TOWN OF MONTVILLE, CONNECTICUT

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

YEAR ENDED JUNE 30, 2024

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FINANCIAL SECTION

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INDEPENDENT AUDITORS' REPORT

Town Council
Town of Montville, Connecticut

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Montville, Connecticut, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Town of Montville, 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, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Montville, Connecticut, as of June 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 Montville, Connecticut and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Montville, 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 Montville, 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 Montville, Connecticut's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison information, and the pension and OPEB schedules, 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 Montville, Connecticut's basic financial statements. The combining and individual major fund financial statements, schedules and report of property tax collections are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual nonmajor fund financial statements, schedules and report of property tax collections 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 statistical section 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.

Town Council
Town of Montville, Connecticut

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 30, 2025, on our consideration of the Town of Montville, 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 Montville, 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 Montville, Connecticut's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Cranston, Rhode Island
October 30, 2025

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

Financial Highlights

- The assets and deferred outflows of resources of the Town exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by $148.6 million (net position). Of this amount, $13.3 million represents unrestricted net position. Of this amount, $5.6 million represents the unrestricted net position attributed to the operations of the Town's Sewer and Water Departments (business-type activities) and $7.7 million represents the unrestricted net position attributed to the Town's governmental activities.
- The Town's total net position increased by $4.8 million during the current fiscal year, which consisted of a current year increase of $5.9 million (Exhibit II) relating to the Town's governmental activities and a decrease of $1.1 million relating to the Town's business-type activities.
- As of the close of the current fiscal year, the Town's governmental funds reported a combined ending fund balance of $19.6 million, a current year decrease of $4.2 million in comparison with the prior year.
- At the close of the current fiscal year, unassigned fund balance of the General Fund was $11.6 million or 15.1% of general fund expenditures and transfers out.
- Overall Town debt, consisting of bonds, notes and financed purchases, decreased by $4.4 million or 19.4% in comparison to the prior year. This decrease was due to current year scheduled payments and no new debt incurred.

Overview of the Financial Highlights

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

Government-Wide Financial Statements

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

The statement of net position presents information on all of the Town's assets, deferred outflows/inflows of resources, and liabilities, with net position as the residual of these elements. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The statement of activities presents information showing how the Town's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods.

Both of the government-wide financial statements are intended to distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Town include activities such as: general government, public works, public safety, health and welfare, recreation and leisure, and education. The business-type activities of the Town include sewer and water activities.

The government-wide financial statements can be found on Exhibit I and II of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds. There are no fiduciary fund to report in the current year.

Governmental Funds

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

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

The Town maintains several individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, American Rescue Plan Fund and Road Bonding Fund, all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The basic governmental fund financial statements can be found on Exhibit III and IV of this report.

Proprietary Funds

Enterprise funds are used to report the same functions presented as business-type activities in the government- wide financial statements. The Town uses enterprise funds to account for its sewer and water operations. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

Internal service funds are an accounting device used to accumulate and allocate costs internally among the Town's various functions. The Town uses an internal service fund to account for its risk management activities. Because this service predominantly benefits governmental rather than business-type functions, it has been included within governmental activities in the government-wide financial statements.

The basic proprietary fund financial statements can be found on Exhibits V, VI, and VII of this report.

Note to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 23 through 64 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also contains required supplementary information, combining and individual fund statements and schedules, and other supplementary information which can be found on pages 66 through 88 of this report, respectively.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. For the Town of Montville, Connecticut, assets and deferred outflows exceeded liabilities and deferred inflows of resources exceeded by $148.6 million at the close of the fiscal year.

Net Position

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Assets:						
Current and Other Assets	$ 29,219,687	$ 34,695,577	$ 9,370,286	$ 11,473,813	$ 38,589,973	$ 46,169,390
Capital Assets, Net of Accumulated Depreciation and Amortization	101,914,590	98,311,625	51,367,902	49,682,372	153,282,492	147,993,997
Total Assets	131,134,277	133,007,202	60,738,188	61,156,185	191,872,465	194,163,387
Deferred Outflows of Resources	10,312,389	9,825,750	1,350,647	1,241,990	11,663,036	11,067,740
Current and Other Liabilities	8,103,470	12,219,711	1,572,109	744,083	9,675,579	12,963,794
Long-Term Liabilities Outstanding	39,490,107	41,965,337	4,321,627	4,253,063	43,811,734	46,218,400
Total Liabilities	47,593,577	54,185,048	5,893,736	4,997,146	53,487,313	59,182,194
Deferred Inflows of Resources	1,396,309	2,083,146	99,996	186,247	1,496,305	2,269,393
Net Position:						
Net Investments in Capital Assets	83,568,138	79,694,023	50,480,360	48,805,054	134,048,498	128,499,077
Restricted	1,221,887	1,130,050	-	-	1,221,887	1,130,050
Unrestricted	7,666,755	5,740,685	5,614,743	8,409,728	13,281,498	14,150,413
Total Net Position	$ 92,456,780	$ 86,564,758	$ 56,095,103	$ 57,214,782	$ 148,551,883	$ 143,779,540

As of June 30, 2024, 90.2% of the Town's net position reflects its net investment in capital assets. 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.

The remainder of the Town's net position is considered unrestricted. Overall, net position increased by $4.8 million in comparison with the prior year.

Changes in Net Position

Changes in net position for the years ended June 30, 2024 and 2023
Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues:						
Program Revenues:						
Charges for Services	$ 3,486,878	$ 5,535,632	$ 6,612,841	$ 6,037,497	$ 10,099,719	$ 11,573,129
Operating Grants and Contributions	18,204,168	27,971,274	-	-	18,204,168	27,971,274
Capital Grants and Contributions	1,014,503	316,148	787,369	1,702,604	1,801,872	2,018,752
General Revenues:						
Property Taxes	45,913,205	43,845,469	-	-	45,913,205	43,845,469
Grants Not Restricted to Specific Programs	5,504,312	4,788,062	-	-	5,504,312	4,788,062
Unrestricted Investment Earnings	1,264,949	992,858	90,321	33,193	1,355,270	1,026,051
Miscellaneous Revenue	29,390	95,559	-	-	29,390	95,559
Total Revenues	75,417,405	83,545,002	7,490,531	7,773,294	82,907,936	91,318,296
Expenses:						
General Government	9,827,776	10,645,125	-	-	9,827,776	10,645,125
Public Safety	6,608,108	7,295,418	-	-	6,608,108	7,295,418
Public Works	4,842,567	9,600,415	-	-	4,842,567	9,600,415
Health and Welfare	498,175	463,101	-	-	498,175	463,101
Recreation and Leisure	477,572	633,918	-	-	477,572	633,918
Education	46,662,276	56,911,486	-	-	46,662,276	56,911,486
Interest and Fiscal Charges	608,909	663,121	-	-	608,909	663,121
Sewer Department	-	-	7,035,260	6,671,174	7,035,260	6,671,174
Water Department	-	-	1,574,950	1,487,216	1,574,950	1,487,216
Total Expenses	69,525,383	86,212,584	8,610,210	8,158,390	78,135,593	94,370,974
Change in Net Position	5,892,022	(2,667,582)	(1,119,679)	(385,096)	4,772,343	(3,052,678)
Net Position at Beginning of Year	86,564,758	89,232,340	57,214,782	57,599,878	143,779,540	146,832,218
Net Position at End of Year	$ 92,456,780	$ 86,564,758	$ 56,095,103	$ 57,214,782	$ 148,551,883	$ 143,779,540

Governmental Activities

Governmental activities increased the Town's net position by a current year change of $5.9 million. The increase is primarily attributable to a decrease in expenses.

Business-Type Activities

Business-type activities decreased the Town's net position by a current year change of $1.1 million. The decrease is primarily attributable to a decrease in capital grants and contributions.

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.

<u>Governmental Funds</u>

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

As of the end of the current fiscal year, the Town's governmental funds reported a combined ending fund balance of $19,618,961.

<u>General Fund</u>

The General Fund is the chief operating fund of the Town. At the end of the current fiscal year, unassigned fund balance of the General Fund was $11,601,992. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 15% of general fund expenditures and transfers out.

The overall fund balance of the Town's General Fund decreased by $354,956 during the current fiscal year, which was primarily due to deficiency of revenues over expenditures.

<u>American Rescue Plan Fund</u>

The American Rescue Plan Fund accounts for resources received as a result of American Rescue Plan Act (ARPA).

General Fund Budgetary Highlights

The actual net change in fund balance of the General Fund on a budgetary basis was a decrease of $326,301. Expenditures were $58,182 more than budgeted and total budgetary revenues were $2,623,411 more than expected. The revenue surplus was primarily due to an increase in state grant revenue and investment interest earned. During the year ended June 30, 2024, the Town Council approved additional appropriations of $-0- from fund balance.

Capital Asset and Debt Administration

<u>Capital Assets</u>

The Town's investment in capital assets for its governmental and business type activities as of June 30, 2024, totaled $153,282,492 (net of accumulated depreciation and amortization). This investment in capital assets includes land, construction in progress, land improvements, buildings and improvements, distribution and collection systems, machinery and equipment, and infrastructure. The total increase in the Town's investment in capital assets for the current fiscal year was $5,288,495. Major capital asset events during the current fiscal year included the following:

- Outlays for Tyler Middle School boiler $673,463
- Outlays for tennis courts $685,103

- Outlays for Public Works Road improvements $3,200,898
- Outlays for Camp Oakdale all-purpose field $222,925

The following are tables of the investment in capital assets presented for both governmental and business-type activities:

Capital Assets

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Land	$ 2,248,490	$ 2,248,490	$ 1,127,031	$ 1,127,031	$ 3,375,521	$ 3,375,521
Construction in Progress	1,580,360	4,253,977	3,898,534	728,532	5,478,894	4,982,509
Land Improvements	4,465,103	3,899,498	589,200	607,398	5,054,303	4,506,896
Buildings and Improvements	66,506,513	67,256,416	14,429,247	12,795,195	80,935,760	80,051,611
Distribution and Collection System	-	-	24,908,393	28,070,912	24,908,393	28,070,912
Machinery and Equipment	7,249,911	6,270,945	6,410,161	6,343,024	13,660,072	12,613,969
Right-to-Use Asset	237,998	314,191	5,336	10,280	243,334	324,471
Infrastructure	19,626,215	14,068,108	-	-	19,626,215	14,068,108
Total	$ 101,914,590	$ 98,311,625	$ 51,367,902	$ 49,682,372	$ 153,282,492	$ 147,993,997

Additional information on the Town's capital assets can be found in Note 1 and Note 5 of this report.

Long-Term Debt

At the end of the current fiscal year, the Town had total debt, consisting of bonds, notes, and leases payable, outstanding of $18,370,966. This entire amount is comprised of debt backed by the full faith and credit of the Town. The Town's total debt decreased by $4,412,347 or 19.4% during the current fiscal year. This decrease was due to current year scheduled repayments.

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

Outstanding Debt

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
General Obligation Bonds	$ 16,803,000	$ 20,934,000	$ 630,000	$ 720,000	$ 17,433,000	$ 21,654,000
Note Payable	-	-	251,974	146,744	251,974	146,744
Financed Purchases	685,992	982,569	-	-	685,992	982,569
Total	$ 17,488,992	$ 21,916,569	$ 881,974	$ 866,744	$ 18,370,966	$ 22,783,313

Economic Factors and Next Year's Budgets and Rates

Significant estimates affecting next year's budget that are subject to change in the near term consist of the following:

- For purposes of calculating property tax revenues for fiscal year 2024, the assessor's grand list was used along with an estimated tax rate, and an estimated rate of collection, with deductions for taxes to be paid by the State on behalf of certain taxpayers.

- The Town receives intergovernmental revenues from the state of Connecticut. Connecticut's economy moves in the same general cycle as the national economy, which from time to time will affect the amount of intergovernmental revenues the Town will receive.

- The Town's fiscal year 2024 General Fund budget was approved on May 16, 2023, with budgeted expenditures of $71,570,860 an increase of $6,906,886 or 10.7%, over the original fiscal year 2023 budgeted expenditures. The approved mill rate for the fiscal year 2024 budget is 27.77, an increase of 1.06 or 4% over the fiscal year 2023 mill rate of 26.71.

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 information should be addressed to the Finance Director, Town of Montville, 310 Norwich-New London Tpke., Uncasville, Connecticut 06382.

BASIC FINANCIAL STATEMENTS

TOWN OF MONTVILLE, CONNECTICUT
STATEMENT OF NET POSITION
JUNE 30, 2024

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current Assets:			
Cash and Cash Equivalents	$ 24,608,124	$ 7,912,005	$ 32,520,129
Investments	420,171	-	420,171
Receivables:			
Property Taxes, Net	976,294	-	976,294
User Charges, Net	15,759	1,767,401	1,783,160
Loans	272,364	-	272,364
Intergovernmental	1,303,029	30	1,303,059
Other Receivables	176,649	-	176,649
Internal Balances	309,150	(309,150)	-
Supplies and Other Assets	1,138,147	-	1,138,147
Total Current Assets	29,219,687	9,370,286	38,589,973
Noncurrent Assets:			
Capital Assets, Nondepreciable	3,828,850	5,025,565	8,854,415
Capital Assets, Net	98,085,740	46,342,337	144,428,077
Total Noncurrent Assets	101,914,590	51,367,902	153,282,492
Total Assets	131,134,277	60,738,188	191,872,465
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Charge on Refunding	305,771	-	305,771
Deferred Outflows Related to Pension	9,564,551	1,350,647	10,915,198
Deferred Outflows Related to OPEB	442,067	-	442,067
Total Deferred Outflows of Resources	10,312,389	1,350,647	11,663,036
LIABILITIES			
Current Liabilities:			
Accounts Payable and Accrued Liabilities	2,598,724	1,212,496	3,811,220
Accrued Payroll and Related Liabilities	312,172	232,849	545,021
Accrued Interest Payable	256,170	8,741	264,911
Unearned Revenue	1,038,748	-	1,038,748
Current Maturities of Long-Term Obligations	3,897,656	118,023	4,015,679
Total Current Liabilities	8,103,470	1,572,109	9,675,579
Noncurrent Liabilities:			
Due in More Than One Year	39,490,107	4,321,627	43,811,734
Total Liabilities	47,593,577	5,893,736	53,487,313
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows Related to Pension	782,828	99,996	882,824
Deferred Inflows Related to OPEB	613,481	-	613,481
Total Deferred Inflows of Resources	1,396,309	99,996	1,496,305
NET POSITION			
Net Investment in Capital Assets	83,568,138	50,480,360	134,048,498
Restricted for:			
Grants	355,174	-	355,174
Education and Scholarships	866,713	-	866,713
Unrestricted	7,666,755	5,614,743	13,281,498
Total Net Position	$ 92,456,780	$ 56,095,103	$ 148,551,883

See accompanying Notes to Financial Statements.

EXHIBIT II

TOWN OF MONTVILLE, CONNECTICUT
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2024

		Program Revenues			Net Revenue (Expense) and Changes in Net Position — Primary Government		
Function/Program Activities	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
PRIMARY GOVERNMENT							
Governmental Activities:							
General Government	$ 9,827,776	$ 616,608	$ 1,318,926	$ -	$ (7,892,242)	$ -	$ (7,892,242)
Public Safety	6,608,108	915,166	9,110	-	(5,683,832)	-	(5,683,832)
Public Works	4,842,567	691,226	-	949,077	(3,202,264)	-	(3,202,264)
Health and Welfare	498,175	143,339	162,184	-	(192,652)	-	(192,652)
Parks and Recreation	477,572	291,181	-	65,426	(120,965)	-	(120,965)
Education	46,662,276	829,358	16,713,948	-	(29,118,970)	-	(29,118,970)
Interest and Fiscal Charges	608,909	-	-	-	(608,909)	-	(608,909)
Total Governmental Activities	69,525,383	3,486,878	18,204,168	1,014,503	(46,819,834)	-	(46,819,834)
Business-Type Activities:							
Sewer Department	7,035,260	5,620,377	-	110,129	-	(1,304,754)	(1,304,754)
Water Department	1,574,950	992,464	-	677,240	-	94,754	94,754
Total Business-Type Activities	8,610,210	6,612,841	-	110,129	-	(1,210,000)	(1,210,000)
Total Primary Government	$ 78,135,593	$ 10,099,719	$ 18,204,168	$ 1,124,632	(46,819,834)	(1,210,000)	(48,029,834)
GENERAL REVENUES AND EXPENSES							
Property Taxes					45,913,205	-	45,913,205
Grants and Contributions Not Restricted to Specific Programs					5,504,312	-	5,504,312
Unrestricted Investment Earnings					1,264,949	90,321	1,355,270
Miscellaneous Revenues					29,390	-	29,390
Total General Revenues					52,711,856	90,321	52,802,177
CHANGE IN NET POSITION					5,892,022	(1,119,679)	4,772,343
Net Position - Beginning of Year					86,564,758	57,214,782	143,779,540
NET POSITION - END OF YEAR					$ 92,456,780	$ 56,095,103	$ 148,551,883

See accompanying Notes to Financial Statements.

