

OFFICIAL STATEMENT DATED JUNE 8, 2023

NEW MONEY ISSUE

S&P GLOBAL RATINGS: AAA

(See "Ratings" herein)

In the opinion of Bond Counsel, rendered in reliance upon and assuming the accuracy of and continuing compliance by the Town with certain representations and covenants relating to the applicable requirements of the Internal Revenue Code of 1986, as amended (the "Code"), under existing law, interest on the Bonds is excluded from gross income for federal income tax purposes and is not treated as an item of tax preference for purposes of the federal alternative minimum tax under the Code; however, such interest is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the alternative minimum tax imposed on corporations for tax years beginning after December 31, 2022. In the opinion of Bond Counsel, under existing statutes, interest on the Bonds is excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates and is excluded from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay the federal alternative minimum tax. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the accrual or receipt of interest on, the Bonds. (See "Tax Matters" herein.)

TOWN OF WINDSOR, CONNECTICUT

\$9,225,000 GENERAL OBLIGATION BONDS, ISSUE OF 2023

(BANK QUALIFIED)

BOOK-ENTRY-ONLY

Dated: Date of Delivery

Due: June 15, 2024-2038, as shown below

The Bonds will be general obligations of the Town of Windsor, Connecticut (the "Town") and the Town will pledge its full faith and credit to pay the principal of and interest on the Bonds and interest thereon when due. (See "Security and Remedies" herein).

Interest on the Bonds will be payable on June 15 and December 15 in each year until maturity, commencing December 15, 2023.

The Bonds are subject to optional redemption prior to maturity as described herein. (See "Redemption Provisions" herein).

The Bonds will be issued by means of a book-entry transfer system and will be registered in the name of Cede & Co., as Bondowner and nominee for The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository for the Bonds. Ownership of the Bonds will be in the denominations of \$5,000 or integral multiples thereof. The Beneficial Owners will not receive certificates representing their ownership interest in the Bonds. Principal and interest on the Bonds will be payable by the Town or its agent to DTC or its nominee as registered owner of the Bonds. So long as Cede & Co. is the Bondowner as nominee for DTC, reference herein to the Bondowner or owners shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners (as defined herein) of the Bonds. (See "Book-Entry-Only Transfer System" herein).

The Registrar, Transfer Agent, Certifying Agent and Paying Agent for the Bonds will be U.S. Bank Trust Company, National Association, of Hartford, Connecticut.

MATURITY SCHEDULE AND AMOUNTS

Maturity	Amount	Coupon	Yield	CUSIP (1)	Maturity	Amount	Coupon	Yield	CUSIP (1)
2024	\$ 615,000	5.000%	2.990%	973569AR7	2032	\$ 615,000	4.000%	2.540%*	973569AZ9
2025	615,000	5.000	2.870	973569AS5	2033	615,000	4.000	2.590*	973569BA3
2026	615,000	5.000	2.720	973569AT3	2034	615,000	4.000	2.720*	973569BB1
2027	615,000	5.000	2.610	973569AU0	2035	615,000	4.000	2.850*	973569BC9
2028	615,000	5.000	2.560	973569AV8	2036	615,000	4.000	3.000*	973569BD7
2029	615,000	5.000	2.540	973569AW6	2037	615,000	4.000	3.150*	973569BE5
2030	615,000	4.000	2.500*	973569AX4	2038	615,000	4.000	3.250*	973569BF2
2031	615,000	4.000	2.500*	973569AY2					

* Priced assuming redemption on June 15, 2029 however any such redemption is at the option of the Town. See "Optional Redemption" herein.

Roosevelt & Cross, Inc. and Associates

The Bonds are offered for delivery when, as and if issued, subject to the final approving opinion of Pullman & Comley, LLC of Hartford and Bridgeport, Connecticut, Bond Counsel. It is expected that delivery of Bonds in book-entry form will be made on or about June 27, 2023.

- (1) Copyright, American Bankers Association. CUSIP® is a registered trademark of the American Bankers Association. CUSIP numbers have been assigned by an independent company not affiliated with the Town and are included solely for the convenience of the holders of the Bonds. The Town is not responsible for the selection or use of these CUSIP numbers, does not undertake any responsibility for their accuracy, and makes no representation as to their correctness on the Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds.

This cover page contains certain information for quick reference only. It is not a summary of this issue. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.

No dealer, broker, salesperson or other person has been authorized by the Town of Windsor, Connecticut (the "Town"), to give any information or to make any representations, other than those contained in this Official Statement; and if given or made, such other information or representation must not be relied upon as having been authorized by the Town.

This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been obtained by the Town from sources which are believed to be reliable but it is not guaranteed as to accuracy or completeness.

This Official Statement has been prepared only in connection with the initial offering and sale of the Bonds and may not be reproduced or used in whole or in part for any other purpose. The information, estimates and expressions of opinion herein are subject to change without notice. Neither the delivery of this Official Statement nor any sale hereunder shall, under any circumstances, create any implication that there has been no material change in the affairs of the Town since the date of this Official Statement.

Set forth in Appendix A – "Audited Financial Statements" hereto is a copy of the report of the independent auditors for the Town with respect to the financial statements of the Town included in that appendix. The report speaks only as of its date, and only to matters expressly set forth therein. The auditors have not been engaged to review this Official Statement or to perform audit procedures regarding the post-audit period, nor have the auditors been requested to give their consent to inclusion of their report in Appendix A. Except as stated in their report, the auditors have not been engaged to verify the financial information set out in Appendix A and are not passing upon and do not assume responsibility for sufficiency, accuracy or completeness of the financial information presented in that appendix.

Other than matters expressly set forth in Appendix B "Form of Opinion of Bond Counsel" herein, Bond Counsel is not passing on and does not assume any responsibility for the accuracy or adequacy of the statements made in this Official Statement and makes no representation that they have independently verified the same.

The Municipal Advisor to the Town has provided the following sentence for inclusion in this Official Statement. The Municipal Advisor has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to the Town and, as applicable, to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Municipal Advisor does not guarantee the accuracy or completeness of such information.

This Official Statement is in a form "deemed final" by the Town for purposes of Securities and Exchange Commission Rule ("SEC") 15c2-12(b)(1), but is subject to revision or amendment.

This Official Statement may include "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Without limiting the foregoing, the words "may," "believe," "could," "might," "possible," "potential," "project," "will," "should," "expect," "intend," "plan," "predict," "anticipate," "estimate," "approximate," "contemplate," "continue," "target," "goal" and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these words. All forward-looking statements included in this Official Statement are based on information available to the Town up to the date as of which such statements are to be made, or otherwise up to, and including, the date of this document, and the Town assumes no obligation to update any such forward-looking statements to reflect events or circumstances that arise after the date hereof or after the date of any report containing such forward-looking statement, as applicable. Actual results could differ materially from those anticipated in these forward-looking statements as a result of certain important factors, including, but not limited to (i) the effect of and from, future municipal, state and federal budgetary matters, including state and federal grants and other forms of financial aid to the Town; (ii) federal tax policy, including the deductibility of state and local taxes for federal tax purposes; (iii) macroeconomic economic and business developments, both for the country as a whole and particularly affecting the Town; (iv) financial services industry developments; (v) litigation or arbitration; (vi) climate and weather related developments, natural disasters and other acts of God; (vii) factors used in estimating future obligations of the Town; (viii) the effects of epidemics and pandemics, including economic effects; (ix) foreign hostilities or wars; (x) foreign or domestic terrorism; and (xi) other factors contained in this Official Statement.

TABLE OF CONTENTS

	<u>Page</u>		<u>Page</u>
Bond Issue Summary.....	i		
I. Securities Offered		V. Financial Information	
Introduction.....	1	Fiscal Year.....	27
Description of the Bonds.....	1	Accounting Policies.....	27
Redemption Provisions.....	1	Basis of Accounting.....	27
Notice of Redemption.....	1	Annual Audit.....	27
Authorization and Use of Proceeds.....	2	Certificate of Achievement for Excellence in Financial Reporting.....	27
Ratings.....	3	Budgetary Procedures.....	28
Security and Remedies.....	3	Supplemental Appropriations.....	28
Book-Entry-Only Transfer System.....	4	Employee Pension Systems.....	28
Replacement Bonds.....	5	Other Post-Employment Benefits.....	30
DTC Practices.....	5	Investment Policies and Procedures.....	32
Tax Matters.....	5	Property Tax Revenues.....	33
Global Health Emergency Risk.....	7	Intergovernmental Revenues.....	33
Cybersecurity.....	8	Expenditures.....	34
Climate Change.....	8	Municipal Budget Expenditure Cap.....	34
Qualification for Financial Institutions.....	8	Comparative General Fund Operating Statement..	35
Availability of Continuing Disclosure.....	8	Comparative General Fund Balance Sheets.....	36
II. The Issuer		Analysis of General Fund Equity.....	36
Description of the Town.....	9	Comparative General Fund Revenues and Expenditures.....	37
Form of Government.....	10	VI. Debt Summary	
Table of Organization.....	10	Principal Amount of Indebtedness.....	38
Municipal Officials.....	11	Combined Schedule of Long-term Debt.....	39
Biographies of Principal Officials.....	11	Overlapping and Underlying Indebtedness.....	39
Summary of Municipal Services.....	12	Debt Statement.....	41
Educational System.....	13	Current Debt Ratios.....	41
Educational Facilities.....	13	Legal Requirements for Approval of Borrowing..	42
School Enrollments.....	14	Temporary Financing.....	42
Municipal Employment.....	14	Capital Improvement Program.....	42
Municipal Employees by Category.....	15	School Building Grant Reimbursements.....	42
Municipal Employees Bargaining Units.....	16	Limitation of Indebtedness.....	42
Economic Development.....	16	Statement of Statutory Debt Limitation.....	43
III. Economic and Demographic Information		Authorized But Unissued Debt.....	44
Population Trends.....	19	Historical Debt Statement.....	44
Age Distribution of the Population.....	19	Historical Debt Ratios.....	45
Income Distribution.....	19	Ratio of Annual Debt Service Expenditures To Total General Fund Expenditures and Transfers out.....	45
Selected Wealth and Income Levels.....	20	VII. Legal and Other Litigation	
Educational Attainment.....	20	Litigation.....	46
Major Employers.....	20	Municipal Advisor.....	46
Employment by Industry.....	21	Documents Accompanying Delivery of the Bonds.....	46
Unemployment Rate Statistics.....	21	Concluding Statement.....	47
Number of Dwelling Units.....	21		
Characteristics of Housing Units.....	22	Appendix A – Audited Financial Statements	
Age Distribution of Housing.....	22	Appendix B – Form of Opinion of Bond Counsel	
Number and Value of Building Permits.....	22	Appendix C – Form of Continuing Disclosure Agreement	
Breakdown of Land Use.....	23	Appendix D – Notice of Sale	
IV. Tax Base Data			
Assessment Practices.....	24		
Property Tax Collection Procedure.....	24		
Motor Vehicle Property Tax Rate.....	25		
Property Tax Levies and Collections.....	25		
Taxable Grand List.....	25		
Largest Taxpayers.....	26		
Equalized Net Grand List.....	26		

BOND ISSUE SUMMARY

The information in this Bond Issue Summary, the front cover page is qualified in its entirety by the detailed information and financial statements appearing elsewhere in this Official Statement. This Official Statement speaks only as of its date and the information herein is subject to change.

Issuer:	Town of Windsor, Connecticut (the "Town").
Issue:	\$9,225,000 General Obligation Bonds, Issue of 2023 (the "Bonds").
Dated Date:	Date of Delivery, June 27, 2023.
Interest Due:	December 15, 2023 and semiannually thereafter on June 15 and December 15 in each year until maturity.
Principal Due:	Serially, June 15, 2024 through 2038, as detailed in this Official Statement.
Purpose and Authority:	The Bonds are being issued to finance various Town capital improvement projects undertaken by the Town and authorized pursuant to Titles 7 and 10 of the General Statutes of Connecticut, as amended, the Charter of the Town of Windsor and bond ordinances approved by the Town Council and, if required by Charter, voters at referendum.
Redemption:	The Bonds are subject to redemption prior to maturity. See "Redemption Provisions" herein.
Security:	The Bonds will be general obligations of the Town and the Town will pledge its full faith and credit to the payment of principal of and interest on the Bonds when due.
Credit Rating:	The Bonds have been rated "AAA" by S&P Global Ratings ("S&P"). The rating on the Town's outstanding bonds is currently "AAA" by S&P. (See "Ratings" herein).
Tax Exemption:	See "Tax Matters" herein.
Bank Qualification:	The Bonds SHALL BE designated as qualified tax-exempt obligations under the provisions of Section 265(b) of the Internal Revenue Code of 1986, as amended, for purposes of the deduction by financial institutions for interest expense incurred to carry the Bonds.
Continuing Disclosure:	In accordance with the requirements of Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission, the Town will agree to provide, or cause to be provided, (i) annual financial information and operating data, (ii) notice of the occurrence of certain events not in excess of ten (10) business days of the occurrence of such events and (iii) timely notice of a failure to provide the required financial information by the date specified pursuant to a Continuing Disclosure Agreement to be executed by the Town in substantially the form attached as Appendix C to this Official Statement.
Registrar, Transfer Agent, Certifying Agent and Paying Agent:	U.S. Bank Trust Company, National Association, Corporate Trust Services, CityPlace I, 185 Asylum Street, 27 th Floor, Hartford, Connecticut 06103.
Legal Opinion:	Pullman & Comley, LLC of Hartford, Connecticut will act as Bond Counsel.
Delivery and Payment:	It is expected that delivery of the Bonds in book-entry-only form will be made to The Depository Trust Company on or about June 27, 2023 against payment in Federal Funds .
Issuer Official:	Questions regarding the Town and this Official Statement should be directed to James R. Bourke, Finance Director, Town of Windsor, Town Hall, 275 Broad Street, Windsor, Connecticut, 06095 - Telephone (860) 285-1936.
Municipal Advisor:	Munistat Services, Inc., 129 Samson Rock Drive, Suite A, Madison, Connecticut 06443, attention: Mr. Mark N. Chapman, Managing Director, Telephone: (203) 421-2087.

I. SECURITIES OFFERED

INTRODUCTION

This Official Statement, including the cover page and appendices, is provided for the purpose of presenting certain information relating to the Town of Windsor, Connecticut (the "Town") in connection with the issuance and sale of \$9,225,000 General Obligation Bonds, Issue of 2023 (the "Bonds") of the Town.

All quotations from and summaries and explanations of provisions of statutes, charters, or other laws and acts and proceedings of the Town contained herein do not purport to be complete and are qualified in their entirety by reference to the original official documents; and all references to the Bonds and the proceedings of the Town relating thereto are qualified in their entirety by reference to the definitive form of the Bonds and such proceedings.

The presentation of information is intended to show recent historical trends and is not intended to indicate future or continuing trends in the financial or other positions of the Town. Except for information expressly attributed to other sources, all financial and other information presented herein has been provided by the Town.

Bond Counsel is not passing upon and does not assume responsibility for the accuracy or adequacy of the statements made in this Official Statement (other than matters expressly set forth in their opinion in Appendix B) and they make no representation that they have independently verified the same.

DESCRIPTION OF THE BONDS

The Bonds will be dated the date of delivery and will mature on June 15 in each of the years and in the principal amounts set forth on the cover page of this Official Statement. Interest on the Bonds will be payable on June 15 and December 15 in each year until maturity, commencing December 15, 2023. Interest will be calculated on the basis of a 360-day year consisting of twelve 30-day months and will be payable to the registered owners of the Bonds as of the last business day of May and November in each year. The Bonds will be issued in fully-registered form in denominations of \$5,000 or any integral multiple thereof for any single maturity. A book-entry system will be employed evidencing ownership of the Bonds with transfers of ownership effected on the records of The Depository Trust Company, New York, New York ("DTC"), and its participants pursuant to rules and procedures established by DTC and its participants. (See "Book-Entry-Only Transfer System" herein). The Registrar, Certifying, Transfer and Paying Agent for the Bonds will be U.S. Bank Trust Company, National Association of Hartford, Connecticut. The legal opinion on the Bonds will be rendered by Pullman & Comley, LLC, in substantially the form set forth in Appendix B to this Official Statement. **The Bonds are subject to redemption prior to maturity. (See "Redemption Provisions" herein.)**

REDEMPTION PROVISIONS

The Bonds maturing on or before June 15, 2029 are not subject to redemption prior to maturity. The Bonds maturing on June 15, 2030 and thereafter are subject to redemption prior to maturity, at the option of the Town, on or after June 15, 2029, at any time, either in whole or in part in such amounts and in such order of maturity (but by lot within a maturity) as the Town may determine, at the redemption price (expressed as a percentage of the par amount of Bonds to be redeemed) set forth in the following table, together with interest accrued and unpaid to the redemption date:

<u>Redemption Dates</u>	<u>Redemption Price</u>
June 15, 2029 and thereafter	100.0%

NOTICE OF REDEMPTION

Notice of redemption shall be given by the Town or its agent by mailing a copy of the redemption notice by first-class mail at least thirty days prior to the date fixed for redemption to the registered owner of the Bonds designated for redemption in whole or in part, at the address of such registered owner as the same shall last appear on the registration books for the Bonds. Failure to give such notice by mailing to any registered owner, or any defect therein, shall not affect the validity of the redemption of any other Bonds. Upon the giving of such notice, if such funds available solely for redemption are on deposit with the Paying Agent, the Bonds or portions thereof so called for redemption will cease to bear interest after the specified redemption date.

