,916</u>	<u>\$ 476,780</u>	<u>\$ 309,060</u>	<u>\$ 715,461</u>	<u>\$ 607,963</u>	<u>\$ 601,583</u>	<u>\$ 493,713</u>	<u>\$ 500,242</u>	<u>\$ 428,778</u>	<u>\$ 251,131</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>82.30%</u>	<u>79.78%</u>	<u>87.68%</u>	<u>71.37%</u>	<u>74.33%</u>	<u>73.63%</u>	<u>76.42%</u>	<u>74.38%</u>	<u>77.83%</u>	<u>85.69%</u>
Covered payroll	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Net pension liability as a percentage of covered payroll	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Schedule of Investment Returns										
Annual money weighted rate of return, net of investment expense	<u>8.91%</u>	<u>(13.66%)</u>	<u>25.67%</u>	<u>1.65%</u>	<u>6.46%</u>	<u>4.35%</u>	<u>11.15%</u>	<u>(0.73%)</u>	<u>1.37%</u>	<u>15.05%</u>

N/A - Not applicable. Plan members are volunteers.

See Notes to Required Supplementary Information.

Town of Haddam, Connecticut
Required Supplementary Information

Volunteer Fire Plan
Schedule of Contributions
Last Ten Years

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarially determined contributions	\$ 70,532	\$ 66,227	\$ 124,277	\$ 86,107	\$ 77,009	\$ 107,708	\$ 96,615	\$ 60,922	\$ 56,936	\$ 73,893
Contributions in relation to the actuarially determined contribution	<u>100,000</u>	<u>124,277</u>	<u>86,107</u>	<u>86,107</u>	<u>77,009</u>	<u>107,708</u>	<u>96,615</u>	<u>60,922</u>	<u>83,000</u>	<u>82,646</u>
Contribution excess (deficiency)	<u>\$ 29,468</u>	<u>\$ 58,050</u>	<u>\$ (38,170)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26,064</u>	<u>\$ 8,753</u>
Covered payroll	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Contributions as a percentage of covered payroll	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

N/A - Not applicable. Plan members are volunteers.

Town of Haddam, Connecticut

Notes to Required Supplementary Information

Volunteer Fire Plan
Schedule of Contributions
Last Ten Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Changes of Benefit Terms	None	None	None	None	None	None	None	None	None	None
The actuarially determined contribution rates are calculated as of	July 1, 2021	July 1, 2021	July 1, 2019	July 1, 2019	July 1, 2017	July 1, 2017	July 1, 2016	July 1, 2016	July 1, 2014	July 1, 2014
Actuarial methods and assumptions used to determine contribution rates:										
Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal
Amortization Method	Level Percentage	Level Percentage	Level Percentage	Level Percentage	Level Percentage	Level Percentage	Level Percentage	Level Percentage	Level Percentage	Level Percentage
Asset Valuation Method	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value
Salary Increases	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Investment Rate of Return (Net)	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%
Mortality Rate	Public 2010 for public safety with scale MP-2020	Public 2010 for public safety with scale MP-2020	Public 2010 for public safety with scale MP-2020	RP-2014 projected with scale MP-2018	RP-2014 projected with scale MP-2018	RP-2015 projected with scale MP-2017	RP-2014 non-annuitant tables projected to 2020 using Scale BB	RP-2000 non-annuitant tables projected using Scale AA	RP-2000 non-annuitant tables projected using Scale AA	2014 Optional Combined Tables (IRB 2007-24)

N/A - Not applicable.

Supplemental Schedules

General Fund

The general fund is the principal fund of the Town and is used to account for all activities of the Town, except those required to be accounted for in another fund. The general fund accounts for the normal recurring activities of the Town (i.e., general government, public safety, public works, health and welfare, culture and recreation, education, debt service, and capital outlay). These activities are funded principally by property taxes, user fees and grants from other governmental units.