TOWN OF MONTVILLE, CONNECTICUT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2024

	General Fund	American Rescue Plan Fund	Road Bonding	School Construction	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS						
Cash and Cash Equivalents	$ 18,873,782	$ -	$ 7,465	$ -	$ 1,686,604	$ 20,567,851
Investments	-	-	-	-	420,170	420,170
Receivables:						
Property Taxes Receivable, Net	976,294	-	-	-	-	976,294
Assessment and Interest	15,759	-	-	-	-	15,759
Loans	-	-	-	-	272,364	272,364
Intergovernmental	48,716	-	-	863,251	391,062	1,303,029
Other Receivables	123,659	-	-	-	52,990	176,649
Due from Other Funds	987,101	703,383	-	446,057	2,317,620	4,454,161
Supplies	-	-	-	-	6,410	6,410
Other	1,131,738	-	-	-	-	1,131,738
Total Assets	$ 22,157,049	$ 703,383	$ 7,465	$ 1,309,308	$ 5,147,220	$ 29,324,425
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
LIABILITIES						
Accounts Payable	$ 962,770	$ 17,901	$ -	$ 710,287	$ 337,416	$ 2,028,374
Accrued Payroll and Other Liabilities	307,257	-	-	-	4,915	312,172
Due to Other Funds	3,467,356	-	287,439	-	372,164	4,126,959
Unearned Revenue	74,670	685,482	-	-	278,596	1,038,748
Total Liabilities	4,812,053	703,383	287,439	710,287	993,091	7,506,253
DEFERRED INFLOWS OF RESOURCES						
Unavailable Revenue - Property Taxes and Interest	791,922	-	-	-	-	791,922
Unavailable Revenue - Assessments and Interest	15,759	-	-	-	-	15,759
Unavailable Revenue - Intergovernmental Receivable	-	-	-	863,251	255,915	1,119,166
Unavailable Revenue - Loans	-	-	-	-	272,364	272,364
Total Deferred Inflows of Resources	807,681	-	-	863,251	528,279	2,199,211
FUND BALANCES						
Nonspendable	1,131,738	-	-	-	6,410	1,138,148
Restricted	70,711	-	-	109,327	1,219,225	1,399,263
Committed	706,872	-	-	-	2,742,593	3,449,465
Assigned	3,026,002	-	-	-	-	3,026,002
Unassigned	11,601,992	-	(279,974)	(373,557)	(342,378)	10,606,083
Total Fund Balances	16,537,315	-	(279,974)	(264,230)	3,625,850	19,618,961
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 22,157,049	$ 703,383	$ 7,465	$ 1,309,308	$ 5,147,220	$ 29,324,425

See accompanying Notes to Financial Statements.

TOWN OF MONTVILLE, CONNECTICUT
BALANCE SHEET
GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2024

RECONCILIATION TO THE STATEMENT OF NET POSITION

Total Fund Balances - Governmental Funds (Exhibit III)	$ 19,618,961
Amounts reported for governmental activities in the Statement of Net Position (Exhibit I) are different because of the following:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:	
Governmental Capital Assets	157,285,189
Less: Accumulated Depreciation and Amortization	(55,370,599)
Net Capital Assets	101,914,590
Other long-term assets and deferred outflows of resources are not available to pay for current-period expenditures and, therefore, are deferred in the funds:	
Property Tax Receivables	791,922
School Construction Intergovernmental Receivable	863,251
Other Receivables	255,915
Housing Rehabilitation Loan Receivable	272,364
Deferred Outflows Related to Pensions	9,564,551
Deferred Outflows Related to OPEB	442,067
Internal service funds are used by management to charge the costs of risk management to individual funds. The assets and liabilities of the internal service funds are reported with governmental activities in the Statement of Net Position.	3,452,122
Long-term liabilities and deferred inflows of resources are not due and payable in the current period and, therefore, are not reported in the funds:	
Bonds and Notes Payable	(16,803,000)
Financed Purchase Payables	(685,992)
Lease Payables	(243,206)
Deferred Charge on Refunding	305,771
Unamortized Premium on Bonds Payable	(791,881)
Interest Payable on Bonds	(240,662)
Early Retirement Incentive	(62,986)
Net Pension Liability	(21,486,143)
Compensated Absences	(1,610,869)
Total OPEB Liability	(1,703,686)
Deferred Inflows Related to OPEB	(613,481)
Deferred Inflows Related to Pensions	(782,828)
Net Position of Governmental Activities (Exhibit I)	$ 92,456,780

See accompanying Notes to Financial Statements.

TOWN OF MONTVILLE, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2024

	General Fund	American Rescue Plan Fund	Road Bonding	School Construction	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES						
Property Taxes, Interest, and Lien Fees	$ 46,111,776	$ -	$ -	$ -	$ -	$ 46,111,776
Intergovernmental Revenues	25,200,934	1,242,002	-	-	4,774,764	31,217,700
Charges for Services	3,724,433	-	-	-	1,064,525	4,788,958
Investment Income	1,192,355	-	-	-	64,389	1,256,744
Other	-	-	-	-	292,077	292,077
Total Revenues	76,229,498	1,242,002	-	-	6,195,755	83,667,255
EXPENDITURES						
Current:						
General Government	9,525,085	540,004	-	-	90,674	10,155,763
Public Safety	6,637,487	19,336	-	-	9,120	6,665,943
Public Works	4,038,057	-	-	-	263,086	4,301,143
Health and Welfare	237,073	-	-	-	252,081	489,154
Parks and Recreation	363,263	-	-	-	128,551	491,814
Nonprofit Organizations	100,481	-	-	-	-	100,481
Education	49,777,542	-	-	-	4,469,040	54,246,582
Debt Service:						
Principal Retirement	4,785,677	-	-	-	-	4,785,677
Interest and Other Charges	418,873	-	273,910	-	-	692,783
Capital Outlay	946,562	682,662	2,146,746	2,216,112	196,843	6,188,925
Total Expenditures	76,830,100	1,242,002	2,420,656	2,216,112	5,409,395	88,118,265
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(600,602)	-	(2,420,656)	(2,216,112)	786,360	(4,451,010)
OTHER FINANCING SOURCES (USES)						
Financed Purchase Issuance	256,262	-	-	-	-	256,262
Lease Issuance	22,288	-	-	-	-	22,288
Transfers in from Other Funds	-	-	-	-	32,904	32,904
Transfers Out to Other Funds	(32,904)	-	-	-	-	(32,904)
Total Other Financing Sources (Uses)	245,646	-	-	-	32,904	278,550
NET CHANGE IN FUND BALANCES	(354,956)	-	(2,420,656)	(2,216,112)	819,264	(4,172,460)
Fund Balances - Beginning of Year, as Previously Reported	16,892,271	-	2,140,682	-	4,758,468	23,791,421
Change Within Financial Reporting Entity	-	-	-	1,951,882	(1,951,882)	-
Fund Balances - Beginning of Year, Adjusted	16,892,271	-	2,140,682	1,951,882	2,806,586	23,791,421
FUND BALANCES - END OF YEAR	$ 16,537,315	$ -	$ (279,974)	$ (264,230)	$ 3,625,850	$ 19,618,961

See accompanying Notes to Financial Statements.

TOWN OF MONTVILLE, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED JUNE 30, 2024

RECONCILIATION TO THE STATEMENT OF ACTIVITIES

Net change in Fund Balances - Governmental Funds (Exhibit IV)	$ (4,172,460)
Amounts reported for governmental activities in the Statement of Activities (Exhibit II) are different because of the following:	
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 and amortization expense.	
Capital Outlay	6,843,171
Depreciation and Amortization Expense	(3,240,206)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	
Property Taxes Receivable - Accrual Basis Change	(198,571)
Other Receivables - Accrual Basis Change	96,401
Changes in Deferred Outflows Related to Pensions	677,096
Changes in Deferred Outflows Related to OPEB	(47,733)
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	
Principal Payments on Bonds and Notes Payable	4,131,000
Financed Purchase Issuance	(256,262)
Principal Payments on Financed Purchase	552,839
Lease Issuance	(22,898)
Lease Payments	96,185
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 Deferred Charge on Refunding	(142,724)
Amortization of Premium	233,211
Accrued Interest	14,548
Landfill Post-Closure Costs	19,000
Early Retirement Incentives	58,034
Change in Compensated Absences	8,326
Change in Net Pension Liability	35,658
Change in Total OPEB Liability	(1,045,450)
Changes in Deferred Inflows Related to Pensions	675,222
Change in Deferred Inflows Related to OPEB	11,615
The net expense of the internal service funds is reported with governmental activities.	1,566,020
Change in Net Position of Governmental Activities (Exhibit II)	$ 5,892,022

See accompanying Notes to Financial Statements.

EXHIBIT V

TOWN OF MONTVILLE, CONNECTICUT
STATEMENT OF NET POSITION
PROPRIETARY FUND
JUNE 30, 2024

	Business-Type Activities			Governmental
	Enterprise Funds			Activities
	Major Funds		Total	
	Sewer Department	Water Department	Enterprise Funds	Internal Service Fund
ASSETS				
Current Assets:				
Cash and Cash Equivalents	$ 6,614,309	$ 1,297,696	$ 7,912,005	$ 4,040,273
Receivables:				
User Charges, Net	1,609,395	158,006	1,767,401	-
Intergovernmental	30	-	30	-
Due from Other Funds	53,773	-	53,773	-
Total Current Assets	8,277,507	1,455,702	9,733,209	4,040,273
Noncurrent Assets:				
Capital Assets, Nondepreciable	4,022,414	1,003,151	5,025,565	-
Capital Assets, Net of Accumulated Depreciation and Amortization	37,487,911	8,854,426	46,342,337	-
Total Noncurrent Assets	41,510,325	9,857,577	51,367,902	-
Total Assets	49,787,832	11,313,279	61,101,111	4,040,273
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Charge Related to Pension	1,350,647	-	1,350,647	-
Total Deferred Outflows of Resources	1,350,647	-	1,350,647	-
LIABILITIES				
Current Liabilities:				
Accounts Payable	573,131	639,365	1,212,496	83,100
Accrued Liabilities	232,849	-	232,849	-
Accrued Interest Payable	6,759	1,982	8,741	-
Due to Other Funds	309,446	53,477	362,923	18,052
Claims Payable	-	-	-	486,999
Bonds, Notes, and Loans Payable	82,188	-	82,188	-
Lease Payable	3,835	-	3,835	-
Compensated Absences	32,000	-	32,000	-
Total Current Liabilities	1,240,208	694,824	1,935,032	588,151
Noncurrent Liabilities:				
Bonds, Notes, and Loans Payable and Related Liabilities	682,609	117,177	799,786	-
Lease Payable	1,733	-	1,733	-
Compensated Absences	128,852	-	128,852	-
Connection Fee Payable	-	490,844	490,844	-
Net Pension Liability	2,900,412	-	2,900,412	-
Total Noncurrent Liabilities	3,713,606	608,021	4,321,627	-
Total Liabilities	4,953,814	1,302,845	6,256,659	588,151
DEFERRED INFLOWS OF RESOURCES				
Deferred Charges Related to Pension	99,996	-	99,996	-
NET POSITION				
Net Investment in Capital Assets	40,739,960	9,740,400	50,480,360	-
Unrestricted	5,344,709	270,034	5,614,743	3,452,122
Total Net Position	$ 46,084,669	$ 10,010,434	$ 56,095,103	$ 3,452,122

See accompanying Notes to Financial Statements.

TOWN OF MONTVILLE, CONNECTICUT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUND
YEAR ENDED JUNE 30, 2024

	Business-Type Activities			Governmental
	Enterprise Funds			Activities
	Major Funds		Total	
	Sewer Department	Water Department	Enterprise Funds	Internal Service Fund
OPERATING REVENUES				
Charges for Services	$ 5,620,377	$ 992,464	$ 6,612,841	$ 9,178,740
Total Operating Revenues	5,620,377	992,464	6,612,841	9,178,740
OPERATING EXPENSES				
Medical Claims	-	-	-	7,379,746
Administration	-	-	-	241,179
Personnel Services	988,611	97,807	1,086,418	-
Supplies and Administration	2,450,888	915,830	3,366,718	-
Maintenance	565,129	61,747	626,876	-
Energy and Transportation	771,893	61,962	833,855	-
Insurance and Taxes	494,041	36,098	530,139	-
Depreciation and Amortization Expense	1,743,378	300,214	2,043,592	-
Total Operating Expenses	7,013,940	1,473,658	8,487,598	7,620,925
OPERATING INCOME (LOSS)	(1,393,563)	(481,194)	(1,874,757)	1,557,815
NONOPERATING REVENUES (EXPENSES)				
Intergovernmental	110,129	677,240	787,369	-
Gain (Loss) on Asset Disposal	(99,310)	-	(99,310)	-
Income on Investments	76,388	13,933	90,321	8,205
Interest Expense	(21,320)	(1,982)	(23,302)	-
Total Nonoperating Expenses	65,887	689,191	755,078	8,205
INCOME (LOSS) BEFORE TRANSFERS	(1,327,676)	207,997	(1,119,679)	1,566,020
OTHER FINANCING SOURCES (USES)				
Transfers In	24,180	-	24,180	-
Transfers Out	-	(24,180)	(24,180)	-
Total Transfers	24,180	(24,180)	-	-
CHANGE IN NET POSITION	(1,303,496)	183,817	(1,119,679)	1,566,020
Net Position - Beginning of Year	47,388,165	9,826,617	57,214,782	1,886,102
NET POSITION - END OF YEAR	$ 46,084,669	$ 10,010,434	$ 56,095,103	$ 3,452,122

See accompanying Notes to Financial Statements.

EXHIBIT VII

TOWN OF MONTVILLE, CONNECTICUT
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
YEAR ENDED JUNE 30, 2024

	Business-Type Activities			Governmental
	Enterprise Funds			Activities
	Major Funds		Total	
	Sewer Department	Water Department	Enterprise Funds	Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from Customers and Users	$ 5,643,896	$ 937,482	$ 6,581,378	$ 9,178,740
Intergovernmental	-	-	-	-
Payments to Suppliers	(4,080,545)	(568,890)	(4,649,435)	(259,232)
Payments to Employees	(777,564)	(97,807)	(875,371)	-
Claims Paid	-	-	-	(7,296,746)
Net Cash Provided by Operating Activities	785,787	270,785	1,056,572	1,622,762
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Interfund Loans	160,334	122,111	282,445	-
Interfund Transfers	24,180	(24,180)	-	-
Net Cash Provided by Noncapital Financing Activities	184,514	97,931	282,445	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Additions to Property, Plant, and Equipment	(3,265,165)	(662,577)	(3,927,742)	-
Capital Grants	110,129	677,240	787,369	-
Issuance of Notes	-	117,177	117,177	-
Principal Payments	(106,953)	-	(106,953)	-
Payments on Connection Fee Payable	-	(129,696)	(129,696)	-
Interest Payments	(22,038)	-	(22,038)	-
Cash Flows Provided (Used) by Related Financing Activities	(3,284,027)	2,144	(3,281,883)	-
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest on Investments	76,388	13,933	90,321	8,205
Net Cash Provided by Investing Activities	76,388	13,933	90,321	8,205
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(2,237,338)	384,793	(1,852,545)	1,630,967
Cash and Cash Equivalents - Beginning of Year	8,851,647	912,903	9,764,550	2,409,306
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 6,614,309	$ 1,297,696	$ 7,912,005	$ 4,040,273

See accompanying Notes to Financial Statements.

TOWN OF MONTVILLE, CONNECTICUT
STATEMENT OF CASH FLOWS
PROPRIETARY FUND (CONTINUED)
YEAR ENDED JUNE 30, 2024

	Business-Type Activities			Governmental
	Enterprise Funds			Activities
	Major Funds		Total	
	Sewer Department	Water Department	Enterprise Funds	Internal Service Fund
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES				
Operating Income (Loss)	$ (1,393,563)	$ (481,194)	$ (1,874,757)	$ 1,557,815
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:				
Depreciation and Amortization	1,743,378	300,214	2,043,592	-
Gain on Sale of Property, Plant, and Equipment	99,310	-	99,310	-
Change in Assets and Liabilities:				
(Increase) Decrease in User Charges Receivable	23,519	(54,982)	(31,463)	-
(Increase) Decrease in Deferred Outflows Related to Pension	(108,657)	-	(108,657)	-
Increase (Decrease) in Accounts Payable	102,096	506,747	608,843	(18,052)
Increase (Decrease) in Accrued Liabilities	232,849	-	232,849	-
Increase (Decrease) in Compensated Absences	31,981	-	31,981	-
Increase (Decrease) in Net Pension Liability	141,125	-	141,125	-
(Increase) Decrease in Deferred Inflows Related to Pension	(86,251)	-	(86,251)	-
Increase in Claims Payable	-	-	-	82,999
Total Adjustments	2,179,350	751,979	2,931,329	64,947
Net Cash Provided by Operating Activities	$ 785,787	$ 270,785	$ 1,056,572	$ 1,622,762

See accompanying Notes to Financial Statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The Town of Montville, Connecticut, was settled in 1786 and covers 43.9 square miles located in the Southeastern part of Connecticut. The Town operates under a Town Council/Mayor form of government and provides the following services as authorized by its charter: public safety, public works, health, social services, recreation, planning and zoning, education, and other miscellaneous programs.

The legislative power of the Town is vested with the Town Council and Town Meeting. The Town Council may enact, amend, or repeal ordinances and resolutions. The Town Council is responsible for financial and taxation matters as prescribed by Connecticut General Statutes and is responsible for presenting fiscal operating budgets for Town Meeting approval.