If less than all the Bonds of any one maturity shall be called for redemption, the particular Bonds or portions of Bonds of such maturity to be redeemed shall be selected by lot in such manner as the Town in its discretion may determine; provided, however, that the portion of any Bond to be redeemed shall be in the principal amount of \$5,000 or some multiple thereof and that, in selecting Bonds for redemption, each Bond shall be considered as representing that number of Bonds which is obtained by dividing the principal amount of such Bond by \$5,000.

The Town, so long as a book-entry system is used for the Bonds being called for redemption, will send any notice of redemption only to DTC (or a successor securities depository) or its nominee. Any failure of DTC to advise any Direct Participant, or of any Direct Participant or Indirect Participant to notify any Indirect Participant or Beneficial Owner, of any such notice and its content or effect will not affect the validity of the redemption of such Bonds called for redemption. Redemption of portions of the Bonds of any maturity by the Town will reduce the outstanding principal amount of Bonds held by DTC. In such event it is the current practice of DTC to allocate by lot, through its book-entry system, among the interest held by Direct Participants in the Bonds to be redeemed, the interest to be reduced by such redemptions in accordance with its own rules or other agreements with Direct Participants. The Direct Participants and Indirect Participants may allocate reductions of the interests in the Bonds to be redeemed held by the Beneficial Owners. Any such allocation of interests in the Bonds to be redeemed will not be governed by the determination of the Town authorizing the issuance of the Bonds and will not be conducted by the Town, the Registrar or Paying Agent.

AUTHORIZATION AND USE OF PROCEEDS

Authorizations:

Sage Park Middle School Energy and Efficiency HVAC Upgrades Phase III: An appropriation and bond ordinance in the amount of \$2,495,000 was approved at a Special Town Meeting on January 3, 2023 for costs in connection with replacement of classroom wall unit ventilators, roof exhaust fans, unit wall heaters, boilers, domestic hot water heater, heating pumps, valves, hazardous materials abatement, connection of new components to existing Building Energy Management system, and other related amenities and improvements.

Goslee Pool House Improvements: An appropriation and bond ordinance in the amount of \$1,730,000 was adopted by the Town Council on January 3, 2023 for costs in connection with aquatic facility improvements comprised of renovations and improvements to the changing facility, chemical room, guard and first aid office, including building an addition and replacing or renovating mechanical, electrical and plumbing fixtures, installation of new fixtures, footings, slab flooring, painting, roofing, concrete masonry and other related improvements.

Pavement Improvements at Town Facilities: An appropriation and bond ordinance in the amount of \$260,000 was adopted by the Town Council on February 6, 2023 for costs in connection with pavement improvements at various town facilities and schools, including milling and resurfacing, drainage improvements, line striping, sidewalk repairs, reconstruction, installation and other related improvements.

L.P. Wilson Community Center Ventilation and Flooring Improvements - North End Phase I: An appropriation and bond ordinance in the amount of \$2,600,000 was approved at a Special Town Meeting on March 6, 2023 for costs in connection with replacement and upgrade to air ventilation equipment such as roof top air handlers, duct work, direct digital controls, associated mechanical and electrical work, as well as flooring improvements consisting of floor remediation, new flooring, and related improvements.

Baker Hollow Road Reconstruction: An appropriation and bond ordinance in the amount of \$2,940,000 was approved at a special town meeting on April 3, 2023, authorizing the use of \$800,000 of American Rescue Plan Act funds to finance a portion of the appropriation, and authorizing the issue of \$2,140,000 bonds or notes, for costs in connection with roadway reconstruction of Baker Hollow Road, to include new 30 ft. wide paved road with associated drainage systems and curbing, a new stream crossing structure, water and sewer lines, streetlights, and other related improvements.

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Use of Proceeds: Proceeds of the Bonds will be used as follows:

Projects	Amount of Total Authorization	Additions / (Reductions)	The Bonds (This Issue)
Sage Park Middle School Energy and Efficiency HVAC Upgrades Phase III.....	\$ 2,495,000	\$ 2,495,000	\$ 2,495,000
Goslee Pool House Improvements.....	1,730,000	1,730,000	1,730,000
Pavement Improvements at Town Facilities.....	260,000	260,000	260,000
L.P. Wilson Community Center Ventilation and Flooring Improvements - North End Phase I.....	2,600,000	2,600,000	2,600,000
Baker Hollow Road Reconstruction.....	2,140,000	2,140,000	2,140,000
Total.....	<u>\$ 9,225,000</u>	<u>\$ 9,225,000</u>	<u>\$ 9,225,000</u>

RATINGS

The Bonds have been rated "AAA" by S&P Global Ratings ("S&P"). The rating on the Town's outstanding general obligation bonds has been recently affirmed as "AAA" by S&P. Such rating reflects only the views of such rating agency and an explanation of the significance of such rating may be obtained from S&P at the following addresses: S&P Global Ratings: 55 Water Street, New York, New York 10041. Generally, a rating agency bases its ratings on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance that such rating will continue for any given period of time or that it will not be revised or withdrawn entirely by the agency if, in the judgment of such rating agency, circumstances so warrant. A revision or withdrawal of such rating may have an effect on the market price of the Town's bonds and notes, including the Bonds.

SECURITY AND REMEDIES

The Bonds will be general obligations of the Town of Windsor, and the Town will pledge its full faith and credit to pay the principal of and interest on the Bonds when due.

Unless paid from other sources, the Bonds are payable from the general property tax revenue of the Town. The Town has the power under Connecticut General Statutes to levy ad valorem taxes on all taxable property in the Town without limit as to rate or amount, except as to certain classified property such as certified forest lands taxable at a limited rate and dwelling houses of qualified elderly persons of low income or of qualified disabled persons taxable at limited amounts. There were 636.86 acres of such certified forest land on the last completed grand list of the Town. The Town may place a lien on the property for the amount of tax relief granted, plus interest, with respect to dwelling houses of qualified elderly persons of low income or qualified disabled persons. Under existing statutes, the State of Connecticut is obligated to pay to the Town the amount of tax revenue which the Town would have received except for the limitation under certain of the statutes upon its power to tax dwelling houses of qualified elderly persons of low income.

Payment of the Bonds is not limited to property tax revenues or any other revenue source, but certain revenues of the Town may be restricted as to use and therefore may not be available to pay debt service on the Bonds.

There are no statutory provisions for priorities in the payment of general obligations of the Town. There are no statutory provisions for a lien on any portion of the tax levy or other revenues to secure the Bonds, or judgments thereon, in priority to other claims.

The Town is subject to suit on its general obligation bonds and notes, and a court of competent jurisdiction has the power in appropriate proceedings to render a judgment against the Town. Courts of competent jurisdiction also have the power in appropriate proceedings to order payment of a judgment on such bonds or notes from funds lawfully available therefore or, in the absence thereof, to order the Town to take all lawful action to obtain the same, including the raising of the required amount in the next annual tax levy. In exercising their discretion as to whether to enter such an order, the courts may take into account all relevant factors, including the current operating needs of the Town and the availability and adequacy of other remedies.

Enforcement of a claim for payment of principal of or interest on the Bonds would also be subject to the applicable provisions of Federal bankruptcy laws as well as other bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted and to the exercise of judicial discretion. Section 7-566 of the Connecticut General Statutes, as amended in 1993, provides that no Connecticut municipality shall file a petition in bankruptcy without the express prior written consent of the Governor. This prohibition applies to any town, city, borough, metropolitan district and any other political subdivision of the State having the power to levy taxes and issue bonds or other obligations.

BOOK-ENTRY-ONLY TRANSFER SYSTEM

The Depository Trust Company (“DTC”) of New York, New York, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Bonds in the aggregate principal amount of such maturity and will be deposited with DTC.

DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its registered subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor’s rating of “AA+”. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of the Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of the Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee does not affect any change in the beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC’s practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC’s MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Town as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.’s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on, and redemption premium, if any, with respect to the Bonds will be made to Cede & Co. or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Town or the Paying Agent on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, nor its nominee, the Paying Agent, or the Town subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest, and redemption premium, if any, to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Town or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the Town or its agent. Under such circumstances, in the event that a successor securities depository is not obtained, bond and note certificates are required to be printed and delivered.

The Town may decide to discontinue the use of the system of the book-entry-only transfers through DTC (or a successor securities depository). In that event, bond and note certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Town believes to be reliable but the Town takes no responsibility for the accuracy thereof.

REPLACEMENT BONDS

The Town will provide for the issuance of fully-registered Bonds directly to the Beneficial Owners of the Bonds or their nominees in the event that: (a) DTC determines not to continue to act as securities depository for the Bonds, and the Town fails to identify another qualified securities depository for the Bonds to replace DTC; or (b) the Town determines to discontinue the book-entry system of evidence and transfer of ownership of the Bonds. A Beneficial Owner of the Bonds, upon registration of certificates held in such Beneficial Owner's name, will become the registered owner of the Bonds.

DTC PRACTICES

The Town can make no assurances that DTC, Direct Participants, Indirect Participants or other nominees of the Beneficial Owners of the Bonds will act in a manner described in this Official Statement. DTC is required to act according to rules and procedures established by DTC and its participants which are on file with the Securities and Exchange Commission.

TAX MATTERS

Federal Taxes. In the opinion of Bond Counsel, under existing law, (i) interest on the Bonds is excluded from gross income for federal income tax purposes, and (ii) such interest is not an item of tax preference for purposes of the federal alternative minimum tax; however, such interest is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the alternative minimum tax imposed on corporations for tax years beginning after December 31, 2022.

Bond Counsel's opinion with respect to the Bonds will be rendered in reliance upon and assuming the accuracy of and continuing compliance by the Town with its representations and covenants relating to certain requirements of the Internal Revenue Code of 1986, as amended (the "Code"). The Code and regulations promulgated thereunder establish certain requirements which must be satisfied at and subsequent to the issuance of the Bonds in order that interest on the Bonds be and remain excludable from gross income for federal income tax purposes. Failure to comply with such requirements may cause interest on the Bonds to be included in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds irrespective of the date on which such noncompliance occurs. In the Tax Regulatory Agreement, which will be delivered concurrently with the issuance of the Bonds, the Town will covenant to comply with certain provisions of the Code and will make certain representations designed to assure compliance with such requirements of the Code including, but not limited to, investment restrictions, periodic payments of arbitrage profits to the United States, requirements regarding the proper use of the Bond proceeds and certain other matters. The opinion of Bond Counsel delivered on the date of issuance of the Bonds is conditioned upon compliance by the Town with such requirements.

No other opinion is expressed by Bond Counsel regarding the federal tax consequences of the ownership of, or the receipt or accrual of interest on, the Bonds.

Original Issue Discount. The initial public offering prices of certain maturities of the Bonds may be less than the stated principal amount (the “OID Bonds”). Under existing law, the difference between the stated principal amount and the initial offering price of each maturity of the OID Bonds will constitute original issue discount. The offering prices relating to the yields set forth on the cover page of this Official Statement for such OID Bonds are expected to be the initial offering prices to the public (excluding bond houses and brokers) at which a substantial amount of the OID Bonds are sold. Under existing law, original issue discount on the OID Bonds accrued and properly allocable to the owners thereof under the Code is excludable from gross income for federal income tax purposes if interest on the OID Bonds is excludable from gross income for federal income tax purposes.

Under the Code, for purposes of determining an owner’s adjusted basis in an OID Bond purchased at an original issue discount, original issue discount is treated as having accrued while the owner holds such OID Bond and will be added to the owner’s basis. The owner’s adjusted basis will be used to determine taxable gain or loss upon the sale or other disposition (including redemption or payment at maturity) of such an OID Bond.

Prospective purchasers of OID Bonds should consult their own tax advisors as to the calculation of accrued original issue discount, the accrual of original issue discount in the case of owners of OID Bonds purchasing such OID Bonds after the initial offering and sale, and the state and local tax consequences of owning or disposing of such OID Bonds.

Original Issue Premium. The initial public offering prices of certain maturities of the Bonds may be more than their stated principal amounts payable at maturity (the “OIP Bonds”). In general, an owner who purchases an OIP Bond must amortize the original issue premium as provided in the applicable Treasury Regulations, and amortized premium reduces the owner’s basis in the OIP Bond for federal income tax purposes. Prospective purchasers of OIP Bonds at a premium to its principal amount should consult their tax advisors regarding the amortization of premium and its effect upon basis.

Other Federal Tax Matters. Prospective purchasers of the Bonds should be aware that ownership of the Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, financial institutions, certain insurance companies, recipients of Social Security or Railroad Retirement benefits, certain S corporations, foreign corporations subject to the branch profits tax, taxpayers eligible for the earned income credit, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations. Bond Counsel does not express any opinion regarding such collateral tax consequences. Prospective purchasers of the Bonds should consult their tax advisors regarding collateral federal income tax consequences. Prospective purchasers of the Bonds may also wish to consult with their tax advisors with respect to the need to furnish certain taxpayer information in order to avoid backup withholding.

State Taxes. In the opinion of Bond Counsel, under existing statutes, interest on the Bonds is excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates and is excluded from amounts on which the net Connecticut minimum tax is based for individuals, trusts and estates required to pay the federal alternative minimum tax.

Interest on the Bonds is included in gross income for purposes of the Connecticut corporation business tax.

Accrued original issue discount on an OID Bond is also excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates and is excluded from amounts on which the net Connecticut minimum tax is based for individuals, trusts and estates required to pay the federal alternative minimum tax.

Owners of the Bonds should consult their own tax advisors with respect to the determination for state and local income tax purposes of original issue discount or original issue premium accrued upon sale or redemption thereof, and with respect to the state and local tax consequences of owning or disposing of such Bonds.

Changes in Federal and State Tax Law. Legislation affecting tax-exempt obligations is regularly considered by the United States Congress. Court proceedings may also be filed, the outcome of which could modify the tax treatment of obligations such as the Bonds. There can be no assurance that legislation enacted or proposed, or actions by a court, after the issuance of the Bonds will not have an adverse effect on the tax status of interest on the Bonds or the market value or marketability of the Bonds. These adverse effects could result, for example, from changes to federal or state income tax rates, changes in the structure of federal or state income taxes (including replacement with another type of tax), or repeal (or reduction in the benefit) of the exclusion of interest on the Bonds from gross income for federal or state income tax purposes for all or certain taxpayers.

Investors in the Bonds should be aware that future legislative actions may increase, reduce or otherwise change (including retroactively) the financial benefits and the treatment of all or a portion of the interest on the Bonds for federal income tax purposes for all or certain taxpayers. In all such events, the market value of the Bonds may be adversely affected and the ability of holders to sell their Bonds in the secondary market may be reduced. The Bonds are not subject to special mandatory redemption, and the interest rates on the Bonds are not subject to adjustment, in the event of any such change in the tax treatment of interest on the Bonds.

General. The opinion of Bond Counsel is rendered as of its date, and Bond Counsel assumes no obligation to update or supplement its opinion to reflect any facts or circumstances that may come to its attention or any changes in law that may occur after the date of its opinion. Bond Counsel's opinion is based on existing law, which is subject to change. Such opinion is further based on factual representations made to Bond Counsel as of the date of issuance. Moreover, Bond Counsel's opinion is not a guarantee of a particular result, and is not binding on the Internal Revenue Service or the courts; rather, such opinion represents Bond Counsel's professional judgment based on its review of existing law, and in reliance on the representations and covenants that it deems relevant to such opinion.

The discussion above does not purport to deal with all aspects of federal or state or local taxation that may be relevant to a particular owner of the Bonds. Prospective owners of the Bonds, particularly those who may be subject to special rules, are advised to consult their own tax advisors regarding the federal, state and local tax consequences of owning and disposing of the Bonds.

Global Health Emergency Risk

The COVID-19 Outbreak and Future Pandemics

On January 30, 2020, the outbreak of COVID-19 was declared a Public Health Emergency of International Concern by the World Health Organization. On March 13, 2020, the President of the United States declared a national emergency as a result of the COVID-19 outbreak. On March 10, 2020, Governor Lamont declared a state of emergency throughout the State of Connecticut (the "State") and took steps to mitigate the spread and impacts of COVID-19. As of May 11, 2023, the federal and State public health emergency declarations have been terminated.

In response to the COVID-19 pandemic, on March 11, 2021, President Biden signed into law the \$1.9 trillion American Rescue Plan Act of 2021 (the "Rescue Plan") that provided various forms of financial assistance and other relief to state and local governments. The Town received \$8.5 million from the Rescue Plan. The Town developed a plan for the use of such funds that will focus on infrastructure improvements and other initiatives that comply with the program eligibility criteria.

For up-to-date information concerning the State's actions in response to COVID-19, see <https://portal.ct.gov/coronavirus>. Neither the Town, nor the parties involved with the issuance of the Bonds, has reviewed the information provided by the State on its website and such parties take no responsibility for the accuracy thereof.

To date, the COVID-19 outbreak has had no material adverse effect on the finances of the State or the Town.