Town of Haddam, Connecticut

General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2023

	Original Budget	Additional Appropriations and Transfers	Final Budget	Actual	Variance with Final Budget
Revenues:					
Property taxes	\$32,111,537	\$ 259,000	\$ 32,370,537	\$ 32,370,545	\$ 8
Intergovernmental	2,368,188	254,000	2,622,188	2,628,071	5,883
Charges for services	617,000	201,000	818,000	842,485	24,485
Income from investments	20,000	223,000	243,000	243,188	188
Other	10,000	118,000	128,000	128,044	44
Total revenues	35,126,725	1,055,000	36,181,725	36,212,333	30,608
Expenditures:					
Current:					
General government	2,616,985	(140,800)	2,476,185	2,326,966	149,219
Public safety	1,042,103	(80,000)	962,103	931,324	30,779
Public works	2,451,905	(102,900)	2,349,005	2,220,150	128,855
Health and welfare	342,668	-	342,668	330,099	12,569
Culture and recreation	535,393	3,700	539,093	538,476	617
Education	25,387,181	-	25,387,181	25,387,181	-
Debt service	1,271,490	-	1,271,490	1,271,490	-
Total expenditures	33,647,725	(320,000)	33,327,725	33,005,686	322,039
Excess (deficiency) of revenues over expenditures	1,479,000	1,375,000	2,854,000	3,206,647	352,647
Other financing sources (uses):					
Transfers out	(1,479,000)	(1,375,000)	(2,854,000)	(2,854,000)	-
Net change in fund balance	\$ -	\$ -	\$ -	352,647	\$352,647
Fund balance - July 1, 2022				5,621,126	
Fund balance - June 30, 2023				\$ 5,973,773	

Town of Haddam, Connecticut

Report of Tax Collector
For the Year Ended June 30, 2023

Grand List Year	Uncollected Taxes July 1, 2022	Current Year Levy	Lawful Corrections		Transfers To Suspense	Adjusted Taxes Collectible	Collections			Uncollected Taxes June 30, 2023	
			Additions	Deductions			Net Taxes Collected	Interest and Liens	Total		
2006	\$ 2,503	\$ -	\$ -	\$ 2,503	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
2007	2,603	-	-	-	-	2,603	-	-	-	2,603	
2008	2,643	-	-	-	-	2,643	-	-	-	2,643	
2009	3,400	-	-	-	-	3,400	-	-	-	3,400	
2010	3,201	-	-	-	-	3,201	-	-	-	3,201	
2011	7,219	-	-	-	-	7,219	-	-	-	7,219	
2012	11,613	-	-	-	-	11,613	-	-	-	11,613	
2013	5,795	-	-	-	-	5,795	-	-	-	5,795	
2014	11,971	-	-	-	-	11,971	-	-	-	11,971	
2015	13,550	-	-	-	-	13,550	-	-	-	13,550	
2016	14,216	-	-	-	-	14,216	-	-	-	14,216	
2017	9,240	-	-	-	-	9,240	-	-	-	9,240	
2018	21,167	-	-	124	-	21,043	13,263	7,171	20,434	7,780	
2019	67,445	-	-	112	29,187	38,146	30,641	11,726	42,367	7,505	
2020	<u>227,870</u>	<u>-</u>	<u>8,464</u>	<u>14,720</u>	<u>-</u>	<u>221,614</u>	<u>157,801</u>	<u>30,706</u>	<u>188,507</u>	<u>63,813</u>	
Subtotal	404,436	-	8,464	17,459	29,187	366,254	201,705	49,603	251,308	164,549	
2021	<u>-</u>	<u>32,343,403</u>	<u>64,738</u>	<u>158,100</u>	<u>-</u>	<u>32,250,041</u>	<u>31,968,831</u>	<u>106,748</u>	<u>32,075,579</u>	<u>281,210</u>	
Total	<u>\$ 404,436</u>	<u>\$ 32,343,403</u>	<u>\$ 73,202</u>	<u>\$ 175,559</u>	<u>\$ 29,187</u>	<u>\$ 32,616,295</u>	<u>\$ 32,170,536</u>	<u>\$ 156,351</u>	<u>\$ 32,326,887</u>	445,759	
										Allowance for doubtful accounts	<u>(100,000)</u>
										Taxes, interest and liens receivable (net)	<u>\$ 345,759</u>

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Other Governmental Funds

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are restricted, committed, or assigned to expenditures for particular purposes.