Accounting principles generally accepted in the United States of America require that the reporting entity include the primary government and its component units, entities for which the government is considered to be financially accountable, all organizations for which the primary government is financially accountable, and other organizations which by nature and significance of their relationship with the primary government would cause the financial statements to be incomplete or misleading if excluded. Blended component units, although legally separate entities, are in substance part of the government’s operations and, therefore, data from these units are combined with data of the primary government. Based on these criteria, there are no component units requiring inclusion in these financial statements.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Town. The effect of interfund activity has been removed from these statements; however, interfund services provided and used are not eliminated in the process of consolidation. The statements are intended to distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

Separate fund financial statements are provided for governmental funds and proprietary funds. Major individual governmental and proprietary funds are reported as separate columns in the fund financial statements.

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

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Property taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues in the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of the end of the current fiscal year). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is available to be received during the period or within the availability period for this revenue source (within 60 days of the end of the current fiscal year). All other revenue items are considered to be measurable and available only when the cash is received.

The Town reports the following major governmental funds:

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

The *American Rescue Plan Fund* accounts for resources received as a result of American Rescue Plan Act (ARPA).

The *Road Bonding Fund* accounts for the financial revenues to be used for major road capital asset construction and/or purchases.

The *School Construction Fund* accounts for the financial revenues to be used for major school construction and/or purchases.

The Town reports the following major proprietary funds:

The Water Pollution Control Authority (the WPCA) of the Town of Montville accounts for the activities of the Town's *Sewer Department* operations.

The WPCA of the Town of Montville accounts for activities of the Town's *Water Department* operations.

Additionally, the Town reports the following fund type:

<u>Internal Service Fund</u>

This fund accounts for activities that provide goods or services to other funds, departments, or agencies of the Town on a cost-reimbursement basis. The Town utilizes an internal service fund to account for risk management activities.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Internal Service Fund (Continued)

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Town's enterprise funds consist of charges to customers for services relating to sewer and water usage. Operating expenses of the Town's enterprise funds include the cost of operations and maintenance, administrative expenses, and depreciation of capital assets. The principal operating revenues of the Town's internal service fund consist of charges for premiums. Operating expenses of the Town's internal service fund consist of claims incurred and administrative expenses. Revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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.

D. Cash, Cash Equivalents, and Investments

Cash and Cash Equivalents

Cash equivalents are short-term, highly liquid investments with original maturities of three months or less, when purchased, such as certificates of deposit and investment pools.

Investments

All investments are stated at fair value.

E. Receivables

Property Taxes

Property taxes are assessed as of October 1 and are levied the following July 1. Taxes are due and payable in equal installments on July 1 and January 1 following the date of the Grand List. Interest of 1-½% per month is charged on delinquent taxes. Liens are effective on the attachment date and are continued by filing prior to the following levy date. Additional property taxes are assessed for motor vehicles registered subsequent to the Grand List date through July 31 and are payable in one installment due January 1. Based on historical collection experience and other factors, the Town has established an allowance for uncollectible taxes and interest of $275,000 and $250,000, respectively, as of June 30, 2024.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Receivables (Continued)

Assessments and Usage Charges

Upon completion of projects, water and sewer assessments are levied and assessed to the users each February. Usage charges are billed quarterly or monthly depending on the property type, beginning in January. Assessments and user charges are due and payable within thirty days, and delinquent amounts are subject to interest at prevailing rates. Liens are filed on all properties until the assessment is paid in full. Based on historical collection experience and other factors, the WPCA has established an allowance for uncollectible sewer and water usage of $13,170 and $1,600, respectively, as of June 30, 2024.

F. Interfund Activities

Interfund activities are reported as follows:

Interfund Receivable and Payable

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds.” Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

Interfund Services Provided and Used

Sales and purchases of goods and services between funds for a price approximating their external exchange value are reported as revenues and expenditures, or expenses, in the applicable funds.

Interfund Transfers

Interfund transfers represent flows of assets without equivalent flows of assets in return and without a requirement for repayment. In governmental funds, transfers are reported as other financing uses in the funds making transfers and other financing sources in the funds receiving transfers. In proprietary funds, transfers are reported after nonoperating revenues and expenses.

Interfund Reimbursements

Interfund reimbursements represent repayments from the funds responsible for particular expenditures or expenses to the funds that initially paid for them.

G. Unearned Revenue

This liability represents resources that have been received but not yet earned.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Supplies

Inventories are reported at cost using the first-in first-out (FIFO) method, except for USDA donated commodities, which are recorded at market value. Inventories are recorded as expenditures when consumed rather than when purchased.

I. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than $5,000 for equipment, $20,000 for improvements and $100,000 for infrastructure 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, works of art and similar items 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 assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

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

Buildings	35 to 50 Years
Building Improvements	20 Years
Distribution and Collection Systems	50 to 65 Years
Infrastructure	30 to 50 Years
Land Improvements	30 to 50 Years
Machinery and Equipment	5 to 20 Years

Capital outlay is reported as expenditures and no depreciation/amortization expense is reported in the governmental fund financial statements.

Right-to-use lease assets are initially measured at the present value of payments expected to be made during the lease term, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

J. Compensated Absences

Under the terms of various union contracts, Town and Board of Education employees are granted vacation and sick time in varying amounts based on length of service. Town employees may not carry over any accumulated vacation time and may carry over a limited number of sick days to subsequent years.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Compensated Absences (Continued)

In the event of retirement, Town employees are reimbursed for accumulated vacation and sick days based on union contract. Board of Education employees may carry over a limited number of unused vacation days to the next fiscal year.

All compensated absences are accrued when incurred in the government-wide, proprietary fund, and fiduciary fund financial statements. Expenditures for compensated absences are recognized in the governmental fund financial statements in the current year to the extent they have matured (i.e., due to resignation or retirement).

K. Net Pension Liability

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

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

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

M. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets or fund balance that applies to a future period or periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Town reports a deferred charge on refunding and deferred outflows related to pension and OPEB in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. The Town reports deferred outflows related to pension and OPEB in the government-wide statement of net position. A deferred outflow of resources related to pension and OPEB results from differences between expected and actual experience, changes in assumptions or other inputs and difference between projected and actual earnings. These amounts are deferred and included in pension and OPEB expense, as applicable, in a systematic and rational manner.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Deferred Outflows/Inflows of Resources (Continued)

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets or fund balance that applies to a future period or periods and so will not be recognized as an inflow of resources (revenue) until that time. The Town reports deferred inflows of resources related to pensions and OPEB in the government-wide statement of net position. A deferred inflow of resources related to pension or OPEB results from differences between expected and actual experience, changes in assumptions or other inputs. These amounts are deferred and included in pension expense and OPEB expense in a systematic and rational manner. Also, for governmental funds, the Town reports unavailable revenue, which arises only under the modified accrual basis of accounting. The governmental funds report unavailable revenues from property taxes, interest on property taxes, assessments, interest on assessments, and intergovernmental receivables. These amounts are deferred and recognized as an inflow of resources (revenue) in the period during which the amounts become available.

N. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations 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.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued, including financed purchases, 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. Principal payments and issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

O. Net Position and Fund Balance

Equity in the government-wide financial statements is defined as “net position.” Net position represents the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources. The components of net position are detailed below:

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

O. Net Position and Fund Balance (Continued)

Net Investment in Capital Assets

This component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, notes or other borrowings that are attributable to the acquisition, construction or improvement of these assets, net of unexpended proceeds. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction or improvement of those assets or related debt are included in this component of net position.

Restricted Net Position

These amounts are restricted to specific purposes when constraints placed on the use of resources are either: (a) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position

This category represents the net amount of the assets, liabilities and deferred inflows/outflows of resources which are not restricted for any project or other purpose. A deficit will require future funding.

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

Nonspendable Fund Balance

These amounts cannot be spent because they are not in spendable form, or because they are legally or contractually required to be maintained intact.

Restricted Fund Balance

These amounts are restricted to specific purposes when constraints are placed on the use of resources by external parties, such as debt covenants, grantors, contributors, or laws or regulations of other governments.

Committed Fund Balance

Amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Town Council (the highest level of decision-making authority of the Town) and cannot be used for any other purpose unless the Town removes or changes the specified use by taking the same formal action.

Assigned Fund Balance

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

O. Net Position and Fund Balance (Continued)

Unassigned Fund Balance

The residual amount not allocated to any other fund balance category in the General Fund and any residual deficit balance of any other governmental funds.

Net Position Flow Assumption

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

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

Fund Balance Flow Assumption

Sometimes the Town will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied.

It is the Town’s policy to use restricted resources first, then unrestricted resources as needed. Unrestricted resources are used in the following order: committed; assigned; then unassigned. It is the Town’s policy to maintain an unassigned fund balance in the General Fund between 12% and 16% of the Town’s General Fund budget. Two-thirds vote of the entire Town Council is required to decrease total fund balance below 12%. Unassigned fund balance in the General Fund as of June 30, 2024, represents 16.93% of the Town’s final General Fund budget.

P. Use of Estimates

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

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

The Town adopts an annual operating budget for the General Fund only. The Town adheres to the following procedures in establishing the budgetary data included in the General Fund financial statements, in accordance with provisions of Connecticut General Statutes and annually adopted budget policies:

- By 100 days before the close of the fiscal year, the head of each department, office, and agency submits to the Finance Director detailed estimates of expenditures and any revenues other than tax revenues expected to be collected. Expenditures are controlled at the department level.

- The Mayor submits a Capital Improvement Program for the ensuing fiscal year and the immediate four subsequent years to the Town Council for changes from the prior year's program by 75 days before the close of the fiscal year. It is then submitted to the Planning and Zoning Commission for approval. The Town Council then adopts the Program. The Program details the project, cost estimates, methods of financing, time schedules, and the estimated annual cost of the facility operation.

- By 75 days before the close of the fiscal year, the Mayor presents a budget message, estimates of revenues and expenditures, and justifications to the Town Council.

- By 60 days before the close of the fiscal year, the Town Council publishes the particulars of the budgets and holds one or more public hearings.

- The Town Council may add, increase, delete, or decrease any programs or amounts except for those prohibited by law. The budget is returned to the Mayor, who approves it or vetoes one or more line-items (except for the Board of Education budget). A veto may be overridden by a two-thirds vote of the entire Town Council.

- The Town Council adopts the final budget before 30 days of the close of the fiscal year.

- If the Town Council fails to adopt a budget within the prescribed timeframe, the previous year's budget prevails on a month-to-month basis until the new budget is adopted.

- With written approval of a department head and the Director of Finance, transfers between line items within a department can be made. The Town Council may transfer unexpended balances between departments.

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)

A. Budgetary Information (Continued)

- The Board of Education may transfer unexpended balances between accounts within its total line appropriation.

- Additional appropriations may be made during the year by resolution of the Town Council. There were no additional appropriations from fund balance for the year ended June 30, 2024.

Encumbrances are recognized as a valid and proper charge against a budget appropriation in the year in which the purchase order, contract or other commitment is issued and, accordingly, encumbrances outstanding at year-end are reported in budgetary reports as expenditures of the current year. Generally, all unexpended appropriations lapse at year-end, except those for capital projects funds and certain special revenue funds. Appropriations for capital projects are continued until completion of applicable projects, even when projects extend more than one fiscal year. Encumbered appropriations in the General Fund are not re-appropriated in the ensuing year's budget but are carried forward.

B. Fund Deficits

At June 30, 2024, the Town reported deficit fund balance/net position in the following funds:

Road Bonding	$ 279,974
School Construction	264,230
Nonmajor Governmental Funds:	
Recreation Services	4,699
Transfer Station	165,970
Special Education Grants	47,306
Public Works Facility Improvement	70,828
Boat Pier	53,575

The fund deficit will be eliminated by grant funding, state grant reimbursements and from appropriation from the General Fund.

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)

C. Excess of Expenditures Over Appropriations

For the year ended June 30, 2024, expenditure exceeded appropriations for the following functions:

Function	Expenditures in Excess of Appropriation
General Government	$ 82,961
Public Safety	371,625
Recreation and Leisure	16,933
Nonprofit Organizations	681
Capital Outlay	44,012
Debt Service	57,283

NOTE 3 CASH, CASH EQUIVALENTS, AND INVESTMENTS

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

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

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

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

A. Deposits

Deposits – Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, the Town's deposits may not be returned to it. The Town does not have a deposit policy for custodial credit risk. Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, $19,277,652 of the Town's bank balance of $21,038,862 was exposed to custodial credit risk as follows:

Uninsured and Uncollateralized	$ 17,199,886
Uninsured and Collateral Held by the Pledging Bank's Trust Department, Not in the Town's Name	2,077,766
Total Amount Subject to Custodial Risk	$ 19,277,652

All of the Town's deposits were in qualified public institutions as defined by Connecticut state statute. Under this statute, any bank holding public deposits must at all times maintain, segregated from its other assets, eligible collateral in an amount equal to a certain percentage of its public deposits. The applicable percentage is determined based on the bank's risk-based capital ratio. The amount of public deposits is determined based on either the public deposits reported on the most recent quarterly call report, or the average of the public deposits reported on the four most recent quarterly call reports, whichever is greater. The collateral is kept in the custody of the trust department of either the pledging bank or another bank in the name of the pledging bank.

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

B. Cash Equivalents

Cash equivalents are short-term, highly liquid investments that are both readily convertible to known amounts of cash and purchased within 90 days of maturity. At June 30, 2024, the Town's cash equivalents amounted to $12,000,112. The following table provides a summary of the Town's cash equivalents as rated by nationally recognized statistical rating organizations.

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

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

C. Investments

At June 30, 2024, the Town's investments consisted of the following:

Investment Type	Fair Value
Other Investments:	
Mutual Funds	$ 420,171

Investment 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 does not have a policy for custodial credit risk. The Town's investments in external investment pools and mutual funds are not evidenced by securities and are therefore not exposed to custodial credit risk.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The Town does not have a formal investment policy that limits Town investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, its practice is to structure the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity, and investing operating funds primarily in shorter-term securities, money market mutual funds, or similar investment pools.

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

C. Investments (Continued)

Credit Risk – Investments

The Town has no investment policy that would further limit its investment choices beyond those limited by Connecticut state statutes. Connecticut state statutes permit the Town to invest in obligations of the United States, including its instrumentalities and agencies; in obligations of any state or of any political subdivision, authority or agency thereof, provided such obligations are rated within one of the top two rating categories of any recognized rating service; or in obligations of the state of Connecticut or of any political subdivision thereof, provided such obligations are rated within one of the top three rating categories of any recognized rating service.

Concentration of Credit Risk

The Town places no limit on the amount of investment in any one issuer. No more than 5% of the Town's investments were invested in any one issuer in which credit risk was applicable.

Fair Value Disclosure

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants, as of the measurement date. Authoritative guidance establishes a hierarchy of valuation techniques based upon whether the inputs to those valuation techniques reflect assumptions other market participants would use based upon market data obtained from independent sources (also referred to as observable inputs). The Town classifies its assets and liabilities measured at fair value into Level 1 (securities valued using quoted prices from active markets for identical assets), Level 2 (securities not traded on an active market for which market inputs are observable, either directly or indirectly), and - Level 3 (securities valued based on unobservable inputs). Investments are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

The Town has the following recurring fair value measurements as of June 30, 2024:

	June 30, 2023	Fair Value Measurements Using Level 1	Level 2	Level 3
Investments by Fair Value Level:				
Mutual Funds	$ 420,171	$ 420,171	$ -	$ -

Mutual funds are classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities.

NOTE 4 RECEIVABLES

Receivable as of June 30, 2024, including the applicable allowances for uncollectible accounts, for the Town's major funds and nonmajor governmental funds are presented below.