Pandemics, epidemics and other public health emergencies, may adversely impact the Town and its revenues, expenses and financial condition. The Town cannot predict the duration and extent of such pandemics, epidemics and other health emergencies, or quantify the magnitude of their ultimate impact on the State and regional economy, or on the revenues and expenses of the Town. Pandemics, epidemics and other health emergencies may be ongoing, and their dynamic nature may lead to many uncertainties, including (i) the geographic spread as they evolve; (ii) the severity as they mutate; (iii) the duration of the outbreak; (iv) actions that may be taken by governmental authorities to contain or mitigate future outbreaks; (v) the development of medical therapeutics or vaccinations; (vi) travel restrictions; (vii) the impact of the outbreak on the local, State or global economy; (viii) whether and to what extent the State Governor may order additional public health measures; and (ix) the impact of the outbreak and actions taken in response to the outbreak on Town revenues, expenses and financial condition.

Prospective investors should assume that restrictions and limitations related to COVID-19 and any future variants or pandemics may be instituted by the State or federal government.

Cybersecurity

The Town, like many other public and private entities, relies on technology to conduct its operations. The Town and its departments face cyber threats from time to time, including but not limited to hacking, viruses, malware, phishing, and other attacks on computers and other sensitive digital networks and systems. To mitigate the risk of business operations impact and/or damage from cyber incidents or cyber-attacks, the Town invests in various forms of cybersecurity and operational controls, including comprehensive policies and procedures relating to the security of the Town's government networks. Additionally, the Town purchases cybersecurity insurance coverage, so that a claim can be made to the insurance provider in the event of a cyber-attack. No assurances can be given, however, that such security and operational control measures will be completely successful to guard against cyber threats and attacks. The results of any such attack could impact business operations and/or damage Town digital networks and systems and the costs of remedying any such damage could be substantial.

Climate Change

Numerous scientific studies have detailed changing global weather patterns and the potential for increasing extreme weather events across the world. The Town's location along the Connecticut River increases its vulnerability to flooding. In addition to flooding, the Town faces other threats due to climate change, including damaging wind that could become more severe and frequent. The Town cannot predict the timing, extent or severity of climate change and its impact on its operations and finances.

The Town has taken a number of steps to plan and prepare for the effects of climate change. The town has issued ordinances for stormwater management, erosion and sedimentation control, and flooding, which all help to minimize future flood events and damage to buildings and personal property. The town participates in the Capitol Region Hazard Mitigation Plan, which looks at emergency preparedness, utility resiliency, floodplain management, and other measures to limit damage and facilitate recovery. The town is also participating in the Sustainable CT program by documenting existing sustainability best management practices and implementing new best practices designed to mitigate climate change and its underlying causes.

QUALIFICATION FOR FINANCIAL INSTITUTIONS

The Bonds **SHALL BE** designated as qualified tax-exempt obligations under the provisions of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended, for purposes of the deduction by financial institutions for interest expense allocable to the Bonds.

AVAILABILITY OF CONTINUING DISCLOSURE INFORMATION

The Town of Windsor prepares, in accordance with State Law, annual independent audited financial statements and the Annual Comprehensive Financial Report and files such annual reports with the State Office of Policy and Management within six months of the end of its fiscal year. The Town provides, and will continue to provide S&P Global Ratings ongoing disclosure in the form of annual comprehensive financial reports, adopted budgets and other materials relating to its management and financial condition, as may be necessary or requested.

The Town will enter into a Continuing Disclosure Agreement with respect to the Bonds, substantially in the form attached hereto as Appendix C to this Official Statement (the "Continuing Disclosure Agreement"), to provide or cause to be provided, in accordance with the requirements of SEC Rule 15c2-12, (i) annual financial information and operating data, (ii) notice of the occurrence of certain events not in excess of ten (10) business days after the occurrence of such events, and (iii) timely notice of a failure by the Town to provide the required annual financial information on or before the date specified in the Continuing Disclosure Agreement. The winning bidder's obligation to purchase the Bonds shall be conditioned upon its receiving, at or prior to the delivery of the Bonds, an executed copy of the Continuing Disclosure Agreement for the Bonds. (See Appendix C "Form of Continuing Disclosure Agreement").

The Town has previously undertaken in Continuing Disclosure Agreements entered into for the benefit of holders of certain of its general obligation bonds and notes to provide certain annual financial information and material event notices pursuant to Rule 15c2-12(b)(5). In the past five years, the Town has not failed to meet, in any material respects, with its previous undertakings under such agreements.

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II. THE ISSUER



DESCRIPTION OF THE TOWN

Windsor is the location of the first permanent English settlement in Connecticut, settled in 1633 by church congregations relocating from Massachusetts. These settlers joined with other communities in the immediate region to create a General Court in 1636, the precursor to Connecticut's General Assembly. Bordering Hartford to the north, Windsor covers a 31 square mile area on the west bank of the Connecticut River. The Farmington River also flows through Windsor and into the Connecticut River, and provides a wealth of scenic areas and natural attractions.

The Town is strategically located approximately halfway between New York City and Boston and within an 8 hour drive of one hundred million people (representing one-third of the U.S. economy and two-thirds of the Canadian economy). Bradley International Airport, New England's second busiest airport, is located just minutes away from Windsor. Interstate 91, a major expressway between New York and northern New England, traverses the Town and has seven interchanges within the Town's borders. In addition, the Connecticut Turnpike, the Massachusetts Turnpike and the New York State Thruway are easily accessible. Windsor is a community predominantly composed of owner-occupied, single-family dwellings which account for 80% of all housing units.

Planning was established in 1924. Comprehensive zoning regulations, which were first adopted in 1931, are periodically revised to reflect current development standards and practices. The Plan of Conservation and Development was revised and approved by the Town Planning & Zoning Commission in 2015. The Town has approximately 805 acres of undeveloped industrially zoned land. Approximately 200 acres of former industrial land is being redeveloped into a mixed-use development called The Preserve at Great Pond, which is anticipated to add 1,200 dwelling units. Full development of the remaining town-wide residential land, together with Great Pond would result in a population increase of approximately 6,400 residents. The Town's estimated population according to the United States Census Bureau, 2017-2021 American Community Survey 5-Year Estimates was 29,424.

The Town's educational system consists of four elementary schools, one middle school and one high school. Windsor is home to the well-known Loomis Chaffee college preparatory school, as well as private and parochial schools including St. Gabriel School, Trinity Christian School and Madina Academy, offering grades K-8, PreK-12, and K-12 respectively.

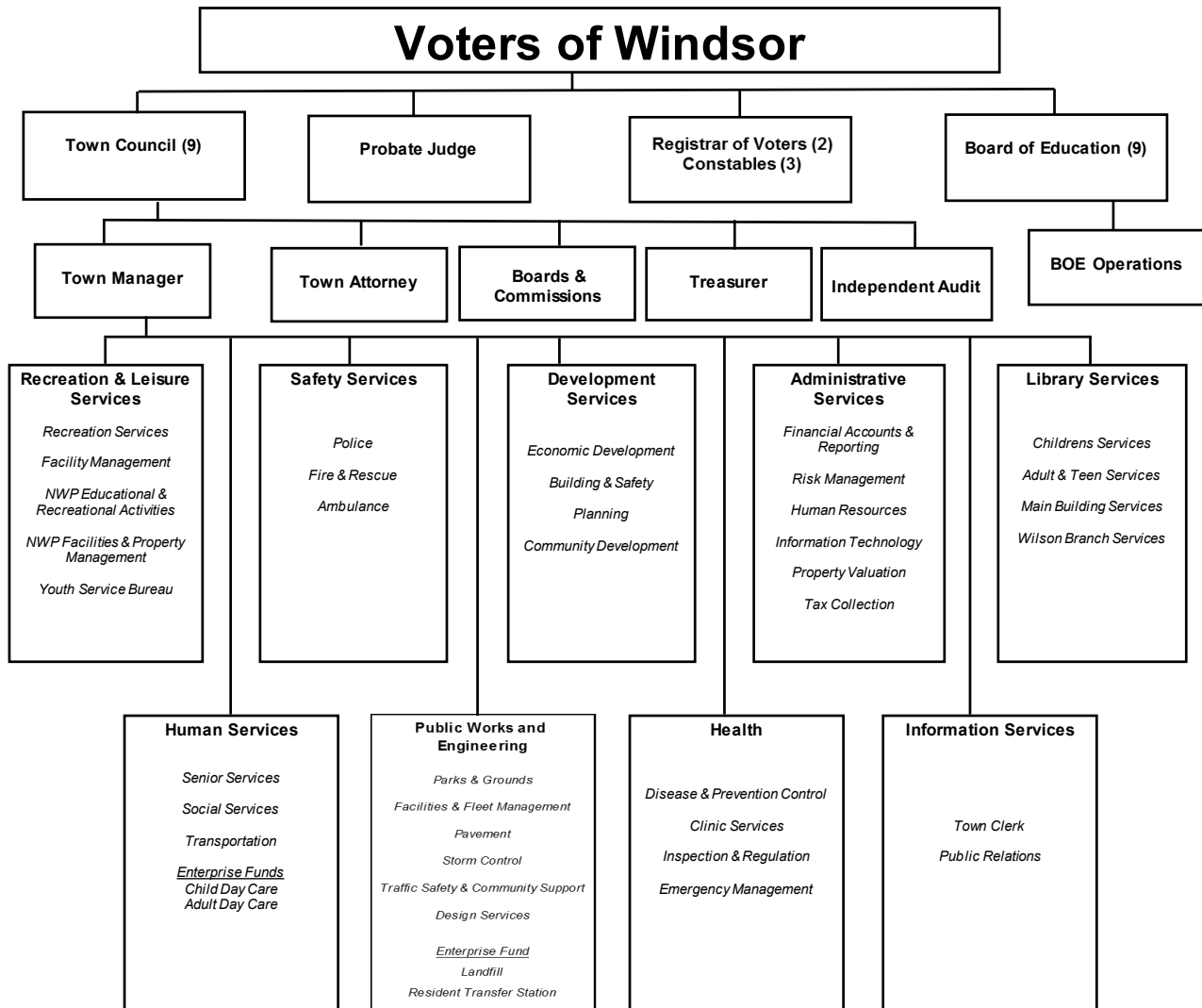
FORM OF GOVERNMENT

The Town of Windsor is organized under the Council-Manager form of government. The Town Charter was passed in the 1947 session of the General Assembly of Connecticut and approved by a referendum vote of the Town the same year. It has been amended by a special act of the General Assembly and more recently (in 1998) under the authorization of the home rule law for Connecticut municipalities, by local referendum.

The legislative function is performed by a bipartisan Council of nine members, who are elected biennially for two-year terms. Minority representation is guaranteed in that no political party may have more than five members. The Town Council elects a Mayor from its membership for the two-year term. The Town Manager is appointed by the Town Council on the basis of professional executive training and qualifications. Since 1947, Windsor has had only five Town Managers.

The Charter provides for an annual Town Budget Referendum for approval of the annual budget and for supplemental appropriations and bond authorizations which exceed certain amounts. (See "Supplemental Appropriations" and "Legal Requirements for Approval of Borrowing" herein).

TABLE OF ORGANIZATION



MUNICIPAL OFFICIALS

Name	Position	Term of Office	Years of Service
Donald S. Trinks.....	Mayor.....	2 Years – Elected	28
Lisa R. Bress.....	Deputy Mayor.....	2 Years – Elected	4
Nuchette Black-Burke.....	Town Council.....	2 Years – Elected	5
James Dobler.....	Town Council.....	2 Years – Elected	4
Lenworth Walker.....	Town Council.....	2 Years – Elected	3
Kristin Gluck-Hoffman....	Town Council.....	2 Years – Elected	2
Ken Smith.....	Town Council.....	2 Years – Elected	2
Ronald C. Eleveld.....	Town Council.....	2 Years – Elected	2
Ojala Naeem.....	Town Council.....	Appointed	1
Dr. Terrell M. Hill.....	Superintendent of Schools....	Appointed	9
Peter P. Souza.....	Town Manager.....	Appointed	24
James R. Bourke.....	Finance Director.....	N/A	15
Linda R. Collins.....	Assistant Finance Director...	N/A	16

BIOGRAPHIES OF PRINCIPAL OFFICIALS

Town Manager: Appointed as Town Manager in October 2004, Peter P. Souza has served the Town of Windsor since September 1999 initially as the Assistant Town Manager and then as Acting Town Manager. Prior to his arriving in Windsor, Mr. Souza was an Assistant City Manager for the City of Olathe, Kansas, a large fast growing full-service suburban community, where he worked from 1992 until 1999. Mr. Souza also has project management, budgeting, capital planning and community engagement experience through positions with the Town of Barnstable, Massachusetts and non-profit housing development organizations in Worcester, Massachusetts. Mr. Souza earned a Bachelor's degree in Urban Studies from Worcester State College in 1985 and a Master's of Public Administration from the University of Kansas in 1994. He is a member of the International City/County Management Association and the Connecticut Town and City Management Association.

Superintendent of Schools: Dr. Terrell M. Hill is the Superintendent for Windsor Public Schools, and previously served as the Assistant Superintendent for Human Resources. Dr. Hill was the founding Principal of High School Inc., Hartford's Insurance and Finance Academy, which opened in August 2009. Dr. Hill served as a Vice Principal at Windsor High School for seven years, and has also taught in the Windsor Locks, CT and Newport News, VA public school systems. Dr. Hill also serves as the Alumni Trustee on the Board of Trustees for Westfield State University in Westfield, MA. Dr. Hill is a graduate of the High School of Commerce in Springfield, MA and earned his Bachelor's degree in Business Management from Westfield State College. He earned a Master's Degree, a Certificate of Advanced Graduate Study and a PhD in Education Policy and Leadership from the University of Massachusetts in Amherst, MA. Dr. Hill is a veteran of the U.S. Army.

Finance Director: James R. Bourke was hired as Finance Director in July of 2016 after serving as Assistant Finance Director since September of 2008. He has nineteen years of experience in the private sector in the areas of Banking Operations, Treasury and Cash Management and Securities and Investment Accounting. Mr. Bourke earned a Bachelor's degree in Accounting from Eastern Connecticut State University in 2004. Mr. Bourke is a member of the Government Finance Officers Association of America (GFOA) as well as the Connecticut Government Finance Officers Association.

Assistant Finance Director: Linda R. Collins was hired as Assistant Finance Director in September of 2016 after serving as Town Accountant since November of 2007. Prior to that she worked in the field of non-profit finance and accounting for eight years. Ms. Collins holds a Bachelor's degree in Business Administration as well as a MBA from the University of Hartford. She is a member of the Government Finance Officers Association of America (“GFOA”) as well as the Connecticut Government Finance Officers Association.

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SUMMARY OF MUNICIPAL SERVICES

Administrative Services: Administrative Services supports town operations by supplying other departments with the financial, personnel, and information resources they need to deliver services to the community. Administrative Services also protects town resources from the risk of loss through risk management services, and provides information directly to the financial community as well as the general public. In addition, Administrative Services assesses property and collects taxes.

Development Services: This department guides the public and private development of land and buildings in order to ensure the long-term success of the community. This is achieved through safety in building design and construction, the appropriate use of land and protection of natural resources, and dedicated economic development initiatives.

Health Services: Health Services protects the public from preventable diseases by minimizing the environmental causes of disease, through preventive health care programs, and by carrying out state mandated health and safety inspections.

Human Services: Human Services is responsible for promoting positive growth and development of town residents throughout their lives. This includes planning, developing, coordinating and implementing programs and services for youths, adults, families and senior citizens in the Town of Windsor.

Information Services: Information Services maintains public records and vital statistics, issues various licenses and permits, provides information referral services for the community, town council and other staff, and acts as a chief point of contact for the media and general public.

Library Services: From two attractive facilities, Library Services provides information, print and digital materials, educational and cultural programs, public computers, internet access, meeting rooms and an array of innovative technologies and services to the community. Patrons access the library online 24/7 or in person every day and four evenings each week.

Public Works: The Public Works Department provides and maintains the Town's road network, pedestrian walkways, parks & playing fields and public buildings for the residents, businesses and visitors. This department also minimizes the disruption caused by inclement weather, especially winter storms. These services cover over 160 centerline miles of roads, more than 1,500 acres of town-owned land, 43 athletic fields and 29 buildings. Ninety-eight percent (98%) of the Town's roads are illuminated.

Recreation and Leisure Services: Recreation and Leisure Services provide recreational and cultural programming for all age groups. Northwest Park provides safe, clean open space and educational facilities for public enjoyment. Senior Services helps older adults enhance their capabilities and develop their potential as individuals within the community by providing programs that address the physical, cognitive, educational and emotional needs of individuals. The Transportation unit provides safe, reliable transportation to Windsor's seniors and adults with disabilities to various locations within Town.

Safety Services: This service unit is made up of the police and fire departments, ambulance services and an emergency management program. Fire and ambulance personnel maintain fire and rescue delivery systems as well as an extensive fire prevention program, respond to calls for emergency medical assistance, render medical treatment and provide transportation to area medical facilities. Windsor Police enforce criminal and motor vehicle laws, render aid to victims of medical emergencies or accidents, and patrol the Town. The Police Department maintains a 24-hour public safety dispatch center which coordinates responses by all safety services including fire, ambulance, and civil preparedness. The police force also provides a number of community relations and public education programs with special emphasis on safety and drug abuse prevention programs in the local schools.