Fund	Funding Source	Function
Medical Insurance Reserve	Income from investments	Health insurance
Material Testing	Charges for services	Material testing
Small Cities	Charges for services	Community development programs
Grants	Grants	Various grant programs
Social Services Fund	Contributions	Social services programs and fuel bank
Town Clerk	Grants and charges for services	Document preservation

Debt Service Fund

Debt service fund is use to account for debt service payments and premiums

Capital Projects Funds

Capital projects funds are used to account for acquisition of vehicles and equipment and construction of capital assets

Fund	Funding Source	Function
Open Space	Grants and contributions	Purchase of open space
Silver Spring Road	Call performance bond	Infrastructure related improvements

**Town of Haddam, Connecticut
Combining Balance Sheet
Other Governmental Funds
For the Year Ended June 30, 2023**

	Special Revenue Funds			
	Medical Insurance Reserve	Small Cities	Grants	Social Services
<u>Assets</u>				
Cash	\$ -	\$ -	\$ -	\$ 42,458
Investments	-	8,126	-	-
Receivables:				
Loans	-	85,540	-	-
Due from other funds	134,782	-	39,003	-
Total assets	\$ 134,782	\$ 93,666	\$ 39,003	\$ 42,458
<u>Fund Balances</u>				
Restricted	\$ -	\$ 93,666	\$ -	\$ 42,458
Committed	134,782	-	39,003	-
Assigned	-	-	-	-
Total fund balances	134,782	93,666	39,003	42,458
Total liabilities and fund balances	\$ 134,782	\$ 93,666	\$ 39,003	\$ 42,458

(Continued)

Town of Haddam, Connecticut

Combining Balance Sheet
Other Governmental Funds
June 30, 2023

	Special Revenue Funds	Debt Service	Capital Projects Funds		Total Other Governmental Funds
	Town Clerk	Debt Service	Open Space	Silver Spring Road	
<u>Assets</u>					
Cash	\$ -	\$ -	\$ -	\$ -	\$ 42,458
Investments	-	-	40,006	-	48,132
Receivables:					
Loans	-	-	-	-	85,540
Due from other funds	<u>19,990</u>	<u>2,014,014</u>	<u>-</u>	<u>27,186</u>	<u>2,234,975</u>
Total assets	<u>\$ 19,990</u>	<u>\$ 2,014,014</u>	<u>\$ 40,006</u>	<u>\$ 27,186</u>	<u>\$ 2,411,105</u>
<u>Fund Balances</u>					
Restricted	\$ 19,990	\$ -	\$ -	\$ -	\$ 156,114
Committed	-	-	40,006	27,186	240,977
Assigned	<u>-</u>	<u>2,014,014</u>	<u>-</u>	<u>-</u>	<u>2,014,014</u>
Total fund balances	<u>19,990</u>	<u>2,014,014</u>	<u>40,006</u>	<u>27,186</u>	<u>2,411,105</u>
Total liabilities and fund balances	<u>\$ 19,990</u>	<u>\$ 2,014,014</u>	<u>\$ 40,006</u>	<u>\$ 27,186</u>	<u>\$ 2,411,105</u>

(Concluded)

Town of Haddam, Connecticut

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Other Governmental Funds
For the Year Ended June 30, 2023

	Special Revenue Funds				
	Medical Insurance Reserve	Material Testing	Small Cities	Grants	Social Services
Revenues:					
Intergovernmental	\$ -	\$ -	\$ -	\$ 3,922	\$ -
Charges for services	-	-	-	-	-
Income from investments	-	-	4	-	-
Contributions	-	-	-	-	32,035
Total revenues	<u>-</u>	<u>-</u>	<u>4</u>	<u>3,922</u>	<u>32,035</u>
Expenditures:					
Current:					
General government	-	-	-	17,461	-
Health and welfare	-	-	-	-	29,986
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,461</u>	<u>29,986</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>4</u>	<u>(13,539)</u>	<u>2,049</u>
Other financing sources (uses):					
Transfers out	-	(15,577)	-	-	-
Net change in fund balances	-	(15,577)	4	(13,539)	2,049
Fund balances - July 1, 2022	<u>134,782</u>	<u>15,577</u>	<u>93,662</u>	<u>52,542</u>	<u>40,409</u>
Fund balances - June 30, 2023	<u>\$ 134,782</u>	<u>\$ -</u>	<u>\$ 93,666</u>	<u>\$ 39,003</u>	<u>\$ 42,458</u>