Receivables	General Fund	School Construction	Nonmajor Governmental Funds	Sewer Department	Water Department	Total
Property Taxes	$ 1,102,821	$ -	$ -	$ -	$ -	$ 1,102,821
Interest on Property Taxes	398,473	-	-	-	-	398,473
Assessment and Interest	15,759	-	-	-	-	15,759
User Charges	-	-	-	1,622,565	159,606	1,782,171
Loans	-	-	272,364	-	-	272,364
Intergovernmental	48,716	863,251	391,062	30	-	1,303,059
Other	123,659	-	52,990	-	-	176,649
Gross Receivables	1,689,428	863,251	716,416	1,622,595	159,606	5,051,296
Less: Allowance for Uncollectible Accounts	(525,000)	-	-	(13,170)	(1,600)	(539,770)
Net Receivables	$ 1,164,428	$ 863,251	$ 716,416	$ 1,609,425	$ 158,006	$ 4,511,526

NOTE 5 CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2024, was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental Activities:					
Capital Assets Not Being Depreciated and Amortized:					
Land	$ 2,248,490	$ -	$ -	$ -	$ 2,248,490
Construction in Progress	4,253,977	1,520,360	-	(4,193,977)	1,580,360
Total Capital Assets Not Being Depreciated and Amortized	6,502,467	1,520,360	-	(4,193,977)	3,828,850
Capital Assets Being Depreciated and Amortized:					
Land Improvements	5,322,778	746,529	228,496	-	5,840,811
Buildings and Improvements	95,758,287	701,298	-	-	96,459,585
Machinery and Equipment	18,439,862	1,938,094	-	-	20,377,956
Right-to-use Equipment	434,391	22,288	27,199	-	429,480
Infrastructure	24,239,928	1,914,602	-	4,193,977	30,348,507
Total Capital Assets Being Depreciated and Amortized	144,195,246	5,322,811	255,695	4,193,977	153,456,339
Less: Accumulated Depreciation and Amortization for:					
Land Improvements	1,423,280	180,924	228,496	-	1,375,708
Buildings and Improvements	28,501,871	1,451,201	-	-	29,953,072
Machinery and Equipment	12,168,917	959,128	-	-	13,128,045
Right-to-Use Equipment	120,200	98,481	27,199	-	191,482
Infrastructure	10,171,820	550,472	-	-	10,722,292
Total Accumulated Depreciation and Amortization	52,386,088	3,240,206	255,695	-	55,370,599
Total Capital Assets Being Depreciated and Amortized, Net	91,809,158	2,082,605	-	4,193,977	98,085,740
Governmental Activities Capital Assets, Net	$ 98,311,625	$ 3,602,965	$ -	$ -	$ 101,914,590

NOTE 5 CAPITAL ASSETS (CONTINUED)

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Business-Type Activities:					
Capital Assets Not Being Depreciated and Amortized:					
Land	$ 1,127,031	$ -	$ -	$ -	$ 1,127,031
Construction in Progress	728,532	3,211,028	(27,866)	(13,160)	3,898,534
Total Capital Assets Not Being Depreciated and Amortized	1,855,563	3,211,028	(27,866)	(13,160)	5,025,565
Capital Assets Being Depreciated and Amortized:					
Land Improvements	624,188	9,749	-	-	633,937
Buildings and Improvements	22,718,511	119,185	-	1,413,257	24,250,953
Distribution and Collection System	52,522,315	463,696	(1,302,260)	(1,400,097)	50,283,654
Machinery and Equipment	16,336,161	187,843	(98,108)	-	16,425,896
Right-to-Use Equipment	24,774	-	(6,286)	-	18,488
Total Capital Assets Being Depreciated and Amortized	92,225,949	780,473	(1,406,654)	13,160	91,612,928
Less: Accumulated Depreciation and Amortization for:					
Land Improvements	16,790	27,947	-	-	44,737
Buildings and Improvements	9,923,316	539,146	-	(640,756)	9,821,706
Distribution and Collection System	24,451,403	1,350,949	1,067,847	640,756	25,375,261
Machinery and Equipment	9,993,137	120,606	98,008	-	10,015,735
Right-to-use Equipment	14,494	4,944	6,286	-	13,152
Total Accumulated Depreciation and Amortization	44,399,140	2,043,592	1,172,141	-	45,270,591
Total Capital Assets Being Depreciated and Amortized, Net	47,826,809	(1,263,119)	(2,578,795)	13,160	46,342,337
Business-Type Activities Capital Assets, Net	$ 49,682,372	$ 1,947,909	$ (2,606,661)	$ -	$ 51,367,902

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

Governmental Activities:	
General Government	$ 205,045
Public Safety	457,066
Public Works	935,188
Health and Welfare	29,200
Recreation and Leisure	10,834
Education	1,602,873
Total Depreciation and Amortization Expense - Governmental Activities	$ 3,240,206
Business-Type Activities:	
Sewer Department	$ 1,743,378
Water Department	300,214
Total Depreciation and Amortization Expense - Business-Type Activities	$ 2,043,592

NOTE 6 INTERFUND BALANCES AND TRANSFERS

Interfund Payables and Receivables

A summary of interfund balances as of June 30, 2024, is as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Internal Service Fund	$ 18,052
General Fund	Nonmajor Governmental Funds	372,164
General Fund	Road Bonding Fund	287,439
General Fund	Water Department	309,446
Subtotal		987,101
American Rescue Plan Fund	General Fund	703,383
School Construction Fund	General Fund	446,057
Nonmajor Governmental Funds	General Fund	2,317,620
Sewer Department	Water Department	53,477
Sewer Department	General Fund	296
Total		$ 4,507,934

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

Interfund Transfers

A summary of interfund transfers as of June 30, 2024, is as follows:

	Transfer In	
	General Fund	Nonmajor Governmental Funds
Transfers Out:		
General Fund	$ -	$ 32,904
Nonmajor Governmental Funds	(32,904)	-
Transfers In	$ (32,904)	$ 32,904

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

NOTE 7 CHANGES IN LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities during the fiscal year:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Bonds and Notes Payable:					
General Obligation Bonds	$ 20,934,000	$ -	$ 4,131,000	$ 16,803,000	$ 3,131,000
Premium on Bonds	1,025,092	-	233,211	791,881	-
Total Bonds Payable	21,959,092	-	4,364,211	17,594,881	3,131,000
Financed Purchases	982,569	256,262	552,839	685,992	229,513
Lease Payable	316,493	22,898	96,185	243,206	71,588
Landfill Post-Closure Costs	19,000	-	19,000	-	-
Early Retirement Incentives	121,020	55,464	113,498	62,986	31,385
Compensated Absences	1,619,195	519,658	527,984	1,610,869	322,344
Net Pension Liability	20,440,693	1,045,450	-	21,486,143	-
Total OPEB Liability	1,739,344	-	35,658	1,703,686	111,826
Total Governmental Activities Long-Term Liabilities	$ 47,197,406	$ 1,899,732	$ 5,709,375	$ 43,387,763	$ 3,897,656

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Business Type Activities:					
Bonds and Notes Payable:					
General Obligation Bonds	$ 720,000	$ -	$ 90,000	$ 630,000	$ 70,000
Lease Payable	10,574	-	5,006	5,568	3,835
Note Payable from Direct Borrowings	146,744	117,177	11,947	251,974	12,188
Contract Payable from Direct Borrowings	620,540	-	129,696	490,844	-
Compensated Absences	128,871	57,981	26,000	160,852	32,000
Net Pension Liability	2,759,287	141,125	-	2,900,412	-
Total Long-Term Liabilities	$ 4,386,016	$ 316,283	$ 262,649	$ 4,439,650	$ 118,023

Bonds payable typically have been liquidated by the General Fund for governmental activities and the Water and Sewer Departments for business-type activities. Other long-term liabilities are typically liquidated by the General Fund for governmental activities and the Water and Sewer Departments for business-type activities.

General Obligation Bonds

General obligation bonds as of June 30, 2024, consisted of the following:

	Original Amount	Date of Issue	Date of Maturity	Interest Rate	Balance Outstanding June 30, 2024
Governmental Activities:					
Bonds Payable					
General Obligation Bonds - Series B	$ 7,890,000	02/25/10	07/01/24	3.00-5.00%	$ 550,000
General Obligation Bonds	10,625,000	08/15/12	08/15/32	2.13-5.00%	4,245,000
General Obligation Refunding Bonds	9,195,000	03/07/13	07/01/26	1.00-4.00%	1,590,000
General Obligation Refunding Bonds	5,849,000	11/02/15	09/15/27	1.97%	1,308,000
General Obligation Bonds	2,500,000	04/09/19	04/01/29	3.00-5.00%	1,250,000
General Obligation Bonds	3,300,000	03/18/21	03/15/31	2.00-4.00%	2,310,000
General Obligation Bonds	6,000,000	04/05/23	04/15/43	4.00-5.00%	5,550,000
Total					$ 16,803,000
Business-Type Activities:					
Bonds Payable					
General Obligation Bonds	$ 1,500,000	08/15/12	08/15/32	2.13-5.00%	$ 630,000

NOTE 7 CHANGES IN LONG-TERM LIABILITIES (CONTINUED)

General Obligation Bonds (Continued)

The annual debt service requirements for the Town's general obligation bonds are as follows:

	Governmental Activities		Business-Type Activities	
Year Ending June 30,	Principal	Interest	Principal	Interest
2025	$ 3,131,000	$ 542,443	$ 70,000	$ 17,238
2026	2,445,000	445,987	70,000	15,575
2027	2,309,000	367,021	70,000	13,650
2028	1,778,000	296,612	70,000	11,550
2029	1,460,000	247,200	70,000	9,450
2030-2034	4,330,000	616,500	280,000	16,800
2035-2039	750,000	210,000	-	-
2040-2043	600,000	60,000	-	-
Total	$ 16,803,000	$ 2,785,763	$ 630,000	$ 84,263

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	Debt Limit	Net Indebtedness	Balance
General Purpose	$ 98,789,227	$ 12,262,795	$ 86,526,432
Schools	197,578,454	10,627,000	186,951,454
Sewers	164,648,711	881,974	163,766,737
Urban Renewal	142,695,550	-	142,695,550
Pension Deficit	131,718,969	-	131,718,969

The total overall statutory debt limit for the Town is equal to seven times annual receipts from taxation, $307,344,261.

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.

Authorized, Unissued Bonds

At June 30, 2024, the Town had authorized unissued bonds totaling $21,700,000 for road improvements, school renovations, and school air condition projects.

NOTE 7 CHANGES IN LONG-TERM LIABILITIES (CONTINUED)

Financed Purchase Commitments

The Town has several active financed purchase commitments as of year-end. Assets acquired through financed purchases are as follows:

	Governmental Activities
Equipment	$ 3,144,834
Less: Accumulated Depreciation	(1,138,063)
Net Book Value	$ 2,006,771

Principal and interest requirements to maturity under financed purchase commitments at June 30, 2024, were as follows:

Year Ending June 30,	Principal	Interest	Total
2025	$ 229,513	$ 25,983	$ 255,496
2026	236,044	17,827	253,871
2027	166,200	10,192	176,392
2028	54,235	3,065	57,300
Total	$ 685,992	$ 57,067	$ 743,059

Lease Payable

The Town leases equipment for various terms under long-term, noncancelable lease agreements. The leases expire at various dates through 2035.

Principal and interest requirements to maturity under lease agreements are as follows:

	Governmental Activities		Business-Type Activities	
Year Ending June 30,	Principal	Interest	Principal	Interest
2025	$ 71,588	$ 7,848	$ 3,835	$ 99
2026	66,366	5,264	1,440	25
2027	62,285	2,649	293	1
2028	27,739	762	-	-
2029	2,281	419	-	-
2030-2034	11,987	1,018	-	-
2035	960	8	-	-
Total	$ 243,206	$ 17,968	$ 5,568	$ 125

NOTE 7 CHANGES IN LONG-TERM LIABILITIES (CONTINUED)

Notes Payable from Direct Borrowings

Notes payable from direct borrowings as of June 30, 2024, consisted of the following:

	Original Amount	Date of Issue	Date of Maturity	Interest Rate	Balance Outstanding June 30, 2024
State of Connecticut Serial Notes Payable					
Clean Water Fund	$ 245,631	01/30/15	07/31/34	2.00%	$ 134,797
Drinking Water State Revolving Fund	*	*	*	*	117,177
					$ 251,974

* Note not permanently financed as of June 30, 2024

Annual debt service requirements to maturity on the notes payable are as follows as of June 30, 2024:

Year Ending June 30,	Business-Type Activities Principal	Business-Type Activities Interest
2025	$ 12,188	$ 2,585
2026	12,434	2,339
2027	12,686	2,088
2028	12,940	1,832
2029	13,202	1,560
2030-2034	70,118	3,746
2035-2039	1,229	2
Total	134,797	14,152
Notes not Permanently Financed as of June 30, 2024	117,177	-
Total	$ 251,974	$ 14,152

The Town's outstanding clean water notes contains a provision that, in event of default, the State may declare, by notice to the Town, that the principal of and interest accrued on any outstanding amounts are immediately due and payable in full, automatically, without further notices or demand of any kind.

Contract Payables from Direct Borrowings

The Town has entered into a long-term contract with the Mohegan Tribal Utility Authority in connection with its portion of costs from a regional water extension project. Amounts payable total $490,844 as of June 30, 2024, and are due upon new connections to the system.

Early Retirement Incentive

The Board of Education provides early retirement incentive benefits to former employees. Benefits are paid annually based on the retirement agreement for each employee. Benefits are payable through 2026. The amount paid from General Fund appropriations during the year ended June 30, 2024, was $113,498, and the outstanding balance at June 30, 2024, is $62,986.

NOTE 8 FUND BALANCE

As of June 30, 2024, fund balances are composed of the following:

	General Fund	Road Bonding	School Construction	Nonmajor Governmental Funds	Total
Fund Balances:					
Nonspendable:					
Prepaid and Supplies	$ 1,131,738	$ -	$ -	$ 6,410	$ 1,138,148
Restricted for:					
Grants and Donations	8,456	-	-	346,718	355,174
Education	62,255	-	-	804,458	866,713
Cannabis	-	-	-	68,049	68,049
Capital Purposes	-	-	109,327	-	109,327
Total Restricted	70,711	-	109,327	1,219,225	1,399,263
Committed for:					
Education Carryover	706,872	-	-	-	706,872
Student Activities	-	-	-	363,738	363,738
Cafeteria Operations	-	-	-	891,576	891,576
General Government	-	-	-	13,858	13,858
Health and Welfare	-	-	-	454,751	454,751
Recreation	-	-	-	77,841	77,841
Capital Projects	-	-	-	940,829	940,829
Total Committed	706,872	-	-	2,742,593	3,449,465
Assigned to:					
Subsequent Year's Budget	2,800,000	-	-	-	2,800,000
General Government Encumbrances	(296,652)	-	-	-	(296,652)
Public Safety Encumbrances	-	-	-	-	-
Public Works Encumbrances	21,150	-	-	-	21,150
Education Encumbrances	501,504	-	-	-	501,504
Total Assigned	3,026,002	-	-	-	3,026,002
Unassigned	11,601,992	(279,974)	(373,557)	(342,378)	10,606,083
Total Fund Balances	$ 16,537,315	$ (279,974)	$ (264,230)	$ 3,625,850	$ 19,618,961

As of June 30, 2024, the Town has recorded $226,002 in encumbrances, which has been reported in the assigned fund balance of the General Fund.

NOTE 9 RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees or acts of God for which the Town carries commercial insurance. During 2024, deductibles paid by the Town were insignificant. Neither the Town nor its insurers have settled any claims which exceeded the Town’s insurance coverage during the past three years. There have been no significant reductions in any insurance coverage from amounts in the prior year.

The Health Insurance Fund, an internal service fund, was established to account for and finance employee medical benefits claims for eligible full-time employees of both the Town and the Board of Education. The Town retains the risk of loss under the plan. A third party processes the claims filed under the self-insured health plan, for which the Town is charged an administrative fee. The Town has purchased a stop-loss policy for total claims in any one year exceeding an aggregate of 125% of expected claims and for individual claims exceeding $175,000 for combined hospital and major medical.

NOTE 9 RISK MANAGEMENT (CONTINUED)

The Town establishes claims liabilities based on estimates of claims that have been incurred but not reported at June 30, 2024. Claims liabilities are recorded if information prior to the issuance of the financial statements indicates that it is possible that a liability has been incurred at the date of the financial statements and the amount of possible loss can be reasonably estimated. The amount of the claims accrual is based on the ultimate costs of settling the claims, which include past experience data, inflation and other future economic and societal factors and incremental claim adjustment expenses, net of estimated subrogation recoveries. The claims accrual does not include other allocated or unallocated claims adjustment expenses.

A summary of claims activity for the years ended June 30, 2023 and 2024 is as follows:

	Medical Insurance			
Year Ending	Liability July 1,	Current Year Claims and Changes in Estimates	Claim Payments	Liability June 30,
2022-2023	$ 638,000	$ 7,488,318	$ (7,524,421)	$ 601,897
2023-2024	601,897	7,181,848	(7,296,746)	486,999

The Town purchases commercial insurance for all other risks of loss, including blanket and umbrella. Coverage has not been materially reduced, nor has settled claims exceeded commercial coverage in any of the past three years.

NOTE 10 COMMITMENTS AND CONTINGENCIES

The Town is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the Town’s legal counsel, the resolution of these matters will not have a material adverse effect on the financial condition of the Town.

The Town has received state and federal grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursement to the grantor agency for any expenditure disallowed under terms of the grant. Based on prior experience, Town management believes such disallowances, if any, will not be material.

The Town may be subject to rebate penalties to the federal government relating to various bond and note issues. The Town expects such amounts, if any, to be immaterial.

NOTE 11 EMPLOYEE RETIREMENT PLANS

A. Connecticut Municipal Employees' Retirement System

Plan Description

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

Benefit Provisions

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

Normal Retirement

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

Early Retirement

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

NOTE 11 EMPLOYEE RETIREMENT PLANS (CONTINUED)

A. Connecticut Municipal Employees' Retirement System (Continued)

Disability Retirement – Service Connected

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

Disability Retirement – Nonservice Connected

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

Pre-Retirement Death Benefit

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

Contributions

Member

Contributions for members not covered by social security are 6% of compensation; for members covered by social security, 3.25% of compensation up to the social security taxable wage base plus 6% of compensation, if any, in excess of such base.

Employer

Participating employers make annual contributions consisting of a normal cost contribution, a contribution for the amortization of the net unfunded accrued liability and a prior service amortization payment, which covers the liabilities of MERS not met by member contributions. In addition, there is also an annual administrative fee per active and retired member. The Town's required contribution for the year ended June 30, 2024, was $2,712,062.

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

At June 30, 2024, the Town reports a liability of $24,386,555 for its proportionate share of the net pension liability. The net pension liability was measured at June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation at June 30, 2023. The actuarial assumptions used in the June 30, 2023, valuation were based on results of an actuarial experience study for the period July 1, 2017, through June 30, 2022. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participants, actuarially determined. At June 30, 2024, the Town's proportion was 1.72%. The increase in proportion from the prior year was 0.03%.