Water and Sewerage: Water and sewerage service is provided to Windsor by the Metropolitan District Commission (the "MDC"). The Metropolitan District was created by the Connecticut General Assembly in 1929 and operates as a specially chartered municipal corporation of the State under Act No. 511 of the 1929 Special Acts of the State of Connecticut, as amended (the "MDC Charter" or the "District's Charter"). The Member Municipalities incorporated in the MDC are the City of Hartford and the Towns of Bloomfield, East Hartford, Newington, Rocky Hill, West Hartford, Wethersfield and Windsor (collectively, the "Member Municipalities"). The MDC's purpose is to provide a complete, adequate and modern system of water supply and sewage collection, treatment and disposal for its Member Municipalities. Additionally, because of a Charter amendment approved by the Connecticut General Assembly in 1979, the MDC is also empowered to construct, maintain, and operate hydroelectric dams. The MDC also provides sewage disposal facilities and supplies water, under special agreements, to all or portions of several non-member municipalities as well as various State facilities. These non-member municipalities currently include Berlin, East Granby, Farmington, Glastonbury, Manchester, New Britain, Portland, South Windsor and Windsor Locks.

Solid Waste: Windsor maintains a town-owned landfill consisting of 173 acres, on which waste has been deposited on 55 acres. The landfill served the towns of Windsor and Bloomfield until it reached its permitted capacity in fiscal year 2015. The two towns are equally responsible for closure costs in accordance with an agreement dated November 19, 1993. The cost of solid waste disposal is not a tax-supported function. Town residents pay private haulers for curbside pickup. The landfill is currently operating under a stewardship permit issued by the State of Connecticut Department of Energy and Environmental Protection (“DEEP”). The Town Council has approved an ordinance that requires all trash haulers operating in Town as of the landfill’s closure to acquire a license which demonstrates they are disposing of municipal solid waste at a properly permitted facility. It is projected that there will be adequate retained earnings available plus interest income over thirty years, under present assumptions, to provide sufficient funding for closure and post-closure activities.

Closure and post-closure costs are calculated on a conservative basis which is a requirement of EPA Subtitle-D regulations. The conservative calculation basis assumes that all work is contracted at prevailing contractor rates rather than performed by Town staff with Town equipment, and that regulatory authorities will require systems to manage leachate and to collect gases generated within the landfill prior to discharge into the air.

Closure work began during 2011 with the construction of a stormwater basin along the southern side of the landfill. This work was carried out primarily by Town staff and performed at a savings to the Landfill Enterprise Fund compared to having the work carried out by a third party. The Town has installed a gas collection system which covers the entire waste footprint of the landfill. Other open issues, such as how leachate will be managed, are still to be determined by the DEEP as part of the landfill closure plan approval. Starting in fiscal year 2015 and going forward, the Town will continue to operate a residential transfer station at the landfill site.

Utilities: Eversource, Connecticut Natural Gas Corporation, AT&T, Frontier Communications, Verizon Wireless, Crown Castle Fiber LLC, Comcast and Amtrak all provide service within the Town.

EDUCATIONAL SYSTEM

The Town's elementary school system consists of one school for pupils pre-kindergarten through second grade; one school for pupils for kindergarten through second grade; two schools for grades 3 through 5; one school for grades 6 through 8; and one high school for grades 9-12. The schools are governed by a nine-member Board of Education.

EDUCATIONAL FACILITIES

<u>Schools</u>	<u>Grades</u>	<u>Date Occupied</u>	<u>Additions/ Renovations</u>	<u>Classrooms</u>	<u>Enrollment 10/01/22</u>	<u>Capacity</u>
Oliver Ellsworth Elementary School..	Pre-K-2	1971		31	433	660
Poquonock Elementary School.....	K-2	1947	1958, 1980, 1988	27	377	546
Clover St. Elementary School.....	3-5	1957	1988	27	284	517
J.F.Kennedy Elementary School.....	3-5	1965	1988	28	365	546
Sage Park Middle School.....	6-8	1969	1993	50	700	1,250
Windsor High School.....	9-12	1952	1977, 2000	86	1,148	1,500
Total					<u>3,307</u>	<u>5,019</u>

Source: Superintendent of Schools

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SCHOOL ENROLLMENTS (1)

As of October 1	Actual			Total
	Pre-K-5	6 - 8	9 - 12	
2013	1,383	725	1,144	3,252
2014	1,353	671	1,121	3,145
2015	1,384	673	1,130	3,187
2016	1,318	688	1,180	3,186
2017	1,372	701	1,177	3,250
2018	1,395	718	1,156	3,269
2019	1,446	709	1,153	3,308
2020	1,451	728	1,153	3,332
2021	1,403	725	1,119	3,247
2022	1,459	700	1,148	3,307
	Projected			
2023	1,495	677	1,173	3,345
2024	1,491	702	1,146	3,339
2025	1,492	728	1,138	3,358
2026	1,508	745	1,119	3,372
2027	1,456	726	1,105	3,287

(1) Special Education students included in grade totals.

Source: Superintendent of Schools and State of Connecticut Board of Education.

MUNICIPAL EMPLOYMENT

Fiscal Year	2023	2022	2021	2020	2019	2018
Board of Education.....	649	681	653	654	654	631
General Government.....	171	171	166	165	165	164
Grant and Enterprise Funded.....	61	55	55	54	54	53
Total.....	881	907	874	873	873	848

Source: Town Officials.

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MUNICIPAL EMPLOYEES BY CATEGORY

Department	Full-Time Employees
<u>General Government</u>	
Administrative Services.....	18
Development Services.....	11
Community Development.....	1
Human Services.....	4
Recreation Services.....	11
Health Services.....	4
Information Services.....	4
Library Services.....	9
Public Works.....	39
Safety Services	67
Town Manager.....	3
General Government Subtotal.....	171
Enterprise Personnel.....	17
General Government Total.....	188
<u>Board of Education</u>	
Administration and Principals.....	29
Teachers.....	330
Pupil Personnel (Psychologists, Social Workers, Speech Clinicians).....	35
Secretaries/ParaProfessionals.....	121
Nurses.....	10
Non-Bargaining Employees (1)	32
Custodial/Maintenance.....	53
Board of Education Subtotal.....	610
Food Service.....	39
Grant Funded.....	44
Board of Education Grand Total	693
Grand Total.....	881

(1) Consists of Administrative Assistants to the Superintendent, Director of Business Services, Transportation Coordinator, Residency Investigator, Technicians, Food Service Managers and Director, and non-union secretarial positions.

Source: Town Officials.

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MUNICIPAL EMPLOYEES BARGAINING ORGANIZATIONS (1)

<u>Employees Represented</u>	<u>Union Representation</u>	<u>Employees Represented</u>	<u>Contract Expiration</u>
<u>GENERAL GOVERNMENT</u>			
Police.....	Windsor Police Department Employees Association.....	45	6/30/24
Public Works/Clerical.....	International Brotherhood of Teamsters, Local 671.....	44	6/30/25
Dispatchers.....	United Public Service Employees Union (UPSUE Local 424, Unit 10).....	8	6/30/23 (2)
<u>BOARD OF EDUCATION</u>			
Teachers.....	Windsor Education Association, CEA.....	365	6/30/25
Administrators.....	Windsor School Administrators and Supervisors Association...	25	6/30/26
Nurses.....	Windsor School Nurses Assoc., CSEA.....	9	6/30/25
Paraprofessionals.....	Windsor Paraprofessional Employees Assoc., NAGE.....	99	6/30/23 (2)
Secretaries.....	CSEA AFL-CIO Administrative Support Staff.....	32	6/30/23 (2)
School Employees.....	Windsor School Employees Union, NAGE (Custodial, Maintenance and Cafeteria Employees).....	91	6/30/23 (2)

(1) The negotiation of collective bargaining agreements is subject to binding arbitration under Connecticut General Statutes.

(2) In negotiations.

Source: Town Officials.

Connecticut General Statutes Sections 7-473c, 7-474, and 10-153a to 10-153n provide a procedure for binding arbitration of collective bargaining agreements between municipal employers and organizations representing municipal employees, including certified teachers and certain other employees. The legislative body of a municipality may reject an arbitration panel's decision by a two-thirds majority vote. The State of Connecticut and the employee organization must be advised in writing of the reasons for rejection. The State then appoints a new panel of either one or three arbitrators to review the decisions on each of the rejected issues. The panel must accept the last best offer of either of the parties. In reaching its determination, the arbitration panel gives priority to the public interest and the financial capability of the municipal employer, including consideration of other demands on the financial capability of the municipal employer. Effective October 1, 1997, for binding arbitration of teacher's contracts, in assessing the financial capability of a municipal entity, there is an irrefutable presumption that a budget reserve of 5% or less is not available for payment of the cost of any item subject to arbitration. In light of the employer's financial capability, the panel considers prior negotiations between the parties, the interests and welfare of the employee group, changes in the cost of living, existing employment conditions, and the wages, salaries, fringe benefits and other conditions of employment prevailing in the labor market, including developments in private sector wages and benefits.

ECONOMIC DEVELOPMENT

Windsor, an important regional employment center in New England's Knowledge Corridor, is strategically located between Hartford, CT and Springfield, MA on Interstate I-91 and adjoining Bradley International Airport. Key industries include financial services, precision manufacturing, logistics, data management and hospitality.

With a jobs base of 26,339, Windsor ranks fourth among Hartford area communities in total non-retail employment. Major private employers include VOYA, Amazon, Eversource, Walgreens, SCA Pharmaceuticals, and SS&C Technologies.

Windsor experienced substantial growth during the decade between 2011 and 2021, and growth continues. Among the most significant projects during this period were:

- Dollar Tree, a 1 million SF distribution facility to serve retail stores in the US and Canada. This \$70 million facility was placed in operation in 2013 and employs approximately 400 persons.
- Amazon, a 1.5 million SF fulfillment center for the leading online retailer. This \$100 million facility was completed in 2015 and employs 1,600 persons.
- SCA Pharmaceuticals, a 90,000 SF sterile manufacturing facility for preparation of customized pharmaceuticals for hospitals, pharmacies, and healthcare facilities nationwide. This \$20 million facility was placed in operation in late 2017 and now employs more than 350 persons.
- Ford Motor Co, a 234,000 SF high-velocity parts distribution center serving dealerships in New England and eastern New York. This \$15 million facility was placed in operation in 2018 and now employees approximately 50 persons.

Between 2011 and 2021, the number of jobs in Windsor increased by 10.6% from 23,479 to 25,960. During this same period, average annual wages in Windsor increased by 8% from \$69,929 to \$75,519.

Recent construction activity includes:

- Amazon, a multi-story, 3.6 million SF fulfillment center. This \$230 million facility is the company's second fulfillment center in Windsor.
- OSF Flavors, a 42,000 SF lab and production space addition for a food flavor manufacturing company.
- SCA Pharmaceuticals, expanding leased area by 65% to 150,000 SF to accommodate additional clean room space.
- BDL Logistics Center, industrial buildings totaling 487,200 SF leased to LifeScience Logistics, a healthcare supply chain solution for government and commercial healthcare
- Baker Hollow Logistics Center, a 166,400 SF flex industrial building leased by Safelite Group
- 110 Tradeport Drive, a 237,000 SF flex industrial building leased by UPS
- Great Pond Logistics – a 525,000 SF refrigerated warehouse/distribution center for Target
- Day Hill Soccer Dome – construction of a 100,000 SF soccer training facility with outdoor fields
- Cigna is investing \$386M over five years on software and personal property at its data center

Industrial zoned projects with land use approvals awaiting construction starts include:

- 105 International Drive, 248,000 SF flex industrial spec building
- 415-425 Day Hill Road, 170,000 SF flex industrial spec building
- 15 Stone Road, 218,400 SF warehouse distribution center

North America's largest industrial building made from mass timber, a 450,000 SF manufacturing facility for Blueprint Robotics, is pending land use approvals.

Like many communities across the nation, Windsor's office market has been impacted by the move to remote work as a result of the pandemic. Windsor has an office inventory of approximately 4.2M SF. With shifts to remote work and companies looking to downsize their current office space, it has resulted in an office vacancy rate of 33.7%. Office movements include Hartford Financial Services relocation of its workforce from 1 Griffin Road North to its Hartford campus and the offering of its 457,000 SF building for sale, as well as VOYA Retirement downsizing from 488,000 SF to 85,000 SF and offering its building for sale including a leaseback provision. Windsor is proactively meeting with office property owners and commercial real estate brokers to assist in marketing available space, as well as to explore potential zoning amendments and financial incentives to assist in the adaptive reuse of older office product.

Windsor has a strong, and growing, hospitality sector servicing the corporate area with 946 hotel rooms between six existing hotels. Two additional hotels have received land use approval that will add 200 rooms. A new sports complex including Fastpitch Nation Park is driving significant business to these hotels.

Windsor has received strong interest in multifamily housing development. The Preserve at Great Pond, a 230 unit market-rate apartment development has been completed, and provides housing options for workers in the Day Hill Road Corporate Area. A key redevelopment project in town center, Windsor Station Apartment Homes, was completed in April of 2017. This \$18.0 million transit-oriented development project contains 130 market-rate units directly across from the passenger rail station. This project helps to meet the need for more rental housing and enhances the market for retail and services in the town center. It also capitalizes on regional commuter rail service which began in 2018.

Two additional mixed-use Transit Oriented Development projects have received land use approvals and will add 183 additional rental housing units in Windsor Center.

Looking forward, the Town of Windsor is taking steps to sustain its growth and the quality of its development. The Town works closely with state and regional economic development partners to highlight Windsor as an attractive location to do business. The Town has a commitment to small business growth working with the Windsor Chamber of Commerce and First Town Downtown, Windsor's Main Street program. A variety of initiatives are underway to manage transportation demand, increase housing choices and enhance community livability.

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III. ECONOMIC AND DEMOGRAPHIC INFORMATION

POPULATION TRENDS

<u>Year</u>	<u>Town of Windsor</u>	<u>Hartford County</u>	<u>State of Connecticut</u>
1980	25,204	807,766	3,107,576
1990	27,817	851,783	3,287,116
2000	28,237	857,183	3,405,565
2010	29,044	894,014	3,574,097
2021	29,424	898,636	3,605,330

Source: U.S. Department of Commerce, Bureau of Census and 2017-2021 American Community Survey.

AGE CHARACTERISTICS OF POPULATION

<u>Age</u>	<u>Town of Windsor</u>		<u>Hartford County</u>		<u>State of Connecticut</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Under 5.....	1,272	4.3	47,594	5.3	182,122	5.1
5 - 9.....	1,254	4.3	50,497	5.6	196,540	5.5
10 - 14.....	1,885	6.4	56,376	6.3	224,371	6.2
15 - 19.....	1,734	5.9	58,581	6.5	245,790	6.8
20 - 24.....	1,833	6.2	56,904	6.3	241,370	6.7
25 - 34.....	3,876	13.2	118,374	13.2	445,861	12.4
35 - 44.....	3,068	10.4	113,965	12.7	439,098	12.2
45 - 54.....	4,132	14.0	118,325	13.2	488,283	13.5
55 - 59.....	2,456	8.3	65,035	7.2	269,688	7.5
60 - 64.....	2,392	8.1	60,220	6.7	252,028	7.0
65 - 74.....	3,374	11.5	87,017	9.7	357,409	9.9
75 - 84.....	1,489	5.1	42,569	4.7	173,149	4.8
85 and over.....	659	2.2	23,179	2.6	89,621	2.5
Total.....	<u>29,424</u>	<u>100.0</u>	<u>898,636</u>	<u>100.0</u>	<u>3,605,330</u>	<u>100.0</u>

Source: U.S. Department of Commerce, 2017-2021 American Community Survey.

INCOME DISTRIBUTION

	<u>Town of Windsor</u>		<u>Hartford County</u>		<u>State of Connecticut</u>	
	<u>Families</u>	<u>Percent</u>	<u>Families</u>	<u>Percent</u>	<u>Families</u>	<u>Percent</u>
Less than \$10,000	38	0.5	6,608	2.9	23,811	2.6
\$ 10,000 to 14,999	83	1.1	4,226	1.9	14,243	1.6
\$ 15,000 to 24,999	157	2.0	10,221	4.5	36,091	4.0
\$ 25,000 to 34,999	157	2.0	11,323	5.0	44,586	4.9
\$ 35,000 to 49,999	740	9.6	19,322	8.5	71,397	7.8
\$ 50,000 to 74,999	917	11.9	29,865	13.1	123,873	13.6
\$ 75,000 to 99,999	1,359	17.6	30,031	13.2	113,529	12.5
\$100,000 to 149,999	2,196	28.4	49,778	21.9	188,052	20.7
\$150,000 to 199,999	1,018	13.2	29,245	12.8	117,255	12.9
\$200,000 or more	1,067	13.8	37,079	16.3	177,169	19.5
Total	<u>7,732</u>	<u>100.0</u>	<u>227,698</u>	<u>100.0</u>	<u>910,006</u>	<u>100.0</u>

Source: U.S. Department of Commerce, 2017-2021 American Community Survey.