(Continued)

Town of Haddam, Connecticut

**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Other Governmental Funds
For the Year Ended June 30, 2023**

	<u>Special Revenue Funds</u>	<u>Debt Service</u>	<u>Capital Projects Funds</u>		
	<u>Town Clerk</u>	<u>Debt Service</u>	<u>Open Space</u>	<u>Silver Spring Road</u>	<u>Total Other Governmental Funds</u>
Revenues:					
Intergovernmental	\$ 5,500	\$ -	\$ -	\$ -	\$ 9,422
Charges for services	12,177	-	-	-	12,177
Income from investments	-	-	28	-	32
Contributions	-	-	-	-	32,035
Total revenues	<u>17,677</u>	<u>-</u>	<u>28</u>	<u>-</u>	<u>53,666</u>
Expenditures:					
Current:					
General government	17,341	-	-	-	34,802
Health and welfare	-	-	-	-	29,986
Capital outlay	-	76,440	-	-	76,440
Total expenditures	<u>17,341</u>	<u>76,440</u>	<u>-</u>	<u>-</u>	<u>141,228</u>
Excess (deficiency) of revenues over expenditures	336	(76,440)	28	-	(87,562)
Other financing sources (uses):					
Issuance of debt	-	76,440	-	-	76,440
Net change in fund balances	336	-	28	-	(26,699)
Fund balances - July 1, 2022	<u>19,654</u>	<u>2,014,014</u>	<u>39,978</u>	<u>27,186</u>	<u>2,437,804</u>
Fund balances - June 30, 2023	<u>\$ 19,990</u>	<u>\$2,014,014</u>	<u>\$ 40,006</u>	<u>\$ 27,186</u>	<u>\$ 2,411,105</u>

(Concluded)

Trend Information

This part of the Town's annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Town's overall financial health.

Table	Description
Financial Trends (Tables 1-2)	These schedules contain trend information to help the reader understand how the Town's financial performance and well-being have changed over time
Revenue Capacity (Tables 3-5)	These schedules contain trend information to help the assess the Town's most significant revenue source, property taxes
Debt Capacity (Table 6-10)	This schedule presents information to help the reader assess the affordability of the Town's current levels of outstanding debt and the Town's ability to issue additional debt in the future

Sources: Unless otherwise noted, the information in these schedules is derived from the annual financial for the fiscal year

Town of Haddam, Connecticut
Governmental Funds
Fund Balances
Last Ten Years
(Modified Accrual Basis of Accounting)
(Unaudited)