NOTE 11 EMPLOYEE RETIREMENT PLANS (CONTINUED)

A. Connecticut Municipal Employees' Retirement System (Continued)

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

For the year ended June 30, 2024, the Town recognized pension expense of $2,478,443. At June 30, 2024, the Town reported deferred outflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	$ 2,040,173	$ -
Change in Assumptions	2,559,062	-
Differences Between Expected and Actual Experience	1,959,143	270,581
Changes in Proportional Share	1,491,900	612,243
Contributions Made Subsequent to Measurement Date	2,864,920	-
Total	$ 10,915,198	$ 882,824

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

Year Ending June 30,	Amount
2025	$ 1,737,726
2026	1,586,326
2027	3,129,310
2028	530,051
2029	184,041
Total	$ 7,167,454

Actuarial Assumptions

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

Inflation	2.50%
Salary Increases	3.00-9.50%, Including Inflation
Investment Rate of Return	7.00%, Net of Pension Plan Investment Expense, Including Inflation

Mortality rates were based on Pub-2010 Mortality Tables set-forward one year (except Active Employees) are projected generationally with scale MP-2021.

NOTE 11 EMPLOYEE RETIREMENT PLANS (CONTINUED)

A. Connecticut Municipal Employees' Retirement System (Continued)

Actuarial Assumptions (Continued)

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	37.00 %	6.80%
Public Credit	2.00	2.90%
Core Fixed Income	13.00	0.40%
Liquidity Fund	1.00	-0.40%
Risk Mitigation	5.00	0.10%
Private Equity Fund	15.00	11.20%
Private Credit	10.00	6.10%
Real Estate	10.00	6.30%
Infra. And Natural Resources	7.00	7.70%
Total	100.00 %	

Discount Rate

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

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

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

NOTE 11 EMPLOYEE RETIREMENT PLANS (CONTINUED)

A. Connecticut Municipal Employees' Retirement System (Continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate (Continued)

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Town's Proportionate Share of the Net Pension Liability	$ 34,192,366	$ 24,386,555	$ 16,212,128

B. Connecticut State Teachers' Retirement System – Pension

Plan Description

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

Benefit Provisions

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

Normal Retirement

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

Early Retirement

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

Disability Retirement

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

NOTE 11 EMPLOYEE RETIREMENT PLANS (CONTINUED)

B. Connecticut State Teachers' Retirement System – Pension (Continued)

Contributions

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

Employer (School Districts)

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

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

For the year ended June 30, 2024, the amount of "on-behalf" contributions made by the State was $6,446,742 and is recognized in the General Fund as intergovernmental revenues and education expenditures.

Employees

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

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

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

At June 30, 2024, the Town reports no amounts for its proportionate share of the net pension liability, and related deferred outflows and inflows, due to the statutory requirement that the State pay 100% of the required contribution. The amount recognized by the Town as its proportionate share of the net pension liability, the related state support, and the total portion of the net pension liability that was associated with the Town were as follows:

Town's Proportionate Share of the Net Pension Liability	$ -
State's Proportionate Share of the Net Pension Liability Associated with the Town	69,479,732
Total	$ 69,479,732

The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as June 30, 2023. At June 30, 2024, the Town has no proportionate share of the net pension liability.

For the year ended June 30, 2024, the Town recognized pension expense and revenue of $6,652,282 in Exhibit II.

NOTE 11 EMPLOYEE RETIREMENT PLANS (CONTINUED)

B. Connecticut State Teachers' Retirement System – Pension (Continued)

Actuarial Assumptions

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

Inflation	2.50%
Salary Increases	3.00-6.50%, Including Inflation
Investment Rate of Return	6.90%, Net of Pension Plan Investment Expense, Including Inflation

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

The actuarial assumptions used in the June 30, 2023, valuation were based on the results of an actuarial experience study for the five-year period ending June 30, 2019.

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

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

Cost-of-Living Allowance

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

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

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

NOTE 11 EMPLOYEE RETIREMENT PLANS (CONTINUED)

B. Connecticut State Teachers' Retirement System – Pension (Continued)

Long-Term Rate of Return

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	37.00 %	6.80%
Public Credit	2.00	2.90%
Core Fixed Income	13.00	0.40%
Liquidity Fund	1.00	-0.40%
Risk Mitigation	5.00	0.10%
Private Equity Fund	15.00	11.20%
Private Credit	10.00	6.10%
Real Estate	10.00	6.20%
Infra. And Natural Resources	7.00	7.70%
Total	100.00 %	

Discount Rate

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

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

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

Other Information

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

NOTE 11 EMPLOYEE RETIREMENT PLANS (CONTINUED)

C. Defined Contribution Plans

The Town and Board of Education offer defined contribution plans to enable employees to enhance their retirement security by deferring a portion of their salary. Eligible employees of the Town and Board of Education can make voluntary (unmatched) contributions to the 457(b) Deferred Compensation Plan, up to applicable Internal Revenue Code limits. In addition, the Board of Education offers a 403(b) defined benefit plan. Both plans are voluntary. The Town administers both plans.

For the year ended June 30, 2024, employees contributed $1,011,932 to the 457(b) deferred compensation plan, and the Town contributions totaled $-0- in the 403(b) Plan.

NOTE 12 OTHER POSTEMPLOYMENT BENEFITS PLANS (OPEB)

A. Board of Education OPEB Plan

Plan Description

The Town administers an Other Postemployment Benefits Plan (the Plan), which is a single employer defined benefit healthcare plan. The Plan provides healthcare insurance benefits for eligible retirees and their spouses through the Town's group health insurance plan, which covers both active and retired members, as well as certain life insurance benefits. Benefit provisions are established through negotiations between the Town and the unions representing Town employees and are renegotiated each bargaining period. The Plan does not issue a publicly available financial report and is not included in the financial statements of another entity.

The Town currently pays for postemployment health care benefits on a pay-as-you-go basis. As of June 30, 2024, the Town has not established a trust fund to irrevocably segregate assets to fund liability associated with the postemployment benefits, which would require the reporting of a trust fund in accordance with GASB guidelines. Administration costs are financed from current operations.

Benefit Provided

The OPEB Plan provides for medical, prescription, dental, and life insurance benefits to eligible retirees, spouses, and beneficiaries. Contribution requirements of the Plan members and the Town are established in the Plan document and may be amended through negotiations between the Town and the unions. Currently, the Town contributes the following for various classes of employees covered:

Board of Education Administrators

Administrators receiving benefits are required to contribute 50% of their premium costs. Administrators hired on or after July 1, 2012, are required to contribute 75% of their premium cots. Administrators are eligible for benefits upon retirement and 20 years of service regardless of age.

NOTE 12 OTHER POSTEMPLOYMENT BENEFITS PLANS (OPEB) (CONTINUED)

A. Board of Education OPEB Plan (Continued)

Benefit Provided (Continued)

Board of Education Teachers

Teachers retiring under the Connecticut State Teachers Retirement system are eligible to receive health benefits for self and spouse. Normal retirement for teachers is the earlier of age 60 with 20 years of services, or completion of 35 years of service regardless of age. Individuals receiving benefits contribute 100% of their premium costs.

Membership in the Plan consisted of the following at June 30, 2024:

Inactive Pan Members Receiving Benefits	58
Active Participants	218
Total	276

Total OPEB Liability

The Town's total OPEB liability of $1,703,686 was measured as of June 30, 2024, and it was determined by an actuarial valuation as of July 1, 2022.

Actuarial Assumptions and Other Inputs

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

Discount Rate	3.93%
2023 Medical Trend Rates	7.00%
2024 Medical Trend Rates	6.00%
Ultimate Medical Trend Rates	5.00%
Year Ultimate Medical Trend Rates	2025
Salary Increases	3.50%

The discount rate was based on the Bond Buyer's 20 Bond Index.

The mortality rates are from the RPH-2014 Total Dataset mortality table projected with projection scale MP-2021.

NOTE 12 OTHER POSTEMPLOYMENT BENEFITS PLANS (OPEB) (CONTINUED)

A. Board of Education OPEB Plan (Continued)

Changes in the Total OPEB Liability

	Total OPEB Liability (a)
Balances as of July 1, 2023	$ 1,739,344
Changes for the Year:	
Service Cost	53,455
Interest on Total OPEB Liability	63,625
Changes in Assumptions or Other Inputs	(52,558)
Benefit Payments	(100,180)
Net Changes	(35,658)
Balances as of June 30, 2024	$ 1,703,686

Changes in assumptions and other inputs reflect a change in the discount rate from 3.65% in fiscal year 2023 to 3.93% in fiscal year 2024.

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

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

	1% Decrease in Discount Rate (2.93%)	Current Discount Rate (3.93%)	1% Increase in Discount Rate (4.93%)
Total OPEB Liability	$ 1,902,697	$ 1,703,686	$ 1,533,642

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

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

	1% Decrease in Healthcare Cost Trend Rates (5.00% Decreasing to 4.00%)	Current Healthcare Cost Trend Rates (6.00% Decreasing to 5.00%)	1% Increase in Healthcare Cost Trend Rates (7.00% Decreasing to 6.00%)
Total OPEB Liability	$ 1,479,005	$ 1,703,686	$ 1,982,737

NOTE 12 OTHER POSTEMPLOYMENT BENEFITS PLANS (OPEB) (CONTINUED)

A. Board of Education OPEB Plan (Continued)

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

For the year ended June 30, 2024, the Town recognized OPEB expense of $102,692. At June 30, 2024, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ 230,912	$ 202,534
Changes of Assumptions or Other Inputs	211,155	410,947
Total	$ 442,067	$ 613,481

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

Year Ending June 30,	Amount
2025	$ (16,440)
2025	(16,440)
2027	(16,440)
2028	(16,440)
2029	(16,440)
Thereafter	(89,214)

B. Other Postemployment Benefit – Connecticut State Teacher's Retirement Plan

Plan Description

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

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

NOTE 12 OTHER POSTEMPLOYMENT BENEFITS PLANS (OPEB) (CONTINUED)

A. Board of Education OPEB Plan (Continued)

Benefit Provisions

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

Any member who is not currently participating in Medicare Parts A & B is eligible to continue health care coverage with their former employer. A subsidy of up to $220 per month for a retired member plus an additional $220 per month for a spouse enrolled in a local school district plan is provided to the school district to first offset the retiree's share of the cost of coverage, and any remaining portion is used to offset the district's cost. The subsidy amount is set by statute. A subsidy amount of $440 per month may be paid for a retired member, spouse, or the surviving spouse of a member who has attained the normal retirement age to participate in Medicare, is not eligible for Part A of Medicare without cost and contributes at least $440 per month towards coverage under a local school district plan.

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

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

Survivor Health Care Coverage

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

Eligibility

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

NOTE 12 OTHER POSTEMPLOYMENT BENEFITS PLANS (OPEB) (CONTINUED)

B. Other Postemployment Benefit – Connecticut State Teacher's Retirement Plan (Continued)

Credited Service

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

Normal Retirement

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

Early Retirement

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

Pro ratable Retirement

Age 60 with 10 years of Credited Service.

Disability Retirement

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

Termination of Employment

Ten or more years of Credited Service.

Contributions

State of Connecticut

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

NOTE 12 OTHER POSTEMPLOYMENT BENEFITS PLANS (OPEB) (CONTINUED)

B. Other Postemployment Benefit – Connecticut State Teacher's Retirement Plan (Continued)

Contributions (Continued)

Employer (School Districts)

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

For the year ended June 30, 2024, the amount of "on-behalf" contributions made by the State was $87,728 and is recognized in the General Fund as intergovernmental revenues and education expenditures.

Employees/Retirees

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

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

At June 30, 2024, the Town reports no amounts for its proportionate share of the net OPEB liability, and related deferred outflows and inflows, due to the statutory requirement that the State pay 100% of the required contribution. The amount recognized by the Town as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the Town was as follows:

Town's Proportionate Share of the Net OPEB Liability	$ -
State's Proportionate Share of the Net OPEB Liability Associated with the Town	6,509,297
Total	$ 6,509,297

The net OPEB liability was measured as of June 30, 2023 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as June 30, 2023. At June 30, 2024, the Town has no proportionate share of the net OPEB liability.

For the year ended June 30, 2024, the Town recognized OPEB expense and revenue of $(766,838) in Exhibit II.

Actuarial Assumptions

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

NOTE 12 OTHER POSTEMPLOYMENT BENEFITS PLANS (OPEB) (CONTINUED)

B. Other Postemployment Benefit – Connecticut State Teacher's Retirement Plan (Continued)

Actuarial Assumptions (Continued)

Inflation	2.50%
Real Wage Growth	0.50%
Wage Inflation	3.00%
Health Care Costs Trend Rate	Known Increases Until Calendar Year 2024, Then General Trend Decreasing to an Ultimate Rate of 4.50% by 2031
Salary Increases	3.00-6.50%, Including Inflation
Investment Rate of Return	3.00%, Net of OPEB Plan Investment Expense, Including Inflation
Year Fund Net Position Will Be Depleted	2028

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

The actuarial assumptions used in the June 30, 2023, valuation were based on the results of an actuarial experience study for the period July 1, 2014 – June 30, 2019.

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

- Discount rate changed from 3.53% to 3.64%;
- Expected annual per capita claims costs were updated to better reflect anticipated medical and prescription drug claim experience;

The long-term expected rate of return on plan assets is reviewed as part of the GASB 75 valuation process. Several factors are considered in evaluating the long-term rate of return assumption, including the plan's current asset allocations and a log-normal distribution analysis using the best-estimate ranges of expected future real rates of return (expected return, net investment expense, and inflation) for each major asset class. The long-term expected rate of return was determined by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The assumption is not expected to change, absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years. The Plan is 100% invested in U.S. Treasuries (Cash Equivalents) for which the expected 10-Year Geometric Real Rate of Return is (0.77%).

NOTE 12 OTHER POSTEMPLOYMENT BENEFITS PLANS (OPEB) (CONTINUED)

B. Other Postemployment Benefit – Connecticut State Teacher's Retirement Plan (Continued)

Discount Rate

The discount rate used to measure the total OPEB liability was 3.64%. The projection of cash flows used to determine the discount rate was performed in accordance with GASB 75. The projection was based on an actuarial valuation performed as of June 30, 2023.

In addition to the actuarial methods and assumptions of the June 30, 2023, actuarial valuation, the following actuarial methods and assumptions were used in the projection of cash flows:

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

Based on those assumptions, the Plan's fiduciary net position was projected to be depleted in 2028 and, as a result, the Municipal Bond Index Rate was used in the determination of the single equivalent rate.

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

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

Other Information

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

NOTE 13 RESTATEMENT OF BEGINNING FUND BALANCE

A. Changes within Financial Reporting Entity

Change in Fund Presentation from Nonmajor to Major

The School Construction Fund previously did not meet the criteria to be reported as a major governmental fund. However, effective July 1, 2023, the fund has met the criteria to be reported as a major fund and is reported as a major governmental fund for the fiscal year ended June 30, 2024. The effect of that change within on fund balance is shown in the table below:

	School Construction	Nonmajor Governmental Funds
June 30, 2023, as Previously Reported	$ -	$ 1,951,882
Change in Fund Presentation from Nonmajor to Major	1,951,882	(1,951,882)
June 30, 2023, as Adjusted	$ 1,951,882	$ -

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF MONTVILLE, CONNECTICUT
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2024
(NON-GAAP BUDGETARY BASIS)

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
REVENUES				
Property Taxes	$ 45,825,545	$ 45,825,545	$ 46,111,776	$ 286,231
Intergovernmental Revenues	17,230,042	17,230,042	18,655,214	1,425,172
Charges for Services	3,104,100	3,104,100	2,933,753	(170,347)
Use of Town Money	110,000	110,000	1,192,355	1,082,355
Total Revenues	66,269,687	66,269,687	68,893,098	2,623,411
EXPENDITURES				
Current:				
General Government	9,301,747	9,301,747	9,384,708	(82,961)
Public Safety	6,234,954	6,234,954	6,606,579	(371,625)
Public Works	3,998,780	3,998,780	3,935,044	63,736
Health and Welfare	199,350	199,350	187,903	11,447
Social Services	52,100	52,100	41,274	10,826
Recreation and Leisure	346,330	346,330	363,263	(16,933)
Nonprofit Organizations	99,800	99,800	100,481	(681)
Education	43,261,544	43,261,544	42,832,240	429,304
Capital Outlay	624,000	624,000	668,012	(44,012)
Debt Service	5,051,082	5,051,082	5,108,365	(57,283)
Total Expenditures	69,169,687	69,169,687	69,227,869	(58,182)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(2,900,000)	(2,900,000)	(334,771)	2,565,229
OTHER FINANCING SOURCES (USES)				
Appropriation of Fund Balance	2,900,000	2,900,000	-	(2,900,000)
Cancellation of Prior Year Encumbrances	-	-	41,374	41,374
Transfers Out	-	-	(32,904)	(32,904)
Total Other Financing Sources (Uses)	2,900,000	2,900,000	8,470	(2,891,530)
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	$ -	$ -	$ (326,301)	$ (326,301)

BUDGET TO GAAP RECONCILIATION	Revenues and Other Financing Sources	Expenditures and Other Financing Uses
Balance - Budgetary Basis	$ 68,934,472	$ 69,260,773
GASB 87 Implementation:		
Lease Proceeds	22,288	-
Capital Outlay	-	22,288
State Teachers' Retirement On-Behalf Contributions:		
OPEB Plan	87,728	87,728
Pension Plan	6,446,742	6,446,742
Financed Purchases	256,262	256,262
Changes in Encumbrances	-	(180,204)
Cancellation of Prior Year Encumbrances	(41,374)	-
BOE Lapsing Fund		32,702
Gross Up Netting of Balance Sheet Activity	801,930	936,713
Balance - GAAP Basis	$ 76,508,048	$ 76,863,004

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

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Town's Proportion of the Net Pension Liability	1.72%	1.69%	1.47%	1.63%	1.68%	1.82%	3.24%	2.86%	1.98%	4.77%
Town's Proportionate Share of the Net Pension Liability	$ 24,386,555	$ 23,199,980	$ 10,435,431	$ 18,153,392	$ 17,432,488	$ 17,433,483	$ 8,042,425	$ 9,513,824	$ 6,566,284	$ 4,699,674
Town's Covered Payroll	14,399,921	14,301,834	13,498,294	11,365,916	11,643,874	10,462,743	11,026,760	12,319,105	10,870,196	10,187,832
Town's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	169.35%	162.22%	77.31%	159.72%	149.71%	166.62%	72.94%	77.23%	60.41%	46.13%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	69.54%	68.71%	82.59%	71.18%	72.69%	73.60%	91.68%	88.29%	92.72%	96.06%

Notes:
- The measurement date is one year earlier than the employer's reporting date.