SELECTED WEALTH AND INCOME INDICATORS

	Median Family Income		Per Capita Income	
	(2000)	(2021)	(2000)	(2021)
Town of Windsor.....	\$73,064	\$109,167	\$27,633	\$42,832
Hartford County.....	62,144	102,310	26,047	43,642
Connecticut.....	65,521	106,441	28,766	47,869
United States.....	49,600	85,028	21,690	37,638

Source: U.S. Department of Commerce, Bureau of Census, Census 2000 and 2017-2021 American Community Survey.

EDUCATIONAL ATTAINMENT

Years of School Completed, Age 25 & Over

Educational Attainment Group	Town of Windsor		Hartford County		State of Connecticut	
	Number	Percent	Number	Percent	Number	Percent
Less than 9th grade.....	652	3.0	26,534	4.2	101,461	4.0
9th to 12th grade.....	647	3.0	34,412	5.5	123,560	4.9
High School graduate.....	4,784	22.3	162,392	25.8	656,949	26.1
Some college - no degree.....	4,613	21.5	106,152	16.9	418,214	16.6
Associates degree.....	1,640	7.6	52,600	8.4	194,987	7.8
Bachelor's degree.....	5,303	24.7	137,915	21.9	561,567	22.3
Graduate or professional degree.....	3,807	17.8	108,679	17.3	458,399	18.2
Total.....	21,446	100.0	628,684	100.0	2,515,137	100.0
Percentage of High School Graduates.....		93.9%		90.3%		91.1%
Percentage of College Graduates or Higher..		42.5%		39.2%		40.6%

Source: U.S. Department of Commerce, 2017-2021 American Community Survey.

MAJOR EMPLOYERS

Name of Employer	Nature of Entity	Estimated of Employees
Amazon.com.....	Fulfillment center for online retailer.....	2,780
Town of Windsor.....	General Government and Board of Education.....	881
Voya.....	Insurance and Financial Services.....	723
Walgreens.....	Distribution center for retail drug stores.....	700
SS&C Technologies.....	Business equipment sales and support.....	500
Dollar Tree.....	Distribution center for retail stores.....	400
Eversource.....	Utility.....	400
Waste Management.....	Waste Disposal and Recycling.....	375
TLD GSE.....	Manufacturer of aviation ground support.....	350
Barnes Aerospace.....	Machining of aerospace components.....	300

Source: Town of Windsor Economic Development Department

EMPLOYMENT BY INDUSTRY

Employment Sector	Town of Windsor		Hartford County		State of Connecticut	
	Number	Percent	Number	Percent	Number	Percent
Agriculture, Forestry, Fishing, Hunting & Mining....	41	0.3	1,291	0.3	7,314	0.4
Construction.....	736	4.7	23,323	5.1	113,665	6.2
Manufacturing.....	1,484	9.5	49,850	11.0	192,688	10.6
Wholesale Trade.....	435	2.8	10,267	2.3	41,165	2.3
Retail Trade.....	1,702	10.9	48,153	10.6	194,081	10.6
Transportaion, Warehousing & Utilities.....	1,063	6.8	23,508	5.2	80,481	4.4
Information.....	213	1.4	8,738	1.9	36,259	2.0
Finance, Insurance & Real Estate.....	1,460	9.4	48,071	10.6	164,657	9.0
Professional, Scientific & Management.....	1,495	9.6	50,462	11.1	212,866	11.7
Educational Services & Health Care.....	4,043	25.9	116,677	25.7	482,274	26.5
Arts, Entertainment, Recreation & Food Services....	903	5.8	34,392	7.6	148,835	8.2
Other Service (including nonprofit).....	834	5.3	19,988	4.4	82,217	4.5
Public Administration.....	1204	7.7	19,215	4.2	66,493	3.6
Total.....	15,613	100.0	453,935	100.0	1,822,995	100.0

Source: U.S. Department of Commerce, 2017-2021 American Community Survey.

UNEMPLOYMENT RATE STATISTICS

Yearly Average	Town of Windsor Percent	Hartford Labor Market Percent	State of Connecticut Percent	United States Percent
2013	7.7	7.9	6.8	7.4
2014	6.4	6.6	6.6	6.2
2015	5.4	5.6	5.6	5.3
2016	4.9	5.1	5.1	4.9
2017	4.8	4.8	4.7	4.4
2018	4.1	4.1	4.1	3.9
2019	3.8	3.8	3.7	3.7
2020	7.2	7.0	7.3	8.1
2021	6.4	6.3	6.3	5.4
2022	4.0	4.2	4.2	3.7
<u>2023 Monthly</u>				
January	4.0	4.1	4.2	3.9
February	4.2	4.6	4.6	3.9
March	3.9	4.2	4.3	3.6

Source: State of Connecticut, Department of Labor; United States Department of Labor, Bureau of Labor Statistics.

NUMBER OF DWELLING UNITS

2021	2010	2000	1990	% Increase 1990-2021	% Increase 2000-2021	% Increase 2010-2021
11,872	11,767	10,900	10,279	15.50%	8.92%	0.89%

Source: U.S. Department of Commerce, Bureau of Census and 2017-2021 American Community Survey.

CHARACTERISTICS OF HOUSING UNITS

Owner Occupied

Value of Owner Occupied Units	Town of Windsor		Hartford County		State of Connecticut	
	Number	Percent	Number	Percent	Number	Percent
Less than \$50,000.....	301	3.2	4,683	2.0	19,747	2.1
\$ 50,000 to \$ 99,999.....	272	2.9	6,150	2.7	25,603	2.8
\$ 100,000 to \$149,999.....	812	8.6	20,622	8.9	68,932	7.4
\$ 150,000 to \$199,999.....	1,793	18.9	44,597	19.3	130,158	14.1
\$ 200,000 to \$299,999.....	4,508	47.6	74,848	32.4	250,981	27.1
\$ 300,000 to \$499,999.....	1,698	17.9	61,592	26.7	268,183	29.0
\$ 500,000 to \$999,999.....	54	0.6	16,350	7.1	117,839	12.7
\$1,000,000 and over.....	28	0.3	2,066	0.9	44,060	4.8
Total	<u>9,466</u>	<u>100.0</u>	<u>230,908</u>	<u>100.0</u>	<u>925,503</u>	<u>100.0</u>
Median Value.....	\$229,600		\$249,000		\$286,700	

Source: U.S. Department of Commerce, 2017-2021 American Community Survey.

AGE DISTRIBUTION OF HOUSING

Year Structure Built	Town of Windsor		Hartford County		State of Connecticut	
	Number	Percent	Number	Percent	Number	Percent
1939 or earlier.....	1,841	15.5	73,278	19.1	323,631	13.1
1940 to 1949.....	1,001	8.4	28,179	7.3	100,445	4.1
1950 to 1959.....	2,415	20.3	66,750	17.4	224,412	9.1
1960 to 1969.....	1,351	11.4	56,226	14.6	203,726	8.3
1970 to 1979.....	1,542	13.0	51,271	13.3	206,448	8.4
1980 to 1989.....	1,797	15.1	48,057	12.5	191,539	7.8
1990 to 1999.....	883	7.4	27,670	7.2	118,124	4.8
2000 to 2009.....	820	6.9	21,863	5.7	1,045,519	42.4
2010 to 2019.....	222	1.9	10,769	2.8	53,427	2.2
2019 or later.....	0	0.0	207	0.1	768	0.0
Total.....	<u>11,872</u>	<u>100.0</u>	<u>384,270</u>	<u>100.0</u>	<u>2,468,039</u>	<u>100.0</u>

Source: U.S. Department of Commerce, 2017-2021 American Community Survey.

NUMBER AND VALUE OF BUILDING PERMITS

Fiscal Year	Residential (1)		Non-Residential		All Other (1)		Total	
	Number of Permits	Value	Number of Permits	Value	Number of Permits	Value	Number of Permits	Value
2023 (2)	2	\$ 486,000	248	\$ 344,720,410	1,357	\$ 27,572,521	1,607	\$ 372,778,931
2022	31	6,049,825	279	114,822,117	2,017	25,916,261	2,327	146,788,203
2021	26	4,564,825	365	351,463,068	1,911	32,197,609	2,302	388,225,502
2020	17	2,609,400	331	47,715,472	1,256	12,635,731	1,604	62,960,603
2019	19	3,333,925	401	72,466,144	1,621	16,147,541	2,041	91,947,610
2018	16	2,823,200	456	48,390,603	1,586	30,843,524	2,058	82,057,327
2017	15	2,707,875	511	71,233,606	1,515	12,879,814	2,041	86,821,295
2016	20	4,166,550	475	36,469,735	1,787	13,974,349	2,282	54,610,634
2015	21	4,300,477	529	42,200,808	1,466	11,290,593	2,016	57,791,878
2014	20	4,184,575	406	112,575,131	1,455	9,480,348	1,881	126,240,054

(1) Residential permits figures are for new homes only. All Other permits figures are for all other residential permit activity.

(2) As of February 28, 2023.

Source: Town of Windsor, Office of Building Inspections.

BREAKDOWN OF LAND USE

Land Use Category	Total		Developed		Undeveloped	
	Acreage By Zoning	Percent	Land Use	Percent	Acreage	Percent
Residential.....	7,431.55	45.2%	6,389.70	60.3%	1,041.85	17.8%
Commercial.....	1,450.70	8.8%	975.07	9.2%	475.63	8.1%
Industrial.....	2,599.39	15.8%	1,794.59	16.9%	804.80	13.7%
Other.....	4,976.15	30.2%	1,429.92	13.5%	3,546.23	60.4%
Total Area.....	16,457.79	100.0%	10,589.29	100.0%	5,868.51	100.0%

Source: Assessor's CAMA tax database as of October 2022.

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IV. TAX BASE DATA

ASSESSMENT PRACTICES

The Town of Windsor last revalued its real property effective for the October 1, 2018 Grand List and implemented the new values in fiscal year 2019-20. There was no phase-in for this revaluation. Under Section 12-62 of the Connecticut General Statutes, the Town must do a revaluation every five years based on generally accepted mass appraisal methods. The Town is currently in the process of conducting the October 1, 2023 revaluation. Prior to the completion of each revaluation, the Assessor shall conduct a field review. The Assessor must fully inspect each parcel of improved real property once in every ten assessment years, provided that the Assessor is not required to fully inspect all of a town's improved real property parcels in the same assessment year or to fully inspect any such parcel more than once during every ten assessment years. Section 12-62 provides that the full inspection requirement shall not apply to any parcel of improved real property for which the Assessor obtains satisfactory verification of data listed on the Assessor's property record by means of a questionnaire sent by the Assessor, at any time during the period in which a full inspection of an improved parcel of real property is required, to the owner of such parcel to (A) obtain information concerning the property's acquisition, and (B) obtain verification of the accuracy of data listed on the Assessor's property record for such parcel. The maintenance of an equitable tax base and the location and appraisal of all real and personal property within the Town for inclusion on the Grand List is the responsibility of the Assessor. The Grand List represents the total of assessed value for all taxable real and personal property and motor vehicles located within the Town as of October 1. A Board of Assessment Appeals determines whether adjustments to the Assessor's list on assessments under appeal are warranted. Assessments for real property are calculated at seventy percent (70%) of the estimated market value at the time of the last general revaluation.

The Town has a Fixed Assessment / Abatement policy pursuant to CGS Sec. 12-65b. Currently there are one active abatement and two abatements in the Connecticut Airport Development Zone program.

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

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

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

PROPERTY TAX COLLECTION PROCEDURE

Taxes for the fiscal year are paid on the grand list of the prior October 1, and are due July 1, payable in one installment. Payments not received by August 1 become delinquent. According to the provisions of Public Act No. 82-141, effective July 1, 1982, and applicable to property taxes due on or after said date, delinquent property taxes were subject to interest at the rate of 1.5% per month.

MOTOR VEHICLE PROPERTY TAX RATE

Section 12-71e(a) of the Connecticut General Statutes has been amended whereby the mill rate for motor vehicles shall not exceed 45 mills for the assessment years commencing October 1, 2017 to October 1, 2020, inclusive, and for the assessment year commencing October 1, 2021, and each assessment year thereafter, the mill rate for motor vehicles shall not exceed 32.46 mills. Section 12-71e(b) of the Connecticut General Statutes has been amended to state that no district or borough may set a motor vehicle mill rate that if combined with the motor vehicle mill rate of the town, city, consolidated town and city or consolidated town and borough in which such district or borough is located would result in a combined motor vehicle mill rate (1) above 39 mills for the assessment year commencing October 1, 2016, or (2) above 45 mills for the assessment years commencing October 1, 2017, to October 1, 2020, inclusive, or (3) above 32.46 mills for the assessment year commencing October 1, 2021, and each assessment year thereafter. The Town’s adopted mill rate for motor vehicles for the fiscal year ending June 30, 2023 is 33.27 mills.

REAL PROPERTY TAX LEVIES AND COLLECTIONS

FY Ending 6/30	Net Taxable Grand List	Total Tax Rate (In Mills)	Adjusted Tax Levy	% Annual Levy Collected	Uncollected Taxes	
					End of Each Fiscal Year	As of 6/30/2022
2024 (1)	\$3,557,606,126	33.60	\$109,260,041	In Process	In Process	In Process
2023 (1)	3,316,231,394	33.27	107,983,220	In Process	In Process	In Process
2022	3,212,253,015	33.27	107,285,004	98.8	\$ 1,300,797	\$ 1,300,797
2021	3,154,685,021	32.11	104,631,890	98.9	1,106,842	1,106,842
2020 (2)	3,109,299,310	32.38	100,912,792	99.3	1,073,825	361,459
2019	2,959,804,528	32.96	98,322,429	99.0	955,807	19,765
2018	2,886,746,036	32.45	93,966,004	99.3	911,979	13,141
2017	2,924,298,305	31.52	93,031,833	99.0	946,145	12,530
2016	2,849,933,303	30.92	88,799,152	98.8	1,091,021	3,933
2015 (2)	2,838,103,716	30.47	86,548,952	98.8	1,029,436	2,641

- (1) Adopted budgets for FY 2024 and FY 2023. (See "Motor Vehicle Property Tax Rate" herein).
- (2) Years of revaluation. The Town's last revaluation was effective as of 10/01/2018. The revaluation was implemented in full in FY 2020 budget year (was not be phased-in). The 10/01/2023 revaluation is currently underway. (See "Assessments Practices" herein).

Source: Town Officials.

TAXABLE GRAND LIST (1)

Grand List Dated	Real Property	Personal Property	Motor Vehicle Property	Gross Taxable Grand List	Less Exemptions	Net Taxable Grand List (1)
10/01/22	\$3,063,559,736	\$ 670,238,961	\$ 310,996,516	\$4,044,795,213	\$487,190,087	\$3,557,605,126
10/01/21	2,677,009,988	537,473,320	294,033,443	3,508,516,751	192,285,357	3,316,231,394
10/01/20	2,532,075,179	591,231,098	230,845,770	3,354,152,047	141,899,032	3,212,253,015
10/01/19	2,495,830,947	581,620,684	224,997,975	3,302,449,606	147,702,853	3,154,746,753
10/01/18	2,473,998,150	562,482,500	217,747,220	3,254,227,870	144,928,560	3,109,299,310
10/01/17	2,316,863,834	563,852,588	210,484,710	3,091,201,132	131,396,604	2,959,804,528
10/01/16	2,297,897,194	507,677,471	209,047,000	3,014,621,665	127,875,629	2,886,746,036
10/01/15	2,555,128,169	524,882,407	203,017,855	3,283,028,431	358,730,126	2,924,298,305
10/01/14	2,317,358,059	496,016,198	202,210,460	3,015,584,717	165,651,414	2,849,933,303
10/01/13	2,287,068,998	531,939,149	202,876,570	3,021,884,717	183,781,001	2,838,103,716

- (1) The Grand List represents the total of assessed value for all taxable real and personal property located within the Town as of October 1. A Board of Tax Review determines whether adjustments to the Assessor's list on assessments under appeal are warranted. Assessments are computed at seventy percent (70%) of market value at the time of the last revaluation (Grand List of 10/01/2018). This revaluation was implemented in full in FY 2020. The 10/01/2023 revaluation is currently underway. (See "Assessments Practices" herein).

Source: Town Officials

LARGEST TAXPAYERS

Name of Taxpayer	Nature of Business	Valuation as of 10/01/22	Rank	Percent of Total
Amazon & Amazon Logistics.....	Distribution Center.....	\$ 324,904,005	1	9.13
Eversource.....	Electric Utility.....	100,661,275	2	2.83
Industrial Realty Trust.....	Real Estate Development.....	86,203,530	3	2.42
Walgreens Eastern.....	Distribution Center.....	78,089,116	4	2.19
CIGNA.....	Insurance and Financial Services.....	56,516,952	5	1.59
Voya Retirement Insurance.....	Insurance and Financial Services.....	55,911,140	6	1.57
Dollar Tree Distribution Inc.....	Distribution Center.....	54,699,990	7	1.54
Hartford Financial Corp	Insurance and Financial Services.....	51,232,202	8	1.44
Cellco/Verizon Wireless.....	Telecommunications.....	39,917,489	9	1.12
Addison Property Owner LLC.....	Real Estate Development.....	31,164,485	10	0.88
	Total.....	<u>\$ 879,300,184</u>		<u>24.72</u>

Source: Town Officials.