June 30

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
General fund:										
Nonspendable	\$ 3,283	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Assigned	-	-	-	-	-	-	-	128,000	-	-
Unassigned	<u>5,970,490</u>	<u>5,621,126</u>	<u>5,401,936</u>	<u>5,323,292</u>	<u>5,216,391</u>	<u>4,886,482</u>	<u>4,686,412</u>	<u>4,673,377</u>	<u>4,265,947</u>	<u>3,769,261</u>
Total general fund	<u>5,973,773</u>	<u>5,621,126</u>	<u>5,401,936</u>	<u>5,323,292</u>	<u>5,216,391</u>	<u>4,886,482</u>	<u>4,686,412</u>	<u>4,801,377</u>	<u>4,265,947</u>	<u>3,769,261</u>
All other governmental funds:										
Restricted	156,114	153,725	158,539	115,532	127,599	181,917	164,266	169,110	176,366	198,244
Committed	8,977,743	11,407,627	10,494,555	9,111,863	6,019,839	6,882,792	7,650,809	3,054,851	3,145,272	2,863,616
Assigned	2,014,014	2,014,014	2,014,014	2,163,755	945,684	945,684	1,158,515	676,137	676,137	495,242
Unassigned	-	-	-	-	-	-	-	-	-	-
Total all other governmental funds	<u>11,147,871</u>	<u>13,575,366</u>	<u>12,667,108</u>	<u>11,391,150</u>	<u>7,093,122</u>	<u>8,010,393</u>	<u>8,973,590</u>	<u>3,900,098</u>	<u>3,997,775</u>	<u>3,557,102</u>
Grand total	<u>\$ 17,121,644</u>	<u>\$ 19,196,492</u>	<u>\$ 18,069,044</u>	<u>\$ 16,714,442</u>	<u>\$ 12,309,513</u>	<u>\$ 12,896,875</u>	<u>\$ 13,660,002</u>	<u>\$ 8,701,475</u>	<u>\$ 8,263,722</u>	<u>\$ 7,326,363</u>

Source: Current and prior year financial statements

Notes:

General fund:
 Unassigned Increased due to positive operations for the year

All other governmental funds:
 Committed Decrease due to decrease in the capital nonrecurring fund balance and related committed amount as projects are completed

Town of Haddam, Connecticut
General Fund
Budgetary Basis
Revenues, Expenditures and Changes in Fund Balance
Last Ten Years
(Unaudited)

For the Year Ended June 30

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Revenues:										
Property taxes	\$ 32,370,545	\$ 31,167,898	\$ 30,662,613	\$ 30,178,847	\$ 30,234,107	\$ 29,037,666	\$ 28,231,741	\$ 28,685,674	\$ 27,718,031	\$ 26,605,805
Intergovernmental	2,628,071	2,265,013	2,098,645	2,069,230	2,025,657	2,174,981	2,488,566	2,134,441	2,062,061	2,065,467
Charges for services	842,485	896,861	736,489	545,906	598,885	516,671	492,465	413,788	468,861	458,540
Income from investments	243,188	34,251	32,186	152,819	123,237	54,309	36,476	36,906	30,350	21,079
Other	128,044	14,486	7,463	16,527	41,132	-	-	-	-	-
Total revenues	36,212,333	34,378,509	33,537,396	32,963,329	33,023,018	31,783,627	31,249,248	31,270,809	30,279,303	29,150,891
Expenditures:										
Current:										
General government	2,326,966	2,306,558	2,308,974	2,357,453	2,284,690	2,367,671	2,579,160	2,334,129	2,193,121	2,156,365
Public safety	931,324	813,856	708,133	803,139	742,240	753,049	685,134	880,787	880,332	875,619
Public works	2,220,150	2,318,482	2,110,518	2,086,841	2,028,373	1,948,665	1,453,151	1,823,843	2,265,941	2,092,909
Health and welfare	330,099	463,052	379,238	369,695	370,763	420,490	458,998	399,354	304,083	297,313
Culture and recreation	538,476	538,979	521,703	478,601	499,474	519,111	517,526	529,841	535,287	518,521
Education	25,387,181	24,567,989	24,414,138	24,025,584	24,531,502	24,076,806	23,682,299	23,465,940	22,376,890	21,414,633
Debt service	1,271,490	1,295,403	1,324,048	688,115	705,315	195,965	217,787	254,285	257,785	49,921
Capital outlay	-	25,000	-	-	-	-	-	-	-	-
Total expenditures	33,005,686	32,329,319	31,766,752	30,809,428	31,162,357	30,281,757	29,594,055	29,688,179	28,813,439	27,405,281
Excess (deficiency) of revenues over expenditures	3,206,647	2,049,190	1,770,644	2,153,901	1,860,661	1,501,870	1,655,193	1,582,630	1,465,864	1,745,610
Other financing sources (uses):										
Sale of capital assets	-	-	-	-	19,321	-	-	-	-	19,500
Transfers out	(2,854,000)	1,830,000	(1,692,000)	(2,047,000)	(1,550,073)	(1,301,800)	(1,770,158)	(1,047,200)	(969,178)	(1,667,070)
Net other financing sources (uses)	(2,854,000)	1,830,000	(1,692,000)	(2,047,000)	(1,530,752)	(1,301,800)	(1,770,158)	(1,047,200)	(969,178)	(1,647,570)
Net change in fund balance	\$ 352,647	\$ 3,879,190	\$ 78,644	\$ 106,901	\$ 329,909	\$ 200,070	\$ (114,965)	\$ 535,430	\$ 496,686	\$ 98,040
Debt service as a percentage of expenditures	3.85%	4.01%	4.17%	2.23%	2.26%	0.65%	0.74%	0.86%	0.89%	0.18%