TOWN OF MONTVILLE, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
MUNICIPAL EMPLOYEES RETIREMENT FUND
LAST TEN FISCAL YEARS

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially Determined Contribution	$ 2,864,920	$ 2,737,887	$ 2,626,933	$ 2,089,499	$ 1,717,218	$ 1,615,704	$ 1,417,446	$ 1,514,844	$ 1,346,598	$ 872,911
Contributions in Relation to the Actuarially Determined Contribution	2,864,920	2,737,887	2,626,933	2,089,499	1,717,218	1,615,704	1,417,446	1,514,844	1,346,598	872,911
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered Payroll	$ 14,399,921	$ 14,301,834	$ 13,498,294	$ 11,365,916	$ 11,643,874	$ 10,462,743	$ 11,026,760	$ 12,319,105	$ 10,870,196	$ 10,187,832
Contributions as a Percentage of Covered Payroll	19.90%	19.14%	19.46%	15.48%	14.75%	15.44%	12.85%	12.30%	12.39%	8.57%

Notes to Schedule:

Valuation Date: June 30, 2023
Measurement Date: June 30, 2023
The actuarially determined contributions are calculated as of June 30, for the fiscal year ending two years after the valuation date.

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

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Town's Proportion of the Net Pension Liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Town's Proportionate Share of the Net Pension Liability (Asset)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
State's Proportionate Share of the Net Pension Liability Associated with the Town	69,479,732	77,254,995	64,215,172	81,078,895	77,619,156	59,848,900	63,074,000	66,544,000	52,024,000	48,086,000
Total	$ 69,479,732	$ 77,254,995	$ 64,215,172	$ 81,078,895	$ 77,619,156	$ 59,848,900	$ 63,074,000	$ 66,544,000	$ 52,024,000	$ 48,086,000
Town's Covered Payroll	$ 18,475,986	$ 18,907,590	$ 19,033,350	$ 18,379,514	$ 17,840,000	$ 18,490,000	$ 18,654,000	$ 18,728,000	$ 18,347,000	$ 18,347,000
Town's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	58.39%	54.06%	60.77%	49.24%	52.00%	57.69%	55.93%	52.26%	59.50%	61.51%

The measurement date is one year earlier than the employer's reporting date.

Notes to Schedule:

Actuarial Cost Method	Entry Age
Amortization Method	Level percent of pay closed, grading to a level dollar amortization method for the June 30, 2024 valuation.
Single Equivalent Amortization Period	27.8 Years
Asset Valuation Method	4-Year Smoothed Market
Inflation	2.50%
Salary Increase	3.00%-6.50%, Including Inflation
Investment Rate of Return	6.90%, Net of Investment-Related Expense

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

	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability:							
Service Cost	$ 53,455	$ 53,457	$ 78,225	$ 75,591	$ 58,795	$ 53,285	$ 47,363
Interest	63,625	61,723	41,678	42,098	54,241	56,241	64,449
Differences Between Expected and Actual Experience	-	213,506	-	70,282	(8,580)	(343,496)	-
Changes in Assumptions	(52,558)	(176,568)	(238,791)	27,156	236,273	84,742	(53,939)
Benefit Payments	(100,180)	(89,007)	(111,826)	(98,417)	(82,154)	(72,963)	(112,809)
Net Change in Total OPEB Liability	(35,658)	63,111	(230,714)	116,710	258,575	(222,191)	(54,936)
Total OPEB Liability - Beginning	1,739,344	1,676,233	1,906,947	1,790,237	1,531,662	1,753,853	1,808,789
Total OPEB Liability - Ending	$ 1,703,686	$ 1,739,344	$ 1,676,233	$ 1,906,947	$ 1,790,237	$ 1,531,662	$ 1,753,853
Covered-Employee Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total OPEB Liability as a Percentage of Covered-Employee Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A

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

Notes to Schedule:

Plan Changes	None
Changes of Assumptions	The discount rate was increased from 3.54% to 3.93%. Mortality rates are from the RPH-2014 Total Dataset mortality table projected with projection scale MP-2021 Medical trend rate set at 8% in 2022 graded to 5% in 2025+

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

	2024	2023	2022	2021	2020	2019	2018
Town's Proportion of the Net OPEB Liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Town's Proportionate Share of the Net OPEB Liability	$ -	$ -	$ -	$ -	$ -	$ -	$ -
State's Proportionate Share of the Net OPEB Liability Associated with the Town	6,509,297	6,765,766	6,996,125	12,092,920	12,105,146	11,964,000	16,234,000
Total	$ 6,509,297	$ 6,765,766	$ 6,996,125	$ 12,092,920	$ 12,105,146	$ 11,964,000	$ 16,234,000
Town's Covered Payroll	$ 18,475,986	$ 18,907,590	$ 19,033,350	$ 18,379,514	$ 17,840,000	$ 18,490,000	$ 18,654,000
Town's Proportionate Share of the Net OPEB Liability as a Percentage of Its Covered Payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	11.92%	9.46%	6.11%	2.50%	2.08%	1.49%	1.79%

Notes to Schedule:

Actuarial Cost Method	Entry Age
Amortization Method	Level Percent of Payroll Over an Open Period
Remaining Amortization Period	30 Years
Asset Valuation Method	Market Value of Assets
Investment Rate of Return	3.00%, Net of Investment-Related Expense Including Price Inflation
Price Inflation	2.50%

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

- The measurement date is one year earlier than the employer's reporting date.

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

GENERAL FUND

The General Fund is the principal operating fund of the Town. It is used to account for activities traditionally associated with government that are not required to be accounting for in another fund.

TOWN OF MONTVILLE, CONNECTICUT
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL
JUNE 30, 2024

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
PROPERTY TAXES				
Revenue from Property Taxes	$ 45,450,745	$ 45,450,745	$ 45,598,913	$ 148,168
Telephone Access	45,800	45,800	66,802	21,002
Interest and Lien Fees	329,000	329,000	446,061	117,061
Total Property Taxes	45,825,545	45,825,545	46,111,776	286,231
INTERGOVERNMENTAL				
State Grants for School Aid:				
ECS Grant	12,712,780	12,712,780	12,873,712	160,932
Special Education	450,000	450,000	739,592	289,592
Adult Education	37,449	37,449	37,598	149
Total State Grants for School Aid	13,200,229	13,200,229	13,650,902	450,673
State Grants Unspecified:				
Lieu of Taxes/State Prop	-	-	6,334	6,334
Emerg Manage Assist Prog	-	-	5,000	5,000
Disability Grant	3,000	3,000	2,934	(66)
MRSA	-	-	464,990	464,990
PILOT New Tiered Reimbursement	1,984,507	1,984,507	2,133,345	148,838
Additional Veteran Grant	10,000	10,000	8,553	(1,447)
Other Grants	50,000	50,000	159,502	109,502
Municipal Stabilization Grant	-	-	20,897	20,897
CT Fines Reimbursement	7,500	7,500	10,329	2,829
Pequot Funds	1,446,162	1,446,162	1,446,162	-
Municipal Grant in Aid	528,644	528,644	746,266	217,622
Total State Grants Unspecified	4,029,813	4,029,813	5,004,312	974,499
Total Intergovernmental	17,230,042	17,230,042	18,655,214	1,425,172
CHARGES FOR SERVICES				
Licenses and Permits:				
Conveyance Tax	250,000	250,000	222,759	(27,241)
Town Clerk Fees	140,000	140,000	132,595	(7,405)
Dog Licenses	5,000	5,000	1,740	(3,260)
Dog Services for Salem	13,000	13,000	14,184	1,184
Dog Warden	1,000	1,000	1,394	394
Building Department	350,000	350,000	371,452	21,452
Miscellaneous Permits	20,000	20,000	10,770	(9,230)
Fire Marshal Permits	60,000	60,000	64,876	4,876
Transfer Station	232,000	232,000	213,481	(18,519)
Total Licenses and Permits	1,071,000	1,071,000	1,033,251	(37,749)
Revenue from Other Agencies:				
Planning and Zoning Board of Appeals	12,000	12,000	11,051	(949)
Parks and Recreation	120,000	120,000	143,291	23,291
Camp Oakdale/Other Rental	6,000	6,000	6,450	450
Fair Oaks Facility Rental	2,000	2,000	5,421	3,421
Housing Authority	29,000	29,000	-	(29,000)
Youth Services Program	55,000	55,000	88,392	33,392
Total Revenue from Other Agencies	224,000	224,000	254,605	30,605

TOWN OF MONTVILLE, CONNECTICUT
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL (CONTINUED)
JUNE 30, 2024

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
CHARGES FOR SERVICES (CONTINUED)				
Charges for Current Services:				
Tuition Regular	$ -	$ -	$ -	$ -
Tuition Special Ed	25,000	25,000	64,879	39,879
School Misc Revenue	1,000	1,000	784	(216)
Public Works Department	1,000	1,000	460	(540)
Commercial Tipping Fees	400,000	400,000	471,141	71,141
Copy Money	500	500	1,750	1,250
Community Booklet	4,000	4,000	5,820	1,820
Total Charges for Current Services	431,500	431,500	544,834	113,334
Miscellaneous:		-		
Police Reimbursement Private Duty	600,000	600,000	450,750	(149,250)
St. Bernards Health Clinic	24,000	24,000	22,198	(1,802)
Insurance Reimbursement	65,000	65,000	22,010	(42,990)
Millstone Reimbursement	45,000	45,000	49,704	4,704
Verizon	600	600	600	-
Fire Marshal Private Duty	2,000	2,000	-	(2,000)
Engineering Review Reimbursement	1,000	1,000	5,598	4,598
Miscellaneous	40,000	40,000	38,803	(1,197)
Sale of Town Property	100,000	100,000	11,400	(88,600)
Mohegan Contributions	500,000	500,000	500,000	-
Total Miscellaneous	1,377,600	1,377,600	1,101,063	(276,537)
Total Charges for Services	3,104,100	3,104,100	2,933,753	(170,347)
REVENUE FROM USE OF TOWN MONEY				
Investment Interest	100,000	100,000	1,192,355	1,092,355
WPCA Revenue	10,000	10,000	-	(10,000)
Total Revenue from Use of Town Money	110,000	110,000	1,192,355	1,082,355
Total Revenues	66,269,687	66,269,687	68,893,098	2,623,411
OTHER FINANCING SOURCES				
Appropriation of Fund Balance	2,900,000	2,900,000	-	(2,900,000)
Cancellation of Prior Year Encumbrances	-	-	41,374	41,374
Total Other Financing Sources	2,900,000	2,900,000	41,374	(2,858,626)
Total Revenues and Other Financing Sources	$ 69,169,687	$ 69,169,687	$ 68,934,472	$ (235,215)

TOWN OF MONTVILLE, CONNECTICUT
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
GENERAL GOVERNMENT				
Mayor:				
Human Services	$ 173,900	$ 173,900	$ 190,126	$ (16,226)
Contractual Services	56,600	56,600	62,147	(5,547)
Commodities	4,070	4,070	1,562	2,508
Total Mayor	234,570	234,570	253,835	(19,265)
Town Council:				
Human Services	18,580	18,580	17,616	964
Commodities	14,750	14,750	25,736	(10,986)
Total Town Council	33,330	33,330	43,352	(10,022)
Town Attorney	125,000	125,000	257,650	(132,650)
Town Hall/Central Services:				
Human Services	10,000	10,000	-	10,000
Contractual Services	204,700	204,700	226,350	(21,650)
Commodities	46,500	46,500	63,834	(17,334)
Capital	1,500	1,500	64	1,436
Total Town Hall/Central Services	262,700	262,700	290,248	(27,548)
Probate Court				
Contractual Services	20,775	20,775	20,775	-
Commodities	3,767	3,767	3,767	-
Total Probate Court	24,542	24,542	24,542	-
Finance:				
Human Services	639,750	639,750	654,251	(14,501)
Contractual Services	106,000	106,000	72,195	33,805
Commodities	8,500	8,500	14,548	(6,048)
Total Finance	754,250	754,250	740,994	13,256
Insurance and Fringe Benefits:				
Contractual Services	5,746,000	5,746,000	5,789,879	(43,879)
Commodities	5,000	5,000	9,386	(4,386)
Total Insurance and Fringe Benefits	5,751,000	5,751,000	5,799,265	(48,265)
Board of Assessment Appeal				
Human Services	200	200		200
Commodities	50	50		50
Total Human Resources	250	250	-	250
Auditor:				
Contractual Services	23,690	23,690	48,789	(25,099)
Commodities	5,000	5,000	1,450	3,550
Total Auditor	28,690	28,690	50,239	(21,549)
Other	205,000	205,000	57,333	147,667
Human Resources:				
Human Services	102,500	102,500	100,529	1,971
Contractual Services	430	430	274	156
Commodities	2,550	2,550	3,430	(880)
Total Human Resources	105,480	105,480	104,233	1,247

TOWN OF MONTVILLE, CONNECTICUT
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
GENERAL GOVERNMENT (CONTINUED)				
Town Clerk:				
Human Services	$ 149,700	$ 149,700	$ 156,493	$ (6,793)
Contractual Services	275	275	485	(210)
Commodities	28,500	28,500	25,199	3,301
Total Town Clerk	178,475	178,475	182,177	(3,702)
Registrar of Voters:				
Human Services	44,000	44,000	45,573	(1,573)
Contractual Services	500	500	230	270
Commodities	3,100	3,100	2,705	395
Total Registrar of Voters	47,600	47,600	48,508	(908)
Elections/Referendum:				
Contractual Services	25,000	25,000	30,862	(5,862)
Commodities	19,100	19,100	29,265	(10,165)
Total Elections/Referendum	44,100	44,100	60,127	(16,027)
Land Use Department:				
Human Services	290,000	290,000	253,752	36,248
Contractual Services	1,500	1,500	590	910
Commodities	10,500	10,500	12,678	(2,178)
Capital	800	800	1,238	(438)
Total Land Use Department	302,800	302,800	268,258	34,542
Conservation Commission:				
Contractual Services	65	65	-	65
Commodities	425	425	95	330
Total Conservation Commission	490	490	95	395
Inland Wetlands	1,700	1,700	1,013	687
Economic Development Commission:				
Human Services	1,200	1,200	1,338	(138)
Commodities	1,400	1,400	264	1,136
Total Economic Development Commission	2,600	2,600	1,602	998
Zoning Board of Appeals	750	750	692	58
Planning and Zoning Commission	1,700	1,700	1,013	687
Senior Center:				
Human Services	195,705	195,705	200,012	(4,307)
Contractual Services	39,900	39,900	43,645	(3,745)
Commodities	16,900	16,900	22,072	(5,172)
Total Senior Center	252,505	252,505	265,729	(13,224)
Youth Services:				
Human Services	218,300	218,300	225,710	(7,410)
Contractual Services	18,775	18,775	18,153	622
Commodities	14,100	14,100	8,305	5,795
Total Youth Services	251,175	251,175	252,168	(993)

EXHIBIT A-2
(CONTINUED)

TOWN OF MONTVILLE, CONNECTICUT
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
GENERAL GOVERNMENT (CONTINUED)				
Building Inspector:				
Human Services	$ 224,680	$ 224,680	$ 227,268	$ (2,588)
Contractual Services	500	500	-	500
Commodities	2,650	2,650	1,143	1,507
Capital	350	350	-	350
Total Building Inspector	228,180	228,180	228,411	(231)
Information Technology:				
Human Services	178,950	178,950	170,369	8,581
Contractual Services	281,750	281,750	281,839	(89)
Commodities	4,160	4,160	1,016	3,144
Total Information Technology	464,860	464,860	453,224	11,636
Total General Government	9,301,747	9,301,747	9,384,708	(82,961)
PUBLIC SAFETY				
Emergency Management:				
Human Services	105,654	105,654	101,408	4,246
Contractual Services	15,000	15,000	12,203	2,797
Commodities	2,800	2,800	5,135	(2,335)
Capital	10,288	10,288	10,288	-
Total Emergency Management	133,742	133,742	129,034	4,708
Police Department:				
Human Services	2,879,200	2,879,200	3,203,880	(324,680)
Contractual Services	500	500	180	320
Commodities	99,800	99,800	103,560	(3,760)
Capital	18,500	18,500	16,316	2,184
Total Police Department	2,998,000	2,998,000	3,323,936	(325,936)
Fire Marshal:				
Human Services	105,654	105,654	104,026	1,628
Commodities	4,690	4,690	13,362	(8,672)
Total Fire Marshal	110,344	110,344	117,388	(7,044)
Animal Control:				
Human Services	83,446	83,446	62,961	20,485
Contractual Services	2,452	2,452	975	1,477
Commodities	8,900	8,900	7,769	1,131
Total Animal Control	94,798	94,798	71,705	23,093
Public Safety Commission	1,000	1,000	2,093	(1,093)
Dispatch:				
Human Services	730,600	730,600	772,581	(41,981)
Commodities	7,550	7,550	7,371	179
Total Dispatch	738,150	738,150	779,952	(41,802)