EQUALIZED NET GRAND LIST

Grand List of 10/1	Equalized Net Grand List	% Growth
2020	\$ 5,281,482,794	-1.62%
2019	5,368,290,587	20.89%
2018	4,440,713,889	-1.72%
2017	4,518,598,159	6.51%
2016	4,242,507,812	-4.45%
2015	4,440,057,842	4.25%
2014	4,259,039,357	5.21%
2013	4,047,961,669	0.54%
2012	4,026,160,993	0.00%
2011	4,026,157,221	0.56%

Source: State of Connecticut, Office of Policy and Management

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V. FINANCIAL INFORMATION

FISCAL YEAR

The Town's fiscal year begins July 1 and ends June 30.

ACCOUNTING POLICIES

The Town's accounting policies are summarized in Note 1 "Summary of Significant Accounting Policies" in the Notes to Financial Statements (Appendix A).

BASIS OF ACCOUNTING

See "Measurement Focus, Basis of Accounting and Financial Statement Presentation" under Note 1 "Summary of Significant Accounting Policies" in the Notes to Financial Statements (Appendix A).

ANNUAL AUDIT

Pursuant to the provisions of the Municipal Auditing Act (Chapter 111 of the Connecticut General Statutes) and the Town of Windsor Charter, the Town is obligated to undergo an annual examination by an independent certified public accountant. The current auditors, RMS US LLP, of New Haven, Connecticut were appointed by the Town Council and are required to conduct their examination under the guidelines issued by the State of Connecticut Office of Policy & Management, who receive a copy of said Audit Report when completed.

The most recent annual audit covers the fiscal year ended June 30, 2022, a portion of which is included in this document and made a part hereof as Appendix A. Included in Appendix A are the Town's Basic Financial Statements, Notes to the Financial Statements and Required Supplemental Information, together with the report of the independent auditor as prepared by RSM US LLP, independent certified public accountants. The information contained in "Appendix A" is not the whole audit report. Individuals wishing a complete document should contact the Finance Director of the Town of Windsor, Connecticut.

The Town issued a request for proposals for audit services in January of 2023. RSM US LLP and CliftonLarsonAllen LLP (CLA) responded to the RFP, and CliftonLarsonAllen LLP was the low respondent. On April 3, 2023, the Town Council of the Town of Windsor appointed CliftonLarsonAllen LLP to carry out the annual financial audit for fiscal years 2023, 2024 and 2025.

CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING

The Town of Windsor's Annual Comprehensive Financial Report for fiscal years 1985 through 2021 were awarded the Certificate of Achievement for Excellence in Financial Reporting by the Government Financial Officers Association of the United States and Canada ("GFOA"). The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting. In order to be awarded a certificate of achievement, a government unit must publish an easily readable and efficiently organized annual financial report, whose contents conform to program standards. Such annual financial reports must satisfy both generally accepted accounting principles and applicable legal requirements.

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BUDGETARY PROCEDURE

The Town adheres to the following procedure in establishing the budgetary data included in the General Fund. No later than April 1st the Town Manager shall present to the Council a budget and recommendations. The Council shall hold one or more public hearings no later than April 15th at which time any elector or taxpayer may be heard regarding appropriations for the ensuing fiscal year. On the second Monday in May, the Town Council submits to an adjourned Town meeting (referendum) and approves proposed expenditures and the means of financing them. The following is the schedule for the FY 2024 budget process.

<u>On or About</u>	<u>Day of Week</u>	<u>Action</u>
February 6, 2023	Monday	Public Hearing by Town Council to hear budget requests from citizens.
March 28, 2023	Friday	Estimated receipts and expenditures submitted to Council by Town Manager and Board of Education. (Proposed Budget)
April 3, 2023	Monday	Public Hearing by Council to hear expression of public opinion regarding budget submitted to Council by Town Manager and Board of Education.
May 9, 2023	Tuesday	Annual Town Budget Referendum held; budget adopted.
May 15, 2023	Monday	Regular Town Council Meeting; Council sets tax rate.
June 23, 2023	Monday	Tax bill mailing completed.
June 30, 2023	Tuesday	End of Fiscal Year.
July 1, 2023	Wednesday	Taxes for fiscal year 2023 due and payable; fiscal year 2023 budget becomes effective.

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

SUPPLEMENTAL APPROPRIATIONS

Under the Town Charter, any appropriation in excess of 1% of the tax levy in addition to or supplementary to the annual budget requires approval at a Town Meeting. An ordinance providing for the sale or purchase of real estate valued in excess of \$10,000 must be adopted at a Town Meeting by a vote of the majority. Borrowings and additional appropriations in excess of 3% of the tax levy require approval by referendum.

EMPLOYEE PENSION SYSTEMS

The Town of Windsor maintains the Town's retirement plan, a single-employer, defined benefit public employee retirement system ("PERS"), that covers substantially all of its employees except police officers and the certified faculty and administrative personnel of the Board of Education. The Town funds its pension liability each year based on the recommendation of an independent actuary.

The Town has implemented Government Accounting Standards Board's (GASB) Statement No. 67 effective Fiscal Year 2014. Net position is based on fair market value as of June 30 and the Total Pension Liability is based on the actuarial assumptions as of the prior valuation date updated to July 1, 2022. The date of the Town's most recent actuarial valuation was July 1, 2022.

In accordance with GASB Statement No. 67, the components of the net pension liability of the Town as of June 30 were as follows:

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total pension liability.....	\$ 107,644,000	\$ 100,958,994	\$ 97,145,633	\$ 87,293,102	\$ 83,997,263
Plan fiduciary net position.....	70,312,746	84,478,906	68,532,588	68,871,408	69,471,681
Net pension liability.....	<u>\$ 37,331,254</u>	<u>\$ 16,480,088</u>	<u>\$ 28,613,045</u>	<u>\$ 18,421,694</u>	<u>\$ 14,525,582</u>
Plan fiduciary net position as a % of total pension liability.....	65.32%	83.68%	70.55%	78.90%	82.71%

The following represents the net pension liability of the Town, calculated using the discount rate of 6.5%, as well as what the Town's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.5%) or 1 percentage point higher (7.5%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
	5.50%	6.50%	7.50%
Net Pension Liability.....	\$ 50,348,591	\$ 37,331,254	\$ 26,799,628

Based upon a July 1, 2022 actuarial valuation, the actuarial value of assets and actuarial liabilities for the PERS plan were as follows:

Schedule of Funding Progress

Actuarial Valuation July 1	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b) - (a)	Percentage Funded Ratio (a) / (b)
2018	\$70,846,138	\$84,771,674	\$13,925,536	83.6
2019	71,363,176	92,781,707	21,418,531	76.9
2020	71,786,483	98,408,686	26,622,203	72.9
2021	76,213,487	105,345,527	29,132,040	72.3
2022	77,460,928	110,817,978	33,357,050	69.9

Schedule of Employer Contributions

Fiscal Year	Actuarial Determined Contribution	Actual Contribution	Percentage Contributed
2020	\$ 1,516,196	\$ 1,516,223	100.0
2021	2,089,211	2,089,211	100.0
2022	2,492,047	2,513,586	100.9
2023	2,498,893	2,498,893	100.0
2024	2,800,044	2,800,044	100.0

For further details on the plans, see Appendix A, "Notes to General Purpose Financial Statements".

All uniformed police officers are covered under the State-administered Connecticut Municipal Employee Retirement System ("CMERS"), a defined benefit cost-sharing multi-employer public employee retirement system ("PERS") established by the State of Connecticut and administered by the State Retirement Commission to provide retirement and disability benefits, annual cost-of-living adjustments, and death benefits to employees and beneficiaries of participating municipalities. The Town's General Fund expenditure for its share of the CMERS cost was \$1,204,079 for the fiscal year ending June 30, 2022, and is projected to be \$1,395,150 for the fiscal year ending June 30, 2023. For the fiscal year 2024 budget commencing on July 1, 2023, \$1,804,080 has been included for CMERS costs.

In FY 2012, newly hired employees in the Public Works and Clerical Workers and Public Safety Dispatchers bargaining units as well as the non-affiliated employee group were required to participate in the Town of Windsor 401(a) defined contribution plan. The employee and employer contribution is 6.0% for Public Works and Clerical Workers bargaining unit members as of July 2022, and 5.5% for Public Safety Dispatchers bargaining unit members as of February 2017. Non-affiliated employees increased their contribution to 5.5% as of July 2017, with the employers share matching that amount.

The contribution rate for defined benefit plan participants in the non-affiliated town employee group, Public Safety Dispatchers bargaining unit employees and Public Works and Clerical Workers bargaining unit employees is currently 5%.

As of FY 2014, newly hired employees of the Town of Windsor Board of Education (with the exception of certified faculty and administrative personnel) were required to participate in a 401(a) defined contribution plan. The Board of Education's contribution is 5% of annual income, and newly hired employees are required to contribute 5% of annual income.

The contribution rate for defined benefit plan participants is currently 4% of annual income for all Board of Education bargaining unit employees.

The certified faculty and administrative personnel of the Board of Education participate in a contributory retirement plan administered by the State of Connecticut Teachers' Retirement Board. The Board of Education does not contribute to the plan. The actuarial present value of accumulated plan benefits for this plan is not available. For further discussion on the plans, see "Appendix A, Note 8 to Financial Statements" herein.

OTHER POST-EMPLOYMENT BENEFITS

The Town provides limited post-employment health care benefits for retired employees. Substantially all of the Town's employees are eligible for these benefits when they become eligible for retirement, provided they have no other insurance available to them after retirement. A trust fund was established on July 1, 2014 and a strategic plan was developed for the purpose of accumulating assets with which to pay such benefits in future years.

The Town attempts to mitigate employee and retiree health care costs when negotiating with collective bargaining units. In order to be eligible for health insurance after retirement, employees from the three town bargaining units must not have other coverage available to them through a subsequent employer or a spouse. Retirees are able to select from the plans available to current employees at any given time, as they may change from time to time.

Public Safety Dispatchers Bargaining Unit

Hired prior to January 1, 2007:

Medical - Retiree pays the same percentage of premium that is in effect for current employees for self and spouse, up to a maximum retiree share of 25% of the premium.

Dental - Retiree pays the same percentage of premium that is in effect for current employees for self, with a maximum retiree share of 25%. Spouse coverage is available at 100% retiree-paid.

Hired after January 1, 2007 and prior to July 1, 2011:

Medical - Retiree pays the same percentage of premium that is in effect for current employees for self and spouse, to a maximum retiree share of 25% for the retiree and 40% for the spouse.

Dental - Retiree pays the same percentage of premium that is in effect for current employees for self, with a maximum retiree share of 25%. Spouse coverage is available at 100% retiree-paid.

Hired on or after July 1, 2011:

Medical - Retiree pays the same percentage of premium that is in effect for current employees for self and 100% for spouse.

Dental - Retiree pays the same percentage of premium that is in effect for current employees for self and 100% for spouse.

Public Works & Clerical Workers Bargaining Unit

Hired prior to July 1, 2008:

Medical - Retiree pays the same percentage of premium that is in effect for current employees for self and spouse, up to a maximum retiree share of 25% of the premium.

Dental - Retiree contributes 100% of the cost for self and spouse.

Hired after July 1, 2008 and prior to November 1, 2011:

Medical - Retiree pays the same percentage of premium that is in effect for current employees for self and spouse, to a maximum retiree share of 25% for the retiree and 50% for the spouse.

Dental - Retiree contributes 100% of the cost for self and spouse.

Hired on or after November 1, 2011:

Medical - Retiree pays the same percentage of premium that is in effect for current employees for self and 100% for spouse.

Dental - Retiree contributes 100% of the cost for self and spouse.

Windsor Police Department Employees Association:

Hired prior to July 1, 2013:

Medical - Retiree pays the same percentage of premium that is in effect for current employees for self and spouse, up to a maximum retiree share of 25% of the premium.

Dental - Retiree pays same percentage of premium that is in effect for current employees for self, with a maximum retiree share of 25%. Spouse coverage is available at 100% retiree-paid.

Hired on or after July 1, 2013:

Medical - Retiree pays the same percentage of premium that is in effect for current employees for self and 100% for spouse.

Dental - Retiree pays same percentage of premium that is in effect for current employees for self and 100% for spouse.

Town Administrative (non-affiliated):

Hired prior to July 1, 2009:

Medical - Retiree pays the same percentage of premium that is in effect for current employees for self and spouse, up to a maximum retiree share of 25% of the premium.

Dental - Retiree contributes 0% of the cost for self and 100% for spouse.

Hired after July 1, 2009 and prior to March 1, 2013:

Medical - Retiree contributes 25% of the cost for self and 50% for spouse.

Dental - Retiree contributes 0% of the cost for self and 100% for spouse.

Hired on or after March 1, 2013:

Medical - Retiree pays the same percentage of premium that is in effect for current employees for self and 100% for spouse.

Dental - Retiree contributes 0% of the cost for self and 100% for spouse.

As of July 1, 2021, membership in the plan consisted of 731 active members and 292 retirees and dependents for a total of 1,023 members.

For fiscal year 2016-17, the Town implemented Government Accounting Standards Board's ("GASB") Statement No. 74. In accordance with GASB Statement No. 74, the net position is based on the fair market value as of the end of the fiscal year and the total OPEB liability is based on the actuarial assumptions as of the prior valuation date updated to the end of the fiscal year. The components of the net OPEB liability of the Town as of June 30 were as follows:

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB liability.....	\$ 52,447,169	\$ 64,626,468	\$ 61,943,296	\$ 50,416,065	\$ 46,166,414
Plan fiduciary net position.....	<u>5,239,537</u>	<u>5,450,759</u>	<u>3,550,021</u>	<u>2,693,472</u>	<u>1,930,967</u>
Net OPEB liability.....	<u>\$ 47,207,632</u>	<u>\$ 59,175,709</u>	<u>\$ 58,393,275</u>	<u>\$ 47,722,593</u>	<u>\$ 44,235,447</u>
Plan fiduciary net position as a % of total OPEB liability.....	10.0%	8.4%	5.7%	5.3%	4.2%

The following represents the net OPEB liability of the Town, calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rate:

	1% Decrease	Current Discount Rate	1% Increase
	2.54%	3.54%	4.54%
Net OPEB Liability.....	\$ 54,185,743	\$ 47,207,632	\$ 41,451,360

Based upon the July 1, 2021 actuarial valuation, the actuarial value of assets and actuarial liabilities for the OPEB plan were as follows:

Schedule of Funding Progress

Actuarial Valuation July 1	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b) - (a)	Percentage Funded Ratio (a) / (b)
2017	\$ 1,337,839	\$ 76,073,699	\$ 74,735,860	1.8
2018	1,930,967	46,166,414	44,235,447	4.2
2019	2,693,472	50,416,065	47,722,593	5.3
2020	3,550,021	61,943,296	58,393,275	5.7
2021	5,450,759	64,626,468	59,175,709	8.4

Schedule of Employer Contributions

Fiscal Year	Actuarial Determined Contribution	Actual Contribution	Percentage Contributed
2019	\$ 3,360,296	\$ 2,226,427	66.3
2020	3,571,573	2,170,946	60.8
2021	3,095,939	2,322,777	75.0
2022	3,256,104	2,906,483	89.3
2023	3,372,281	TBD	

For further details on the plans, see Appendix A, "Notes to General Purpose Financial Statements".

INVESTMENT POLICIES AND PROCEDURES

Under the Town Charter and under Connecticut General Statutes Sections 7-400, 7-401 and 7-402, the Town may invest in (a) obligations of the United States of America, including joint and several obligations of the Federal Home Loan Mortgage Association, the Federal National Mortgage Association, the Federal Government National Mortgage Association, the Federal Savings and Loan Insurance Corporation, obligations of the United States Postal Service, all the federal home loan banks, the Tennessee Valley Authority, or any other agency of the United States government, (b) certain mutual funds and money market mutual funds investing in such obligations or repurchase agreements fully collateralized by such obligations and (c) certain state and municipal bonds and notes, and may make deposits with certain "qualified public depositories".

The Town's investment practices have been to invest only in certificates of deposit and the State of Connecticut Short-Term Investment Fund ("STIF"). The Town does not invest in derivative-based investment products. The Finance Director has followed these investment practices and the Town's operating funds and capital funds are currently invested in the following short-term investments: (1) various certificates of deposit with Connecticut banks; and (2) the State of Connecticut Short-Term Investment Fund.

All Town pension funds are invested with investment managers and for educators, the State of Connecticut Retirement Commission oversees the investment pool for teachers and administrators. For a further description of the Town's Pension Plans, see "Appendix A, Note 8 to Financial Statements" herein.