Source: Current and prior year financial statements

Town of Haddam, Connecticut

Assessed and Estimated Actual Value of Taxable Property
Last Ten Years
(Unaudited)

Year Ended June 30	Grand List	Real Estate		Personal Property			Totals			Ratio of Total Assessed Value to Total Estimated Actual Value	Total Direct Rate
		Assessed Value	Estimated Actual Value	Motor Vehicle Assessed Value	Personal Property Assessed Value	Total Assessed Value	Estimated Actual Value	Net Assessed Value	Estimated Actual Value		
2023	2021	\$763,534,992	\$1,090,764,274	\$104,126,930	\$115,084,090	\$219,211,020	\$313,158,600	\$982,746,012	\$1,403,922,874	70.00%	32.33
2022	* 2020	760,116,390	1,085,880,557	81,791,140	117,994,274	199,785,414	285,407,734	959,901,804	1,371,288,291	70.00%	32.16
2021	2019	770,221,236	1,100,316,051	76,704,065	111,541,190	188,245,255	268,921,793	958,466,491	1,369,237,844	70.00%	31.69
2020	2018	767,456,126	1,096,365,894	74,332,348	108,019,480	182,351,828	260,502,611	949,807,954	1,356,868,505	70.00%	31.69
2019	2017	768,190,595	1,097,415,136	73,729,200	106,597,952	180,327,152	257,610,217	948,517,747	1,355,025,353	70.00%	31.69
2018	2016	765,230,860	1,093,186,943	70,590,550	72,866,900	143,457,450	204,939,215	908,688,310	1,298,126,158	70.00%	31.69
2017	* 2015	762,042,020	1,088,631,458	67,644,040	76,380,285	144,024,325	205,749,036	906,066,345	1,284,380,492	70.00%	31.20
2016	2014	787,180,238	1,124,543,197	67,823,300	57,861,310	125,684,610	179,549,443	912,864,848	1,304,092,640	70.00%	31.20
2015	2013	781,678,908	1,116,684,154	67,373,700	56,187,465	123,561,165	176,515,950	905,240,073	1,293,200,104	70.00%	30.39
2014	2012	776,968,167	1,109,954,524	65,823,552	56,902,665	122,726,217	175,323,167	899,694,384	1,285,277,691	70.00%	28.99

Source: Tax Assessor

* Revaluation

Table 4

Town of Haddam, Connecticut
Principal Property Taxpayers
For the Year Ended June 30, 2023
(Unaudited)

<u>Taxpayer</u>	<u>(1) Assessment</u>	<u>Rank</u>	<u>Percent of Net Taxable Grand List</u>
Eversource	\$91,355,220	1	9.30%
Connecticut Yankee Atomic Power	33,136,750	2	3.37%
MCAP Sabine Point LLC	9,090,130	3	0.92%
Davidson and Company	2,720,440	4	0.28%
The Riverhouse Properties LLC	2,065,180	5	0.21%
Haddam Self Storage LLC	1,662,430	6	0.17%
Bridge Street Associates	1,437,480	7	0.15%
Village Plaza LLC	1,430,420	8	0.15%
Polke Grace Associates LLC	1,403,060	9	0.14%
Camp Bethel Association Inc.	<u>1,293,890</u>	10	<u>0.13%</u>
Total	<u>\$ 145,595,000</u>		<u>14.82%</u>
Based on October 1, 2021 Net Taxable Grant List of:	<u>\$982,746,012</u>		