TOWN OF MONTVILLE, CONNECTICUT
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
PUBLIC SAFETY (CONTINUED)				
Fire Protection:				
Human Services	$ 1,020,000	$ 1,020,000	$ 1,324,159	$ (304,159)
Contractual Services	374,920	374,920	386,168	(11,248)
Commodities	78,500	78,500	122,063	(43,563)
Total Fire Protection	1,473,420	1,473,420	1,832,390	(358,970)
Public Safety Building:				
Contractual Services	82,500	82,500	81,302	1,198
Commodities	1,000	1,000	251	749
Total Public Safety Building	83,500	83,500	81,553	1,947
Private Duty:				
Human Services	602,000	602,000	268,528	333,472
Total Public Safety	6,234,954	6,234,954	6,606,579	(371,625)
PUBLIC WORKS				
Public Works:				
Human Services	1,709,730	1,709,730	1,616,795	92,935
Contractual Services	379,800	379,800	413,591	(33,791)
Commodities	891,750	891,750	847,417	44,333
Capital	57,000	57,000	40,979	16,021
Total Public Works	3,038,280	3,038,280	2,918,782	119,498
Camp Oakdale:				
Contractual Services	76,300	76,300	76,177	123
Commodities	19,100	19,100	19,161	(61)
Capital	1,000	1,000	922	78
Total Camp Oakdale	96,400	96,400	96,260	140
Solid Waste:				
Human Services	183,500	183,500	177,446	6,054
Contractual Services	540,650	540,650	624,758	(84,108)
Commodities	29,950	29,950	30,016	(66)
Capital	3,000	3,000	1,076	1,924
Total Solid Waste	757,100	757,100	833,296	(76,196)
Engineering Services	107,000	107,000	86,706	20,294
Total Public Works	3,998,780	3,998,780	3,935,044	63,736
HEALTH AND WELFARE				
Contractual Services	199,150	199,150	187,903	11,247
Commodities	200	200	-	200
Total Health and Welfare	199,350	199,350	187,903	11,447
SOCIAL SERVICES				
Human Services	51,500	51,500	41,274	10,226
Commodities	600	600	-	600
Total Social Services	52,100	52,100	41,274	10,826

TOWN OF MONTVILLE, CONNECTICUT
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
RECREATION AND LEISURE				
Recreation:				
Human Services	$ 260,075	$ 260,075	$ 275,960	$ (15,885)
Contractual Services	1,780	1,780	1,102	678
Commodities	43,975	43,975	42,963	1,012
Capital	3,000	3,000	1,144	1,856
Total Recreation	308,830	308,830	321,169	(12,339)
Montville Community Center	35,800	35,800	40,305	(4,505)
Parks and Recreation Commission	1,700	1,700	1,789	(89)
Total Recreation and Leisure	346,330	346,330	363,263	(16,933)
NONPROFIT ORGANIZATIONS	99,800	99,800	100,481	(681)
EDUCATION	43,261,544	43,261,544	42,832,240	429,304
CAPITAL OUTLAY	624,000	624,000	668,012	(44,012)
DEBT SERVICE				
Redemption of Debt - Principle	4,644,071	4,644,071	4,700,181	(56,110)
Interest Payments	407,011	407,011	408,184	(1,173)
Total Debt Service	5,051,082	5,051,082	5,108,365	(57,283)
Total Expenditures	69,169,687	69,169,687	69,227,869	(58,182)
OTHER FINANCING USES				
Transfers Out - Capital and Nonrecurring	-	-	32,904	(32,904)
Total Other Financing Uses	-	-	32,904	(32,904)
Total Expenditures and Other Uses	$ 69,169,687	$ 69,169,687	$ 69,260,773	$ (91,086)

TOWN OF MONTVILLE, CONNECTICUT
REPORT OF PROPERTY TAX COLLECTIONS
GENERAL FUND
YEAR ENDED JUNE 30, 2024

Grand List of October 1,	Uncollected Taxes July 1, 2022	Current Levy	Lawful Corrections Additions	Lawful Corrections Deletions	Transfers to Suspense	Adjustments	Adjusted Tax Levy	Collections Taxes	Collections Interest Liens and Other Fees	Collections Total	Uncollected Taxes June 30, 2023
2008	258	-	-	-	-	-	258	-	-	-	258
2009	37	-	-	-	-	-	-	-	-	-	-
2010	40	-	-	-	-	-	40	-	-	-	40
2011	4,272	-	-	-	-	-	4,272	4,273	7,819	12,092	(1)
2012	4,344	-	-	-	-	-	4,344	4,233	7,644	11,877	111
2013	10,635	-	-	-	-	-	10,635	4,278	6,954	11,232	6,357
2014	15,370	-	-	-	2,045	-	13,325	4,383	6,336	10,719	8,942
2015	7,787	-	-	-	2,082	-	5,705	5,031	6,404	11,435	674
2016	9,686	-	-	-	1,645	-	8,041	4,862	4,737	9,599	3,179
2017	80,814	-	-	1,283	62,080	-	17,451	9,616	7,095	16,711	7,835
2018	102,517	-	-	5	9,175	-	93,337	17,591	9,361	26,952	75,746
2019	163,714	-	1,907	1,606	18,071	-	145,944	38,222	18,683	56,905	107,722
2020	243,509	-	5,948	3,516	17,503	-	228,438	103,182	41,604	144,786	125,256
2021	579,631	-	25,958	49,655	6,432	-	549,502	332,364	77,729	410,093	217,138
Total Prior Years	1,222,614	-	33,813	56,065	119,033	-	1,081,292	528,035	194,366	722,401	553,257
2022	-	45,560,486	306,563	300,365	12,288	-	45,554,396	45,004,832	211,293	45,216,125	549,564
Total All Years	1,222,614	45,560,486	340,376	356,430	131,321	-	46,635,688	45,532,867	405,659	45,938,526	1,102,821

NONMAJOR GOVERNMENTAL FUNDS

EXHIBIT B-1

TOWN OF MONTVILLE, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2024

	Special Revenue Funds								
	Town Aid Road	Small Cities	Home Health	Mental Health Grant	Hot Lunch Program	Special Education Grants	Student Activities	Scholarship Fund	Nonbudget Funds
ASSETS									
Cash and Cash Equivalents	$ -	$ 35,253	$ -	$ -	$ 789,178	$ 172,606	$ 363,738	$ 289,489	$ -
Investments	-	-	-	-	-	-	-	420,170	-
Receivables, Net:									
Loans	-	272,364	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	130,107	112,430	-	-	-
Other Receivables	-	-	-	-	17,411	-	-	-	-
Due from Other Funds	215,818	-	17,990	20,186	-	-	-	-	13,858
Inventories	-	-	-	-	6,410	-	-	-	-
Total Assets	$ 215,818	$ 307,617	$ 17,990	$ 20,186	$ 943,106	$ 285,036	$ 363,738	$ 709,659	$ 13,858
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES									
Liabilities:									
Accounts Payable	$ 24,537	$ -	$ -	$ -	$ 9,258	$ -	$ -	$ -	$ -
Accrued Payroll and Other Liabilities	-	-	-	-	4,915	-	-	-	-
Due to Other Funds	-	-	-	-	-	71,225	-	-	-
Unearned Revenue	-	-	-	3,810	30,947	148,687	-	-	-
Total Liabilities	24,537	-	-	3,810	45,120	219,912	-	-	-
Deferred Inflows of Resources:									
Unavailable Revenue - Loans	-	272,364	-	-	-	-	-	-	-
Unavailable Revenue - Intergovernmental Receivable	-	-	-	-	-	112,430	-	-	-
Total Deferred Inflows of Resources	-	272,364	-	-	-	112,430	-	-	-
Fund Balances:									
Nonspendable	-	-	-	-	6,410	-	-	-	-
Restricted	191,281	35,253	17,990	16,376	-	-	-	709,659	-
Committed	-	-	-	-	891,576	-	363,738	-	13,858
Unassigned	-	-	-	-	-	(47,306)	-	-	-
Total Fund Balances	191,281	35,253	17,990	16,376	897,986	(47,306)	363,738	709,659	13,858
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 215,818	$ 307,617	$ 17,990	$ 20,186	$ 943,106	$ 285,036	$ 363,738	$ 709,659	$ 13,858

EXHIBIT B-1
(CONTINUED)

TOWN OF MONTVILLE, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2024

	Special Revenue Funds								
	Social Services	Town Historic Preservation	Youth Service Bureau	Police Donations	Recreation Services	Parks and Recreation	Dog Warden Donations	Montville Farmer's Market	Police Forfeiture
ASSETS									
Cash and Cash Equivalents	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Investments	-	-	-	-	-	-	-	-	-
Receivables, Net:									
Loans	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-
Other Receivables	-	-	-	-	-	-	-	-	-
Due from Other Funds	350,418	84,302	166,760	2,246	-	76,531	2,264	6,665	5,520
Inventories	-	-	-	-	-	-	-	-	-
Total Assets	$ 350,418	$ 84,302	$ 166,760	$ 2,246	$ -	$ 76,531	$ 2,264	$ 6,665	$ 5,520
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES									
Liabilities:									
Accounts Payable	$ 60,063	$ -	$ 1,772	$ 566	$ -	$ 3,690	$ -	$ 59	$ -
Accrued Payroll and Other Liabilities	-	-	-	-	-	-	-	-	-
Due to Other Funds	827	-	-	-	4,699	-	-	-	-
Unearned Revenue	-	-	-	-	-	-	-	-	-
Total Liabilities	60,890	-	1,772	566	4,699	3,690	-	59	-
Deferred Inflows of Resources:									
Unavailable Revenue - Loans	-	-	-	-	-	-	-	-	-
Unavailable Revenue - Intergovernmental Receivable	-	-	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-	-	-	-	-	-
Fund Balances:									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	-	84,302	-	1,680	-	-	2,264	6,606	5,520
Committed	289,528	-	164,988	-	-	72,841	-	-	-
Unassigned	-	-	-	-	(4,699)	-	-	-	-
Total Fund Balances	289,528	84,302	164,988	1,680	(4,699)	72,841	2,264	6,606	5,520
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 350,418	$ 84,302	$ 166,760	$ 2,246	$ -	$ 76,531	$ 2,264	$ 6,665	$ 5,520

EXHIBIT B-1
(CONTINUED)

TOWN OF MONTVILLE, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2024

	Special Revenue Funds			Capital Project Funds					
	Comstock Book Fund	NIPS Fund	Cannabis Revenue Fund	Old Colchester/ Black Ash Road	Public Works Facility Improvement	Transfer Station	LOCIP	Capital and Nonrecurring	Boat Pier
ASSETS									
Cash and Cash Equivalents	$ 3,436	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Investments	-	-	-	-	-	-	-	-	-
Receivables, Net:									
Loans	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	70,830	72,655	-	-	-
Other Receivables	-	-	35,579	-	-	-	-	-	-
Due from Other Funds	-	76,809	32,470	95,152	-	-	312,127	441,208	-
Inventories	-	-	-	-	-	-	-	-	-
Total Assets	$ 3,436	$ 76,809	$ 68,049	$ 95,152	$ 70,830	$ 72,655	$ 312,127	$ 441,208	$ -
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES									
Liabilities:									
Accounts Payable	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 3,370	$ -
Accrued Payroll and Other Liabilities	-	-	-	-	-	-	-	-	-
Due to Other Funds	-	-	-	-	70,828	165,970	-	-	53,575
Unearned Revenue	-	-	-	95,152	-	-	-	-	-
Total Liabilities	-	-	-	95,152	70,828	165,970	-	3,370	53,575
Deferred Inflows of Resources:									
Unavailable Revenue - Loans	-	-	-	-	-	-	-	-	-
Unavailable Revenue - Intergovernmental Receivable	-	-	-	-	70,830	72,655	-	-	-
Total Deferred Inflows of Resources	-	-	-	-	70,830	72,655	-	-	-
Fund Balances:									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	3,436	76,809	68,049	-	-	-	-	-	-
Committed	-	-	-	-	-	-	312,127	437,838	-
Unassigned	-	-	-	-	(70,828)	(165,970)	-	-	(53,575)
Total Fund Balances	3,436	76,809	68,049	-	(70,828)	(165,970)	312,127	437,838	(53,575)
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 3,436	$ 76,809	$ 68,049	$ 95,152	$ 70,830	$ 72,655	$ 312,127	$ 441,208	$ -

EXHIBIT B-1
(CONTINUED)

TOWN OF MONTVILLE, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2024

	Capital Project Funds						
	Capital Projects Fund	Open Space	Bridges	Community Center	Dog Pound Facility	Bridge St. Remediation	Total
ASSETS							
Cash and Cash Equivalents	$ -	$ -	$ -	$ -	$ -	$ 32,904	$ 1,686,604
Investments	-	-	-	-	-	-	420,170
Receivables, Net:							
Loans	-	-	-	-	-	-	272,364
Intergovernmental	-	-	5,040	-	-	-	391,062
Other Receivables	-	-	-	-	-	-	52,990
Due from Other Funds	391,736	5,000	-	235	325	-	2,317,620
Inventories	-	-	-	-	-	-	6,410
Total Assets	$ 391,736	$ 5,000	$ 5,040	$ 235	$ 325	$ 32,904	$ 5,147,220
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES							
Liabilities:							
Accounts Payable	$ 234,101	$ -	$ -	$ -	$ -	$ -	$ 337,416
Accrued Payroll and Other Liabilities	-	-	-	-	-	-	4,915
Due to Other Funds	-	-	5,040	-	-	-	372,164
Unearned Revenue	-	-	-	-	-	-	278,596
Total Liabilities	234,101	-	5,040	-	-	-	993,091
Deferred Inflows of Resources:							
Unavailable Revenue - Loans	-	-	-	-	-	-	272,364
Unavailable Revenue - Intergovernmental Receivable	-	-	-	-	-	-	255,915
Total Deferred Inflows of Resources	-	-	-	-	-	-	528,279
Fund Balances:							
Nonspendable	-	-	-	-	-	-	6,410
Restricted	-	-	-	-	-	-	1,219,225
Committed	157,635	5,000	-	235	325	32,904	2,742,593
Unassigned	-	-	-	-	-	-	(342,378)
Total Fund Balances	157,635	5,000	-	235	325	32,904	3,625,850
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 391,736	$ 5,000	$ 5,040	$ 235	$ 325	$ 32,904	$ 5,147,220

EXHIBIT B-2

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

	Special Revenue Funds								
	Town Aid Road	Small Cities	Home Health	Mental Health Grant	Hot Lunch Program	Special Education Grants	Student Activities	Scholarship Fund	Nonbudget Funds
REVENUES									
Intergovernmental Revenues	$ 316,949	$ -	$ -	$ 1,230	$ 993,205	$ 2,563,837	$ -	$ -	$ -
Charges for Services	-	-	-	-	433,240	-	330,455	-	3,000
Investment Income (Loss)	-	-	-	-	-	-	-	64,101	-
Contributions and Other	-	-	-	-	-	-	-	43,000	-
Miscellaneous	-	-	17,990	-	-	-	-	-	-
Total Revenues	316,949	-	17,990	1,230	1,426,445	2,563,837	330,455	107,101	3,000
EXPENDITURES									
General Government	-	-	-	-	-	-	-	-	151
Public Safety	-	-	-	-	-	-	-	-	-
Public Works	263,086	-	-	-	-	-	-	-	-
Health and Welfare	-	-	-	-	-	-	-	-	-
Recreation and Leisure	-	-	-	-	-	-	-	-	-
Education	-	-	-	-	1,380,031	2,728,876	350,802	9,331	-
Capital Outlay	-	-	-	-	-	-	-	-	-
Total Expenditures	263,086	-	-	-	1,380,031	2,728,876	350,802	9,331	151
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	53,863	-	17,990	1,230	46,414	(165,039)	(20,347)	97,770	2,849
OTHER FINANCING SOURCES (USES)									
Transfers In	-	-	-	-	-	118,039	-	-	-
Transfers Out	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	118,039	-	-	-
NET CHANGE IN FUND BALANCE	53,863	-	17,990	1,230	46,414	(47,000)	(20,347)	97,770	2,849
Fund Balance - Beginning of Year, as Previously Reported	137,418	35,253	-	15,146	851,572	(306)	384,085	611,889	11,009
Change Within Financial Reporting Entity	-	-	-	-	-	-	-	-	-
Fund Balance - Beginning of Year, as Adjusted	137,418	35,253	-	15,146	851,572	(306)	384,085	611,889	11,009
FUND BALANCE - END OF YEAR	$ 191,281	$ 35,253	$ 17,990	$ 16,376	$ 897,986	$ (47,306)	$ 363,738	$ 709,659	$ 13,858

EXHIBIT B-2
(CONTINUED)

TOWN OF MONTVILLE, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
YEAR ENDED JUNE 30, 2024