PROPERTY TAX REVENUES

<u>Fiscal Year</u>	<u>General Fund Revenues</u>	<u>Property Tax Revenues</u>	<u>Property Tax as a % of General Fund Revenues</u>
2024 (Adopted Budget) (1)	\$ 139,205,750	\$ 118,567,080	85.17
2023 (Estimated Actuals) (1)	134,740,470	110,682,100	82.14
2022	138,676,929	107,311,715	77.38
2021	136,058,883	105,227,339	77.34
2020	136,050,479	101,117,016	74.32
2019	124,179,083	99,113,331	79.81
2018	126,314,052	94,339,805	74.69
2017	125,290,065	93,636,439	74.74
2016	114,990,555	89,012,808	77.41
2015	114,937,769	87,600,034	76.22

(1) Budgetary figures do not include one-time pass-through state funding for the teachers' retirement system pension liability. The figure was \$9,784,799 in FY 2022.

Source: Annual audited financial statements for FYs 2015-2022, estimated actuals for FY 2023 and the adopted budget for FY 2024. (See "Budgetary Procedures" herein).

INTERGOVERNMENTAL REVENUES

<u>Fiscal Year</u>	<u>General Fund Revenues</u>	<u>Intergovernmental Revenues</u>	<u>State Aid as a % of General Fund Revenue</u>
2024 (Adopted Budget) (1)	\$ 139,205,750	\$ 16,247,660	11.67
2023 (Estimated Actuals) (1)	134,740,470	16,395,250	12.17
2022	138,676,929	25,845,184	18.64
2021	136,058,883	24,948,952	18.34
2020	136,050,479	29,923,509	21.99
2019	124,179,083	19,229,990	15.49
2018	126,314,052	27,626,039	21.87
2017	125,290,065	27,038,627	21.58
2016	114,990,555	21,906,514	19.05
2015	114,937,769	22,366,478	19.46

(1) Budgetary figures do not include one-time pass-through state funding for the teachers' retirement system pension liability. The figure was \$9,784,799 in FY 2022.

Source: Annual audited financial statements for FYs 2015-2022, estimated actuals for FY 2023 and the adopted budget for FY 2024. (See "Budgetary Procedures" herein).

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EXPENDITURES

Fiscal Year	Education %	General Government %	Safety Services %	Public Works %
2024 (Adopted Budget) (1)	61.60	19.05	9.65	5.36
2023 (Estimated Actuals) (1)	63.55	17.90	9.08	5.35
2022	67.40	12.58	9.43	5.79
2021	66.85	12.88	9.59	6.09
2020	69.02	11.65	9.06	5.48
2019	66.27	12.56	9.79	6.02
2018	69.25	11.27	9.03	5.56
2017	69.63	11.42	8.98	5.23
2016	68.34	11.59	9.60	5.38
2015	68.76	11.00	9.69	5.64

(1) Budgetary figures do not include one-time pass-through state funding for the teachers' retirement system pension liability. The figure was \$9,784,799 in FY 2022.

Source: Annual audited financial statements for FYs 2015-2022, estimated actuals for FY 2023 and the adopted budget for FY 2024. (See "Budgetary Procedures" herein).

MUNICIPAL BUDGET EXPENDITURES CAP

Connecticut General Statutes Section 4-661 creates a cap on adopted general budget expenditures for municipalities in Connecticut in order for municipalities to be eligible to receive the full amount of the State's municipal revenue sharing grant. Beginning in fiscal year ending June 30, 2018, and in each fiscal year thereafter, the Office of Policy and Management ("OPM") must reduce the municipal revenue sharing grant amount for those municipalities whose adopted general budget expenditures (with certain exceptions including but not limited to debt service, special education, implementation of court orders or arbitration awards, budgeting for an audited deficit, nonrecurring grants, capital expenditures of \$100,000 or more, or payments on unfunded pension liabilities, and certain major disaster or emergency expenditures) exceeds the spending limits specified in the statute. For each applicable fiscal year, OPM must determine the municipality's percentage growth in general budget expenditures over the prior fiscal year and reduce the grant if the growth rate is equal to or greater than 2.5% or the inflation rate, whichever is greater, each of those amounts adjusted by an amount proportionate to any increase in the municipality's population from the previous fiscal year. The reduction is generally equal to 50 cents for every dollar the municipality spends over this cap. Each municipality must annually certify to the Secretary of the OPM whether such municipality has exceeded the cap set forth in the statute and if so the amount by which the cap was exceeded. The 2022-2023 biennium budget legislation provides funding for municipal revenue sharing grant in fiscal years ending June 30, 2022 and June 30, 2023.

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COMPARATIVE GENERAL FUND OPERATING STATEMENT
(Budget and Actual – Budgetary Basis)

	Fiscal Year 2021-22			2022-23 Estimated Actuals	2023-24 Adopted Budget
	Final Budget	Actual Operations	Variance Favorable (Unfavorable)		
Revenues					
Property taxes.....	\$ 106,536,200	\$ 107,311,715	\$ 775,515	\$ 110,682,100	\$ 118,567,080
Licenses, permits and fees.....	732,450	1,975,959	1,243,509	4,249,500	823,740
Fines, forfeitures and penalties.....	34,000	18,165	(15,835)	27,000	22,000
Other agencies.....	126,370	129,895	3,525	122,370	138,370
Intergovernmental.....	15,174,400	15,978,268	803,868	16,395,250	16,247,660
Revenues from use of assets.....	420,000	419,107	(893)	2,135,000	2,637,000
Charges for services.....	764,200	1,585,879	821,679	1,129,250	769,900
Total Revenues.....	123,787,620	127,418,988	3,631,368	134,740,470	139,205,750
Expenditures					
Current:					
General government.....	1,125,160	1,112,780	12,380	1,286,326	1,258,630
Safety services.....	11,515,520	10,869,932	645,588	11,756,200	13,437,180
Recreation and leisure services.....	1,935,700	1,901,534	34,166	2,321,906	2,434,500
Human services.....	456,550	449,265	7,285	515,520	556,100
Health services.....	558,930	508,539	50,391	568,120	646,360
Library services.....	1,801,510	1,714,192	87,318	1,837,700	1,918,210
Development services.....	1,437,150	1,424,546	12,604	1,528,570	1,617,230
Community development.....	103,840	103,840	-	104,820	490,900
Public works.....	6,763,140	6,578,850	184,290	6,927,870	7,457,440
Information services.....	581,530	574,310	7,220	617,990	710,400
Administrative services.....	2,632,640	2,573,516	59,124	2,821,200	2,899,760
General services.....	7,758,247	7,738,678	19,569	16,926,510	20,033,640
Education.....	74,207,526	74,204,994	2,532	76,484,440	80,184,020
Town support for education.....	3,418,510	3,417,846	664	5,830,610	5,561,380
Total Expenditures.....	114,295,953	113,172,822	1,123,131	129,527,782	139,205,750
Excess (deficiency) of revenues over expenditures.....	9,491,667	14,246,166	4,754,499	5,212,688	-
Other financing sources (uses)					
Operating transfers in.....	79,750	54,097	(25,653)	-	-
Operating transfers out.....	(11,571,417)	(11,571,417)	-	-	-
Use of fund balance.....	(1,345,000)	(1,345,000)	-	-	-
Total other financing sources (uses).....	(12,836,667)	(12,862,320)	(25,653)	-	-
Net change in budgetary fund balances	<u>\$ (3,345,000)</u>	1,383,846	<u>\$ 4,728,846</u>	<u>\$ 5,212,688</u>	<u>\$ -</u>
Budgetary Fund Balance, beginning.....		33,441,794			
Budgetary Fund Balance, ending.....		<u>\$ 34,825,640</u>			

Source: Annual audited financial statements for FYs 2015-2022, estimated actuals for FY 2023 and the adopted budget for FY 2024. (See "Budgetary Procedures" herein).

COMPARATIVE GENERAL FUND BALANCE SHEETS
Summary of Assets and Liabilities
(GAAP Basis)

Fiscal Year Ended:	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Assets					
Cash and cash equivalents.....	\$34,374,376	\$36,693,015	\$37,848,119	\$44,453,670	\$43,751,205
Receivables:					
Property taxes.....	1,122,036	962,832	1,280,826	1,137,590	1,532,753
Accounts receivable.....	316,822	137,445	124,185	254,839	336,243
Lease receivable.....	-	-	-	-	3,640,175
Due from other funds.....	2,538,894	3,156,747	2,043,688	3,127,733	3,564,699
Prepays.....	9,830	-	-	-	-
Inventory.....	29,194	26,697	19,854	25,587	11,530
Total Assets.....	<u>\$38,391,152</u>	<u>\$40,976,736</u>	<u>\$41,316,672</u>	<u>\$48,999,419</u>	<u>\$52,836,605</u>
Liabilities					
Accounts payable and accrued liabilities.....	\$ 4,321,471	\$ 4,718,744	\$ 3,717,499	\$ 6,421,953	\$ 5,406,086
Due to other funds.....	-	-	350,000	100,000	527,575
Total Liabilities.....	<u>4,321,471</u>	<u>4,718,744</u>	<u>4,067,499</u>	<u>6,521,953</u>	<u>5,933,661</u>
Deferred Inflows of Resources					
Lease related.....	-	-	-	-	3,640,175
Advance tax collections.....	5,343,654	4,706,108	4,129,334	4,863,572	3,850,171
Unavailable resources.....	960,447	788,936	1,060,815	917,110	1,374,174
Total Deferred Inflows of Resources	<u>6,304,101</u>	<u>5,495,044</u>	<u>5,190,149</u>	<u>5,780,682</u>	<u>8,864,520</u>
Fund Balances					
Nonspendable.....	39,024	26,697	19,854	25,587	11,530
Assigned.....	4,858,090	4,835,637	4,001,808	5,254,990	5,012,784
Unassigned.....	22,868,466	25,900,614	28,037,362	31,416,207	33,014,110
Total Fund Balances.....	<u>27,765,580</u>	<u>30,762,948</u>	<u>32,059,024</u>	<u>36,696,784</u>	<u>38,038,424</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances.....	<u>\$38,391,152</u>	<u>\$40,976,736</u>	<u>\$41,316,672</u>	<u>\$48,999,419</u>	<u>\$52,836,605</u>

Source: Annual audited financial statements.

ANALYSIS OF GENERAL FUND EQUITY
(GAAP BASIS)

	<u>Actual</u> <u>2017-18</u>	<u>Actual</u> <u>2018-19</u>	<u>Actual</u> <u>2019-20</u>	<u>Actual</u> <u>2020-21</u>	<u>Actual</u> <u>2021-22</u>
Nonspendable.....	\$ 39,024	\$ 26,697	\$ 19,854	\$ 25,587	\$ 11,530
Assigned.....	4,858,090	4,835,637	4,001,808	5,254,990	5,012,784
Unassigned.....	22,868,466	25,900,614	28,037,362	31,416,207	33,014,110
Total Fund Balance.....	<u>\$ 27,765,580</u>	<u>\$ 30,762,948</u>	<u>\$ 32,059,024</u>	<u>\$ 36,696,784</u>	<u>\$ 38,038,424</u>
Unassigned Fund Balance as % of Total Expenditures & Transfers.....	22.34%	25.37%	23.78%	27.89%	27.69%

Source: Annual audited financial statements.

COMPARATIVE GENERAL FUND REVENUES AND EXPENDITURES
Summary of Audited Revenues and Expenditures
(GAAP Basis)

Fiscal Year Ended:	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Revenues					
Property taxes.....	\$ 94,339,805	\$ 99,113,331	\$101,117,016	\$105,227,339	\$107,311,715
Charges for services.....	3,678,117	4,581,911	3,904,610	5,751,241	5,441,025
State and Federal governments.....	27,626,039	19,229,990	29,923,509	24,948,952	25,845,184
Investment income.....	670,091	1,253,851	1,105,344	131,351	79,005
Total Revenues.....	<u>126,314,052</u>	<u>124,179,083</u>	<u>136,050,479</u>	<u>136,058,883</u>	<u>138,676,929</u>
Expenditures					
Education.....	79,713,749	73,321,557	85,617,316	80,671,475	84,587,353
Public safety.....	10,399,750	10,836,755	11,236,341	11,570,431	11,832,299
Human services.....	1,487,679	1,473,415	1,439,270	1,035,374	1,144,377
Cultural and recreation	4,135,125	4,456,257	4,493,386	4,512,472	4,887,248
Public works.....	6,398,515	6,663,418	6,800,614	7,346,035	7,260,397
General government.....	12,972,718	13,891,463	14,456,066	15,545,300	15,791,682
Total Expenditures.....	<u>115,107,536</u>	<u>110,642,865</u>	<u>124,042,993</u>	<u>120,681,087</u>	<u>125,503,356</u>
Excess (deficiency) of revenues over expenditures.....	11,206,516	13,536,218	12,007,486	15,377,796	13,173,573
Other financing sources (uses)					
Operating transfers in.....	586,902	71,680	42,000	148,474	54,097
Operating transfers (out).....	<u>(9,194,800)</u>	<u>(10,610,530)</u>	<u>(10,753,410)</u>	<u>(10,888,510)</u>	<u>(11,886,030)</u>
Total other financing sources (uses)...	<u>(8,607,898)</u>	<u>(10,538,850)</u>	<u>(10,711,410)</u>	<u>(10,740,036)</u>	<u>(11,831,933)</u>
Net change in fund balances.....	2,598,618	2,997,368	1,296,076	4,637,760	1,341,640
Fund Balance - July 1.....	<u>25,166,962</u>	<u>27,765,580</u>	<u>30,762,948</u>	<u>32,059,024</u>	<u>36,696,784</u>
Fund Balance - June 30.....	<u>\$ 27,765,580</u>	<u>\$ 30,762,948</u>	<u>\$ 32,059,024</u>	<u>\$ 36,696,784</u>	<u>\$ 38,038,424</u>

Source: Annual audited financial statements; Town Officials.

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VI. DEBT SUMMARY

PRINCIPAL AMOUNT OF INDEBTEDNESS

As of June 27, 2023

(Pro Forma)

Long-Term Debt: Bonds

<u>Date of Issue</u>	<u>Purpose</u>	<u>Rate %</u>	<u>Original Issue Amount</u>	<u>Principal Outstanding as of 6/27/23</u>	<u>Date of Fiscal Year Maturity</u>
<u>General Purpose</u>					
6/26/2014	Refunding - General Purpose.....	2.00 - 4.00	\$ 3,355,000	\$ -	2023
6/23/2016	General Purpose.....	2.00	3,755,000	1,570,000	2028
5/4/2017	Refunding - General Purpose.....	2.00 - 4.00	5,657,000	53,000	2024
6/1/2017	General Purpose.....	2.00 - 4.00	4,260,000	1,704,000	2037
6/28/2018	General Purpose.....	2.00 - 5.00	3,135,000	420,000	2025
6/27/2019	General Purpose.....	2.00 - 5.00	8,085,000	6,469,000	2039
6/25/2020	General Purpose.....	2.00 - 5.00	14,140,000	12,010,000	2040
12/30/2020	Refunding - General Purpose.....	4.00	3,414,000	1,334,000	2025
12/30/2020	Refunding - General Purpose.....	0.245 - 2.036	4,551,000	4,112,000	2033
6/24/2021	General Purpose.....	2.00 - 5.00	16,895,000	14,645,000	2036
6/23/2022	General Purpose.....	3.00 - 5.00	2,905,000	2,710,000	2037
6/27/2023	General Purpose.....	4.00 - 5.00	4,130,000	4,130,000	2038
			\$ 74,282,000	\$ 49,157,000	
<u>Schools</u>					
6/26/2014	Refunding - Schools.....	2.00 - 4.00	\$ 915,000	\$ -	2023
6/23/2016	Schools.....	2.00	530,000	205,000	2028
5/4/2017	Refunding - Schools.....	2.00 - 4.00	1,685,000	47,000	2024
6/1/2017	Schools.....	2.00 - 4.00	3,568,000	676,000	2037
6/28/2018	Schools.....	2.00 - 5.00	3,630,000	480,000	2025
6/27/2019	Schools.....	2.00 - 5.00	1,915,000	1,531,000	2039
6/25/2020	Schools.....	2.00 - 5.00	1,430,000	1,220,000	2040
12/30/2020	Refunding - Schools.....	4.00	916,000	281,000	2025
12/30/2020	Refunding - Schools.....	0.245 - 2.036	3,584,000	3,253,000	2033
6/24/2021	Schools.....	2.00 - 5.00	4,375,000	3,785,000	2036
6/23/2022	Schools.....	3.00 - 5.00	3,820,000	3,565,000	2037
6/27/2023	Schools.....	4.00 - 5.00	5,095,000	5,095,000	2038
			\$ 31,463,000	\$ 20,138,000	
	Total		\$ 105,745,000	\$ 69,295,000	

Other Long-Term Commitments: Operating Leases

Fiscal Year June 30:

2023	\$69,443
2024	69,443
2025	54,980
2026	18,553
Total lease payments.....	<u>\$212,419</u>

COMBINED SCHEDULE OF LONG-TERM DEBT THROUGH MATURITY

As of June 27, 2023

(Pro Forma)

Fiscal Year	Existing Indebtedness			The Bonds	All Issues
	Principal Payments	Interest Payments	Total Debt Service (1)	This Issue Principal	Total Principal
2023	\$ 7,165,000	\$ 1,901,228	\$ 9,066,228	\$ -	\$ 7,165,000
2024	6,200,000	1,640,316	7,840,316	615,000	6,815,000
2025	5,220,000	1,422,977	6,642,977	615,000	5,835,000
2026	4,585,000	1,234,722	5,819,722	615,000	5,200,000
2027	4,540,000	1,071,615	5,611,615	615,000	5,155,000
2028	4,215,000	922,408	5,137,408	615,000	4,830,000
2029	3,945,000	822,939	4,767,939	615,000	4,560,000
2030	3,940,000	724,943	4,664,943	615,000	4,555,000
2031	3,935,000	635,353	4,570,353	615,000	4,550,000
2032	3,930,000	544,321	4,474,321	615,000	4,545,000
2033	3,920,000	458,698	4,378,698	615,000	4,535,000
2034	3,455,000	376,505	3,831,505	615,000	4,070,000
2035	3,450,000	301,025	3,751,025	615,000	4,065,000
2036	3,420,000	217,275	3,637,275	615,000	4,035,000
2037	2,005,000	134,125	2,139,125	615,000	2,620,000
2038	1,280,000	79,650	1,359,650	615,000	1,895,000
2039	1,280,000	48,270	1,328,270	-	1,280,000
2040	750,000	16,500	766,500	-	750,000
	<u>\$ 67,235,000</u>	<u>\$ 12,552,870</u>	<u>\$ 79,787,870</u>	<u>\$ 9,225,000</u>	<u>\$ 76,460,000</u>

(1) Does not reflect principal payments of \$7,165,000 made as of June 27, 2023.