Source: Tax Assessor

Table 5

Town of Haddam, Connecticut
Property Tax Rates, Levies, and Collections
Last Ten Years
(Unaudited)

Year Ended June 30	(1) (2) Tax Rate In Mills	Grand List Of October 1,	Total Adjusted Tax Levy	Net Current Tax Collections	Percent of Current Levy Collected	Total Collections to Date			
						Collections in Subsequent Years	Total Collections	Percentage of Levy Collected	Current Delinquent Balance
2023	32.33	2021	\$32,250,041	\$ 31,968,831	99.13%	\$ -	\$31,968,831	99.13%	\$ 281,210
2022	32.16	2020	31,066,504	30,844,890	99.29%	157,801	31,002,691	99.79%	63,813
2021	31.69	2019	30,431,046	30,261,361	99.44%	162,180	30,423,541	99.98%	7,505
2020	31.69	2018	30,176,124	29,918,154	98.94%	250,190	30,168,344	99.97%	7,780
2019	31.69	2017	30,026,153	29,876,405	99.00%	140,508	30,016,913	99.97%	9,240
2018	31.69	2016	28,892,043	28,665,940	99.00%	211,887	28,877,827	99.95%	14,216
2017	31.20	2015	28,157,815	27,883,290	99.00%	260,975	28,144,265	99.95%	13,550
2016	31.20	2014	28,544,380	28,250,410	99.00%	281,999	28,532,409	99.96%	11,971
2015	30.39	2013	27,531,502	27,265,986	99.00%	259,721	27,525,707	99.98%	5,795
2014	28.99	2012	26,502,050	26,201,284	99.00%	289,153	26,490,437	99.96%	11,613

Source: Current and prior year financial statements and Tax Collector

(1) There are no overlapping of tax rates.

(2) Tax levy is per \$1,000 of the assessed value of taxable property.

Town of Haddam, Connecticut
Ratios of Outstanding Debt by Type
Last Ten Years
(Unaudited)

Long-Term Debt Outstanding

<u>Year Ended June 30</u>	<u>Bonds Payable</u>	<u>Notes</u>	<u>Premium</u>	<u>Leases</u>	<u>Subscriptions</u>	<u>Total</u>	<u>Percentage of Personal Income</u>	<u>Debt Per Capita</u>
2023	\$11,030,000	\$ -	\$ 438,741	\$ 25,225	\$ 60,716	\$ 11,554,682	0.75%	\$ 1,360
2022	11,795,000	150,000	506,399	34,987	-	12,486,386	0.69%	1,493
2021	12,560,000	300,000	597,522	44,351	-	13,501,873	0.64%	1,641
2020	13,325,000	450,000	795,864	-	-	14,570,864	0.59%	1,746
2019	7,790,000	-	279,918	-	-	8,069,918	1.31%	938
2018	8,255,000	-	296,253	-	-	8,551,253	1.20%	999
2017	8,720,000	-	309,060	-	-	9,029,060	1.15%	1,046
2016	2,380,000	-	56,445	-	-	2,436,445	4.16%	286
2015	2,520,000	47,897	59,973	-	-	2,627,870	3.89%	307
2014	2,660,000	93,856	63,501	-	-	2,817,357	3.24%	331

Source: Current and prior year financial statements

Town of Haddam, Connecticut

**Ratios of Long-Term Debt to Net Assessed Value and Long-Term Debt per Capita
Last Ten Years
(Unaudited)**

Year Ended June 30	(1) Population	(2) Net Assessed Value	(3) Total Debt	Ratio of Total Debt To Net Assessed Value	Debt Per Capita
2023	8,494	\$ 982,746,012	\$ 11,554,682	1.21%	\$ 1,360
2022	8,366	959,901,804	12,486,386	1.30%	1,493
2021	8,227	958,466,491	13,501,873	1.42%	1,641
2020	8,346	949,807,954	14,570,864	1.54%	1,746
2019	8,303	948,517,747	8,069,918	0.85%	938
2018	8,264	908,688,310	8,551,253	0.91%	999
2017	8,338	906,066,345	9,029,060	0.96%	1,046
2016	8,333	912,864,848	2,436,445	0.26%	286
2015	8,366	905,240,073	2,627,870	0.28%	307
2014	8,308	899,694,384	2,817,357	0.31%	331