	Special Revenue Funds								
	Social Services	Town Historic Preservation	Youth Service Bureau	Police Donations	Recreation Services	Parks and Recreation	Dog Warden Donations	Montville Farmer's Market	Police Forfeiture
REVENUES									
Intergovernmental Revenues	$ 125,065	$ 13,908	$ 63,016	$ -	$ -	$ -	$ -	$ -	$ -
Charges for Services	82,944	-	37,526	-	-	129,439	-	3,580	-
Investment Income (Loss)	-	-	-	-	-	-	-	-	-
Contributions and Other	35,889	-	-	5,325	-	-	3,785	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-
Total Revenues	243,898	13,908	100,542	5,325	-	129,439	3,785	3,580	-
EXPENDITURES									
General Government	-	2,875	83,641	-	-	-	-	664	-
Public Safety	-	-	-	9,120	-	-	-	-	-
Public Works	-	-	-	-	-	-	-	-	-
Health and Welfare	252,081	-	-	-	-	-	-	-	-
Recreation and Leisure	-	-	-	-	-	128,551	-	-	-
Education	-	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-	-
Total Expenditures	252,081	2,875	83,641	9,120	-	128,551	-	664	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(8,183)	11,033	16,901	(3,795)	-	888	3,785	2,916	-
OTHER FINANCING SOURCES (USES)									
Transfers In	-	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-	-
NET CHANGE IN FUND BALANCE	(8,183)	11,033	16,901	(3,795)	-	888	3,785	2,916	-
Fund Balance - Beginning of Year, as Previously Reported	297,711	73,269	148,087	5,475	(4,699)	71,953	(1,521)	3,690	5,520
Change Within Financial Reporting Entity	-	-	-	-	-	-	-	-	-
Fund Balance - Beginning of Year, as Adjusted	297,711	73,269	148,087	5,475	(4,699)	71,953	(1,521)	3,690	5,520
FUND BALANCE - END OF YEAR	$ 289,528	$ 84,302	$ 164,988	$ 1,680	$ (4,699)	$ 72,841	$ 2,264	$ 6,606	$ 5,520

TOWN OF MONTVILLE, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
YEAR ENDED JUNE 30, 2024

	Special Revenue Funds			Capital Project Funds					
	Comstock Book Fund	NIPS Fund	Cannabis Revenue Fund	School Construction Fund	Old Colchester/ Black Ash Road	Public Works Facility Improvement	Transfer Station	LOCIP	Capital and Nonrecurring
REVENUES									
Intergovernmental Revenues	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 210,072	$ -
Charges for Services	-	38,197	-	-	-	-	-	6,144	-
Investment Income (Loss)	288	-	-	-	-	-	-	-	-
Contributions and Other	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	186,088	-	-	-	-	-	-
Total Revenues	288	38,197	186,088	-	-	-	-	216,216	-
EXPENDITURES									
General Government	2,043	1,300	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-	-
Public Works	-	-	-	-	-	-	-	-	-
Health and Welfare	-	-	-	-	-	-	-	-	-
Recreation and Leisure	-	-	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-	32,853
Total Expenditures	2,043	1,300	-	-	-	-	-	-	32,853
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,755)	36,897	186,088	-	-	-	-	216,216	(32,853)
OTHER FINANCING SOURCES (USES)									
Transfers In	-	-	-	-	-	-	-	-	-
Transfers Out	-	-	(118,039)	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	(118,039)	-	-	-	-	-	-
NET CHANGE IN FUND BALANCE	(1,755)	36,897	68,049	-	-	-	-	216,216	(32,853)
Fund Balance - Beginning of Year, as Previously Reported	5,191	39,912	-	1,951,882	-	(70,828)	(165,970)	95,911	470,691
Change Within Financial Reporting Entity	-	-	-	(1,951,882)	-	-	-	-	-
Fund Balance - Beginning of Year, as Adjusted	5,191	39,912	-	-	-	(70,828)	(165,970)	95,911	470,691
FUND BALANCE - END OF YEAR	$ 3,436	$ 76,809	$ 68,049	$ -	$ -	$ (70,828)	$ (165,970)	$ 312,127	$ 437,838

TOWN OF MONTVILLE, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
YEAR ENDED JUNE 30, 2024

	Capital Project Funds								
	Boat Pier	Capital Projects Fund	Open Space	Bridges	Community Center	Dog Pound Facility	Bridge St. Remediation	Interfund Elimination	Total
REVENUES									
Intergovernmental Revenues	$ -	$ 422,056	$ -	$ -	$ 65,426	$ -	$ -	$ -	$ 4,774,764
Charges for Services	-	-	-	-	-	-	-		1,064,525
Investment Income (Loss)	-	-	-	-	-	-	-	-	64,389
Contributions and Other	-	-	-	-	-	-	-	-	87,999
Miscellaneous	-	-	-	-	-	-	-	-	204,078
Total Revenues	-	422,056	-	-	65,426	-	-	-	6,195,755
EXPENDITURES									
General Government	-	-	-	-	-	-	-	-	90,674
Public Safety	-	-	-	-	-	-	-	-	9,120
Public Works	-	-	-	-	-	-	-	-	263,086
Health and Welfare	-	-	-	-	-	-	-	-	252,081
Recreation and Leisure	-	-	-	-	-	-	-	-	128,551
Education	-	-	-	-	-	-	-	-	4,469,040
Capital Outlay	53,575	110,415	-	-	-	-	-	-	196,843
Total Expenditures	53,575	110,415	-	-	-	-	-	-	5,409,395
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(53,575)	311,641	-	-	65,426	-	-	-	786,360
OTHER FINANCING SOURCES (USES)									
Transfers In	-	-	-	-	-	-	32,904	(118,039)	32,904
Transfers Out	-	-	-	-	-	-	-	118,039	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	32,904	-	32,904
NET CHANGE IN FUND BALANCE	(53,575)	311,641	-	-	65,426	-	32,904	-	819,264
Fund Balance - Beginning of Year, as Previously Reported	-	(154,006)	5,000	-	(65,191)	325	-	-	4,758,468
Change Within Financial Reporting Entity	-	-	-	-	-	-	-	-	(1,951,882)
Fund Balance - Beginning of Year, as Adjusted	-	(154,006)	5,000	-	(65,191)	325	-	-	2,806,586
FUND BALANCE - END OF YEAR	$ (53,575)	$ 157,635	$ 5,000	$ -	$ 235	$ 325	$ 32,904	$ -	$ 3,625,850

STATISTICAL SECTION

TABLE 1

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

Grand List Dated 10/1	Real Property Percent	Personal Property Percent	Motor Vehicle Percent	Gross Taxable Grand List[1]	Less Exemptions[1]	Net Taxable Grand List[1]	Percent Change
2013	82.1 %	7.8 %	10.1 %	$ 1,605,569	$ 346,271	$ 1,259,298	0.38 %
2014	76.8	13.7	9.5	1,619,701	350,045	1,269,656	0.82
2015	81.1	8.9	10.0	1,636,050	355,646	1,280,404	0.84
2016	78.3	11.2	10.5	1,640,413	369,988	1,270,425	(0.79)
2017	77.6	11.9	10.4	1,656,074	367,257	1,288,817	1.43
2018	77.4	12.0	10.5	1,666,847	367,643	1,299,204	0.80
2019	77.7	13.7	8.6	1,713,751	369,461	1,344,290	3.35
2020	74.7	15.4	9.9	1,730,700	375,081	1,355,619	0.84
2021	76.0	13.4	10.6	1,980,774	367,639	1,613,135	15.96
2022	76.1	12.7	11.2	1,997,099	370,880	1,626,219	0.80

Source: Town of Montville, Office of the Assessor
[1] In thousands

TOWN OF MONTVILLE, CONNECTICUT
MAJOR TAXPAYERS
2022 GRAND LIST
(IN THOUSANDS)
(UNAUDITED)

Name of Taxpayer	Nature of Business	Grand List Amount(1)	Percentage of Net Taxable Grand List(2)
Eversource	Utility	$ 107,912,410	6.64 %
Rand Whitney Containerboard LTD	Paper / Paperboard	40,953,030	2.52
Yankee Gas Services Company	Utility	21,541,040	1.32
Montville Station LLC	Utility	13,594,200	0.84
MTIC Acquisitions LLC	Hotel		
Montville Power LLC	Utility	13,088,800	0.80
Home Depot USA Inc.	Retail Shopping Center	12,228,090	0.75
Sun Hillcrest LLC	Residential Community	9,761,990	0.60
Hitalk Hotels LLC	Hotel	9,641,630	0.59
Uncasville Lodging Partners LLC	Hotel	7,462,910	0.46
Rand Whitney Realty LLC	Paper / Paperboard	6,983,140	0.43
Total		$ 243,167,240	14.95 %

Source: Town of Montville, Office of the Assessor
(1) Net taxable grand list 10/1/22
(2) Net taxable grand list as of 10/1/22 was $1,626,219,000

TOWN OF MONTVILLE, CONNECTICUT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(IN THOUSANDS)
(UNAUDITED)

Fiscal Year Ended June 30,	Grand List Year	Adjusted Tax Levy	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Tax Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2015	2013	$ 36,794,710	$ 35,912,024	97.60	$ 519,518	$ 36,431,542	99.01 %
2016	2014	37,925,442	37,067,885	97.74	74,648	37,142,533	97.94
2017	2015	38,989,997	38,044,641	97.58	644,319	38,688,960	99.23
2018	2016	40,017,994	39,214,729	97.99	840,840	40,055,569	100.09
2019	2017	40,671,178	40,007,599	98.37	802,477	40,810,076	100.34
2020	2018	42,007,460	41,397,727	98.55	625,836	42,023,563	100.04
2021	2019	43,291,232	42,680,896	98.59	466,798	43,147,694	99.67
2022	2020	43,527,751	42,888,922	98.53	454,828	43,343,750	99.58
2023	2021	43,412,498	42,832,868	98.66	332,364	43,165,232	98.53
2024	2022	45,554,396	45,004,832	98.79	-	45,004,832	98.79

Source: Town audit reports

TOWN OF MONTVILLE, CONNECTICUT
RATIOS OF GENERAL BONDED DEBT
LAST TEN FISCAL YEARS
(IN THOUSANDS)
(UNAUDITED)

Fiscal Year June 30,	Total Bonded Debt	Clean Water Fund Notes	Total Net Bonded Debt	Ratio of Net Bonded Debt to Est. Actual Taxable Value *	Percentage of Personal Income**	Per Capita **
Governmental Activities:						
2015	$ 37,631,200	$ -	$ 37,631,200	2.99 %	5.23 %	1,929
2016	34,937,500	-	34,937,500	2.75	5.61	1,779
2017	31,723,800	-	31,723,800	2.48	5.46	1,621
2018	28,293,300	-	28,293,300	2.23	4.73	1,451
2019	27,369,000	-	27,369,000	2.12	4.58	1,403
2020	23,380,000	-	23,380,000	1.80	3.69	1,196
2021	22,576,000	-	22,576,000	1.68	3.57	1,155
2022	18,636,000	-	18,636,000	1.37	2.67	989
2023	20,934,000	-	20,934,000	1.28	3.00	1,125
2024	16,803,000	-	16,803,000	1.03	2.28	925
Business-Type Activities:						
2015	$ 2,263,800	$ 245,631	$ 2,509,431	0.20 %	0.35 %	129
2016	1,966,500	224,008	2,190,508	0.17	0.35	112
2017	1,669,200	213,623	1,882,823	0.15	0.32	96
2018	1,373,700	203,026	1,576,726	0.12	0.26	81
2019	1,080,000	192,515	1,272,515	0.10	0.21	65
2020	990,000	181,184	1,171,184	0.09	0.18	60
2021	810,000	158,454	968,454	0.07	0.15	50
2022	720,000	158,454	878,454	0.06	0.13	47
2023	720,000	146,744	866,744	0.05	0.12	47
2024	630,000	251,974	881,974	0.05	0.12	49
Town-Wide:						
2015	$ 39,895,000	$ 245,631	$ 40,140,631	3.19 %	5.58 %	2,057
2016	36,904,000	224,008	37,128,008	2.92	5.96	1,891
2017	33,393,000	213,623	33,606,623	2.62	5.78	1,717
2018	29,667,000	203,026	29,870,026	2.35	4.99	1,531
2019	28,449,000	192,515	28,641,515	2.22	4.79	1,468
2020	24,370,000	181,184	24,551,184	1.89	3.88	1,256
2021	23,386,000	158,454	23,544,454	1.75	3.72	1,205
2022	19,356,000	158,454	19,514,454	1.44	2.80	1,036
2023	21,654,000	146,744	21,800,744	1.33	3.12	1,172
2024	17,433,000	251,974	17,684,974	1.09	2.40	974

Notes:
Details regarding the Town's outstanding debt can be found in the Notes to Financial Statements.
The Town of Montville has no overlapping debt nor does it collect taxes for any other entity.
* See Table 1 for property value data.
** Personal income and population data can be found in Table 5.

TOWN OF MONTVILLE, CONNECTICUT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year June 30,	Population[1]	Personal Income (000)s	Personal Capita Personal Income[2]	Median Age[1]	Unemployment Rate[3]
2015	19,511	$ 719,780	$ 36,891	40	6.0 %
2016	19,635	623,278	31,743	43	4.2
2017	19,571	581,043	29,689	43	4.3
2018	19,505	598,199	30,669	43	4.3
2019	19,505	598,199	30,669	42	3.2
2020	19,546	633,251	32,398	42	8.6
2021	19,546	633,251	32,398	42	8.6
2022	18,835	697,853	37,051	43	10.0
2023	18,607	697,853	37,051	43	5.2
2024	18,160	737,804	40,628	43	3.0

(1) CT Economic Resource Center Inc., Annual Town Profile
(2) State of Connecticut, Department of Economic and Community Development
(3) State of Connecticut, Labor Department, By Town, Not Seasonally Adjusted

TABLE 6

TOWN OF MONTVILLE, CONNECTICUT
SCHEDULE OF DEBT LIMITATION
YEAR ENDED JUNE 30, 2023
(UNAUDITED)

Total Tax Collections, (Including Interest and Lien Fees)	
For the year ended June 30, 2023 (Prior Fiscal Year)	
Taxes, Interest, and Lien Fees	$ 43,906,323

	General Purposes	Schools	Sewers	Urban Renewal	Pension Deficit	Total
Debt Limitation:						
2.25 Times Base	$ 98,789,227	$ -	$ -	$ -	$ -	$ 98,789,227
4.50 Times Base	-	197,578,454	-	-	-	197,578,454
3.75 Times Base	-	-	164,648,711	-	-	164,648,711
3.25 Times Base	-	-	-	142,695,550	-	142,695,550
3 Times Base	-	-	-	-	131,718,969	131,718,969
Total Debt Limitation	98,789,227	197,578,454	164,648,711	142,695,550	131,718,969	735,430,910
Indebtedness:						
Bonds and Notes Payable	10,376,803	5,627,000	881,974	-	-	16,885,777
Financed Purchases	685,992	-	-	-	-	685,992
Authorized, But Unissued Debt	1,200,000	5,000,000	-	-	-	6,200,000
Less: Anticipated Grant Proceeds	-	-	-	-	-	-
Total Indebtedness	12,262,795	10,627,000	881,974	-	-	23,771,769
Debt Limitation in Excess of Outstanding and Authorized Debt	$ 86,526,432	$ 186,951,454	$ 163,766,737	$ 142,695,550	$ 131,718,969	$ 711,659,141

Notes:

1. In no case shall total indebtedness exceed seven times annual receipts from taxation, or $ 307,344,261
2. There is no overlapping debt for the Town of Montville.
3. Water bonds, notes, and capital leases of $799,197 have been omitted from this schedule as the debt is self supporting and or excluded by statute.

TABLE 7

TOWN OF MONTVILLE, CONNECTICUT
SCHEDULE OF SEWER ASSESSMENT COLLECTIONS – PHASE II
YEAR ENDED JUNE 30, 2024
(UNAUDITED)

Year Ended June 30,	Uncollected Assessments Beginning of Year	Lawful Corrections		Adjusted Assessments Collectible	Collections			Uncollected Assessments at Year End
		Additions	Deletions		Assessments Collected	Interest Liens and Other Fees	Total	
2015	$ 41,776	$ -	$ 5,971	$ 35,805	$ 8,041	$ 7,535	$ 15,576	$ 27,764
2016	27,764	-	-	27,764	4,707	7,534	12,241	23,057
2017	23,057	-	-	23,057	2,152	3,075	5,227	20,905
2018	20,905	-	-	20,905	2,163	3,651	5,814	18,742
2019	18,742	-	-	18,742	2,909	8,267	11,176	15,833
2020	15,833	-	-	15,833	537	1,563	2,100	15,296
2021	15,296	-	-	15,296	-	-	-	15,296
2022	15,296	-	-	15,296	-	-	-	15,296
2023	15,296	-	-	15,296	-	-	-	15,296
2024	15,296	-	-	15,296	-	-	-	15,296

TABLE 8

TOWN OF MONTVILLE, CONNECTICUT
SCHEDULE OF SEWER ASSESSMENT COLLECTIONS – PHASE IV
YEAR ENDED JUNE 30, 2024
(UNAUDITED)

Year Ended June 30,	Uncollected Assessments Beginning of Year	Lawful Corrections		Adjusted Assessments Collectible	Collections			Uncollected Assessments at Year End
		Additions	Deletions		Assessments Collected	Interest Liens and Other Fees	Total	
2015	$ 3,242	$ -	$ -	$ 3,242	$ 463	$ 178	$ 641	$ 2,779
2016	2,779	-	-	2,779	463	153	616	2,316
2017	2,316	-	-	2,316	463	127	590	1,853
2018	1,853	-	-	1,853	463	102	565	1,390
2019	1,390	-	-	1,390	463	76	539	927
2020	927	-	-	927	464	51	515	463
2021	463	-	-	463	-	-	-	463
2022	463	-	-	463	-	-	-	463
2023	463	-	-	463	-	-	-	463
2024	463	-	-	463	-	-	-	463