Sources:

- (1) Advance CT Town Profile
- (2) Table 3
- (3) Table 8

Town of Haddam, Connecticut

Direct and Overlapping Debt
June 30, 2023
(Unaudited)

<u>Government Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Amount Applicable to Town</u>
Regional School District No. 17	\$ 5,380,000	61.50%	\$ 3,308,700
Town of Haddam direct debt			<u>11,030,000</u>
Total direct and overlapping debt			<u><u>\$14,338,700</u></u>

Sources: Outstanding debt and applicable percentages provided by each governmental unit.

Note: Overlapping governments are those that coincide, at least in part, with geographic boundaries of the Town. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the property taxpayers of the Town of Haddam, Connecticut. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the property taxpayers should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

Town of Haddam, Connecticut

Schedule of Debt Limitation
 Connecticut General Statutes, Section 7-374 (b)
 As of and for the year ended June 30, 2023
 (Unaudited)

Tax Base:

Total tax collections (including interest and lien fees) for prior year \$ 31,134,179

Debt limitation:	<u>General Purpose</u>	<u>Schools</u>	<u>Sewers</u>	<u>Urban Renewal</u>	<u>Pension Deficit</u>
2 1/4 times base	\$ 70,051,903	\$ -	\$ -	\$ -	\$ -
4 1/2 times base	-	140,103,806	-	-	-
3 3/4 times base	-	-	116,753,171	-	-
3 1/4 times base	-	-	-	101,186,082	-
3 times base	-	-	-	-	93,402,537
Total debt limitation	<u>70,051,903</u>	<u>140,103,806</u>	<u>116,753,171</u>	<u>101,186,082</u>	<u>93,402,537</u>
Indebtedness:					
Bonds payable	11,030,000	-	-	-	-
Haddam's portion of Regional School District No. 17 bonds	-	3,308,700	-	-	-
Total indebtedness	<u>11,030,000</u>	<u>3,308,700</u>	<u>-</u>	<u>-</u>	<u>-</u>
Debt limitation in excess of outstanding debt	<u>\$ 59,021,903</u>	<u>\$136,795,106</u>	<u>\$116,753,171</u>	<u>\$101,186,082</u>	<u>\$ 93,402,537</u>
The total net indebtedness above amounts to:					<u>\$ 14,338,700</u>
In no event shall total indebtedness exceed seven times the base for debt limitation computation:					<u>\$ 217,939,253</u>

Source: Current and prior year financial statements

Town of Haddam, Connecticut

Demographic and Economic Statistics
Last Ten Years
(Unaudited)

Year Ended	(1) Population	(2) Median Household Income	(3) Median Age	(2) Education Attainment			(4) School Enrollment	(5) Unemployment Percentage
				High School Graduate	Some College	Bachelor or More		
2023	8,494	\$ 120,247	44	19%	8%	40%	1,118	2.9%
2022	8,366	110,497	48	23%	8%	39%	1,097	3.4%
2021	8,227	110,497	48	23%	11%	39%	1,123	6.0%
2020	8,346	105,752	48	25%	12%	46%	1,204	7.3%
2019	8,303	105,875	48	25%	11%	46%	1,196	2.8%
2018	8,264	99,258	48	25%	11%	46%	1,228	3.3%
2017	8,338	99,866	46	25%	11%	46%	1,252	3.6%
2016	8,333	99,010	45	25%	10%	45%	1,248	2.9%
2015	8,366	99,985	44	24%	27%	49%	1,287	2.7%
2014	8,308	89,184	44	24%	27%	43%	1,328	5.1%

Sources:

- (1,2,3) Advance CT Town Profile
- (4) Regional School District No. 17 annual budget
- (5) Connecticut Labor Department