Source: Annual audit financial statements.

THE TOWN OF WINDSOR, CONNECTICUT HAS NEVER DEFAULTED ON THE PAYMENT OF PRINCIPAL OR INTEREST ON ITS BONDS OR NOTES

OVERLAPPING AND UNDERLYING INDEBTEDNESS

Metropolitan District Commission:

Windsor is a member of the Metropolitan District Commission ("MDC") along with the City of Hartford and the towns of Rocky Hill, Bloomfield, East Hartford, Newington, West Hartford, and Wethersfield.

Amount of Outstanding Debt	Less Exclusions (1)	Total Net Overlapping Debt	Applicable % of Net Debt Charged to Town	Town Net Overlapping Debt (2)
\$1,525,255,080	\$654,229,037	\$ 871,026,043	8.88%	\$ 77,347,113

(1) Debt for water purposes or supply of electricity. The MDC has issued \$332.5 million in Clean Water Project Revenue Bonds. The bonds are being repaid from a portion of the Special Sewer Service Surcharge and are not a general obligation of the MDC.

(2) As of March 31, 2023.

Source: MDC

The MDC, a special district in Hartford County formed under the Connecticut General Statutes to provide water and sanitary sewer services to its eight member towns and certain non-member towns. Water services and charges for services related to the Clean Water Project are provided directly by the MDC and billed to the users.

The MDC was cited by the U.S. Environmental Protection Agency ("USEPA") and the United States Department of Justice ("USDOJ") for overflows from the sewer systems in West Hartford, Newington, Wethersfield, Rocky Hill and Windsor. The MDC was fined \$850,000 and signed a Consent Decree to cease all overflows within 12 years. The MDC also negotiated a Consent Order with the Connecticut Department of Energy & Environmental Protection ("CTDEEP") to control the Combined Sewer Overflows ("CSO") located in the Hartford sewer system within 15 years (by the year 2021).

The MDC has conducted studies of the CSO under the direction of the CTDEEP. A plan for abating these pollution sources, called the Clean Water Project, has been prepared by consultants to the MDC. The plan combines several abatement approaches including: new sewers, removal of storm water flows during storm events, and additional treatment capacity. Completion of these system improvements will require a construction program of at least 15 years. Significant abatement can also be achieved by individual homeowners disconnecting roof leaders, sump pumps and yard drains.

On November 7, 2006 and November 6, 2012, voters in the eight member towns approved referenda authorizing the issuance of \$1.6 billion in bonds to finance the Clean Water Project. In addition, the MDC received a \$140 million grant commitment from the State of Connecticut, an additional \$18.8 million was approved by the MDC Board for the District's Combined Sewer Overflow, Sanitary Sewer Overflow and Nitrogen Removal Programs for the Project which is over and above the \$1.6 billion referenda amounts. The MDC is pursuing state funding from the State of Connecticut's Clean Water Fund Program and federal funding to assist with the cost of the project. The Clean Water Project Charge is for customers of the MDC who utilize the District sewer system and are furnished water directly by the MDC. The proceeds from the Clean Water Project Charge will be used exclusively for costs relating to the Project. These include the payment of the principal and interest on certain bonds issued or which may be issued and other loans, as well as State of Connecticut Clean Water Fund loans, to finance all costs associated with the Clean Water Project.

Great Pond Improvement District:

Great Pond Improvement District (the "District") was created pursuant to a Special Act and encompasses approximately 653 acres in the Town. The Special Act establishes the territorial boundaries of the District, procedures for creating the District, the powers enumerated to the District, including the power to issue bonds and levy special benefit assessments, and the use of bond proceeds and benefit assessments to fund public improvements for the District. The Special Act permits the District to issue bonds in an aggregate amount up to \$140,000,000, in one or more series. Any debt issued by the District is NOT debt of the Town or a pledge of the full faith and credit of the Town but shall be payable solely by the District.

The District is a master-planned development with approximately 225 acres of park and conservation land, providing a contemplated walkable, mixed-use village center for the District, the Town and the surrounding region. Within the District, Great Pond Village is a master-planned, mixed-use community which is permitted for up to 1,200 residential units (including market-rate apartments, senior housing as well as rental and for-sale condominiums and townhomes). Additionally, Great Pond Village's master plan calls for up to 40,000 square feet of retail space comprised of restaurants, cafes and shops, 600,000 square feet of research and development and commercial office space, 128,000 square feet of community use space, and up to 1,000,000 square feet of industrial use space. Great Pond Village is expected to be developed in multiple phases over a period of 5 to 10 years. Phase I of the project is complete and consists of 230 units of market rate housing with a current appraised value (based on the Town's October 1, 2022 Grand List) \$33,000,000. Phase II commenced during fiscal year 2023 and will include a convenience store/gas station/event hall project, a data center and 525,000 square foot cold storage industrial facility.

In April 2012, the Town and the District entered into an Interlocal Agreement. Pursuant to the provisions of the Interlocal Agreement, upon the collection by the tax collector of the Town of any real and personal property tax revenues with respect to the District Property, the Town shall receive first its non-incremental tax revenues. All incremental tax revenues shall be split 50% / 50% with 50% being paid to the Town for its general use and 50% being deposited in the Special District Fund, which shall be transferred to the District to pay the Debt Service Requirements and the Administrative Expenses of the District. The District has the authority to issue up to \$140,000,000 of special obligation revenue bonds.

Fire Districts:

Windsor has two underlying special tax districts, Wilson Fire District and Windsor Fire District. As of June 30, 2022, the Windsor Fire District and the Wilson Fire District have no outstanding debt.

DEBT STATEMENT
As of June 27, 2023 (Pro Forma)

Long-Term Indebtedness	
The Bonds (This Issue).....	\$ 9,225,000
General Purpose.....	45,027,000
Schools.....	<u>15,043,000</u>
Total Long-Term Indebtedness.....	69,295,000
Short-Term Indebtedness	
Notes Payable.....	<u>-</u>
Total Direct Indebtedness.....	69,295,000
Exclusions	
Total Net Direct Indebtedness.....	69,295,000
Total Underlying and Net Overlapping Indebtedness (1)...	<u>77,347,113</u>
Total Net Direct and Net Overlapping Indebtedness.....	<u><u>\$ 146,642,113</u></u>

(1) Does not include co-terminus District debt. Although included in the calculation of the Town’s statutory debt limit, debt issued by the District is NOT debt of the Town and is not a pledge of the full faith and credit of the Town but shall be payable solely by the District. The District issued \$8,575,000 Special Obligation Revenue Bonds, 2019 Series (Great Pond Phase I Project) on or about July 9, 2019 and \$27,135,000 Special Obligation Revenue Bonds, 2022 Series (Great Pond Phase II Project) on or about December 29, 2022. (See “Overlapping and Underlying Indebtedness” – “Great Pond Improvement District” herein). Includes MDC debt as of March 31, 2023. (See "Overlapping and Underlying Indebtedness" herein).

CURRENT DEBT RATIOS
As of June 27, 2023 (Pro Forma)

Total Direct Indebtedness.....	\$ 69,295,000
Total Net Direct Indebtedness.....	\$ 69,295,000
Total Net Direct and Net Overlapping Indebtedness.....	\$ 146,642,113
Population (1).....	29,424
Net Taxable Grand List (10/1/22).....	\$3,557,605,126
Estimated Full Value.....	\$5,082,293,037
Equalized Net Taxable Grand List (2020) (2).....	\$5,281,482,794
Per Capita Income (2020) (1).....	\$ 42,832
Total Direct Indebtedness:	
Per Capita.....	\$2,355.05
To Net Taxable Grand List.....	1.95%
To Estimated Full Value.....	1.36%
To Equalized Net Taxable Grand List.....	1.31%
Per Capita to Per Capita Income.....	5.50%
Total Net Direct Indebtedness:	
Per Capita.....	\$2,355.05
To Net Taxable Grand List.....	1.95%
To Estimated Full Value.....	1.36%
To Equalized Net Taxable Grand List.....	1.31%
Per Capita to Per Capita Income.....	5.50%
Total Net Direct and Net Overlapping Indebtedness:	
Per Capita.....	\$4,983.76
To Net Taxable Grand List.....	4.12%
To Estimated Full Value.....	2.89%
To Equalized Net Taxable Grand List.....	2.78%
Per Capita to Per Capita Income.....	11.64%

(1) U.S. Department of Commerce, 2017-2021 American Community Survey.
(2) Office of Policy and Management, State of Connecticut.

LEGAL REQUIREMENTS FOR APPROVAL OF BORROWING

The Town has the power to incur indebtedness by issuing its bonds or notes as authorized by the General Statutes of the State of Connecticut subject to statutory debt limitations and the requirements of the Town Charter for the authorization of indebtedness. Under the Town Charter, Town Meeting approval is required when bonds or notes, except tax anticipation notes, are issued in excess of 2% of the tax levy. An ordinance providing for the sale or purchase of real estate valued in excess of \$10,000 must be adopted at a Town Meeting by a vote of the majority. Borrowing and additional appropriations in excess of 3% of the tax levy require approval by referendum.

TEMPORARY FINANCING

When general obligation bonds have been authorized, bond anticipation notes may be issued maturing in not more than two years (CGS Sec. 7-378). Temporary notes may be renewed up to ten years from their original date of issue as long as all project grant payments are applied toward payment of project costs or temporary notes when they become due and payable, and the legislative body schedules principal reductions by the end of the third year and for each subsequent year during which such temporary notes remain outstanding, in an amount equal to a minimum of 1/20th (1/30th for sewer projects and certain school projects) of the estimated net project cost (CGS Sec. 7-378a). The term of the bond issue is reduced by the amount of time temporary financing exceeds two years.

Temporary notes must be permanently funded no later than ten years from their initial borrowing date, except sewer notes issued in anticipation of State and/or Federal grants. If written commitment exists, the municipality may renew the sewer notes from time to time in terms not to exceed six months until such time that the final grant payments are received (CGS Sec. 7-378b).

Temporary notes may also be issued for up to 15 years for certain capital projects associated with the operation of a waterworks system (CGS Sec. 7-244a) or a sewage system (CGS Sec. 7-264a). In the first year following the completion of the project(s), or in the sixth year following the original date of issue (whichever is sooner), and in each year thereafter, the notes must be reduced by 1/15th of the total amount of the notes issued by funds derived from sources of payment specified by statute. Temporary notes may be issued in one-year maturities for up to 15 years in anticipation of sewer assessments receivable, such notes to be reduced annually by the amount of assessments received during the preceding year (CGS Sec. 7-269a).

CAPITAL IMPROVEMENT PROGRAM

Under Town Charter, the Town Manager annually submits an updated six-year capital improvement program. The plan is an organized and methodical approach to add or replace capital items for each department within the General Government and Board of Education. The adopted 2023-2028 plan includes projects totaling \$92,000,000. A copy of the most recent capital improvement program is available from the Town Manager's Office

SCHOOL BUILDING GRANT REIMBURSEMENTS

Pursuant to Section 10-287i of the Connecticut General Statutes, as amended, for all school building projects approved after July 1, 1996, the State provides proportional progress payments during construction for the State's share of the eligible construction costs. The State grant will be paid directly to the municipality after it submits its request for progress payments, and accordingly, the municipality will issue bonds only for its share of project costs.

LIMITATION OF INDEBTEDNESS

Municipalities shall not incur indebtedness through the issuance of bonds or notes which will cause aggregate indebtedness by class to exceed the following:

General Purposes:	2.25 times annual receipts from taxation
School Purposes:	4.50 times annual receipts from taxation
Sewer Purposes:	3.75 times annual receipts from taxation
Urban Renewal Purposes:	3.25 times annual receipts from taxation
Unfunded Pension Liability Purposes:	3.00 times annual receipts from taxation

In no case however, shall total indebtedness exceed seven times the base. "Annual receipts from taxation," (the "base") are defined as total tax collections including interest, penalties and late payment of taxes and state payments for revenue loss under CGS Sections 12-129d and 7-528.

Section 7-374 of the Connecticut General Statutes also provides for exclusion from the debt limit calculation debt (i) issued in anticipation of taxes; (ii) issued for the supply of water, gas, electricity, electric demand response, conservation and load management, distributed generation and renewable energy projects; for the construction of subways for cables, wires and pipes; for the construction of underground conduits for cables, wires and pipes; for the construction and operation of a municipal community antenna television system and for two or more of such purposes; (iii) issued in anticipation of the receipt of proceeds from assessments levied upon property benefited by any public improvement; (iv) issued in anticipation of the receipt of proceeds from State or Federal grants evidenced by a written commitment or for which allocation has been approved by the State Bond Commission or from a contract with the state, state agencies or another municipality providing for the reimbursement of costs but only to the extent such indebtedness can be paid from such proceeds; (v) issued for certain water pollution control projects; and (vi) upon placement in an escrow of the proceeds of refunding bonds, notes or other obligations or other funds of the municipality in an amount sufficient to provide for the payment when due of principal of and interest on such bond, note or other evidence of indebtedness.

STATEMENT OF STATUTORY DEBT LIMITATION

As of June 27, 2023

(Pro Forma)

Total Fiscal Year 2022 tax collections (including interest and lien fees)	\$ 107,311,715
State Reimbursement for Revenue Loss on:	
Tax Relief for the Elderly	-
Base for Establishing Debt Limit	\$ 107,311,715

Debt Limitation	General Purpose	Schools	Sewers	Urban Renewal	Past Pension	Total Debt
(2.25 times base).....	\$ 241,451,359					
(4.50 times base).....		\$ 482,902,718				
(3.75 times base).....			\$ 402,418,931			
(3.25 times base).....				\$ 348,763,074		
(3.00 times base).....					\$ 321,935,145	
(7.00 times base).....						\$ 751,182,005
Indebtedness (Including the Bonds)						
Bonds Payable.....	\$ 45,027,000	\$ 15,043,000	\$ -	\$ -	\$ -	\$ 60,070,000
The Bonds (This Issue).....	4,130,000	5,095,000	-	-	-	9,225,000
Overlapping and Underlying Debt (1).....	35,885,000	-	77,347,113	-	-	113,232,113
Authorized but Unissued Debt.....	-	-	-	-	-	-
Total Indebtedness.....	85,042,000	20,138,000	77,347,113	-	-	182,527,113
School Grants Receivable.....	-	-	-	-	-	-
Total Net Indebtedness.....	85,042,000	20,138,000	77,347,113	-	-	182,527,113
Excess of Limit Over Outstanding and Authorized Debt.....	\$ 156,409,359	\$ 462,764,718	\$ 325,071,819	\$ 348,763,074	\$ 321,935,145	\$ 568,654,892

(1) The District issued \$8,575,000 Special Obligation Revenue Bonds, 2019 Series (Great Pond Phase I Project) on or about July 9, 2019 and \$27,135,000 Special Obligation Revenue Bonds, 2022 Series (Great Pond Phase II Project) on or about December 29, 2022. (See "Overlapping and Underlying Indebtedness" – "Great Pond Improvement District" herein). Includes MDC debt as of March 31, 2023. (See "Overlapping and Underlying Indebtedness" herein).

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AUTHORIZED BUT UNISSUED DEBT

Projects	Amount Authorized	Prior Bonds	Paydowns/ Grants	Notes Payable	The Bonds (<i>This Issue</i>)	Authorized But Unissued
Sage Park Middle School Energy and Efficiency HVAC Upgrades Phase III.....	\$ 2,495,000	\$ -	\$ -	\$ -	\$ 2,495,000	\$ -
Goslee Pool House Improvements.....	1,730,000	-	-	-	1,730,000	-
Pavement Improvements at Town Facilities.....	260,000	-	-	-	260,000	-
L.P. Wilson Community Center Ventilation and Flooring Improvements - North End Phase I.....	2,600,000	-	-	-	2,600,000	-
Baker Hollow Road Reconstruction.....	2,140,000	-	-	-	2,140,000	-
Total.....	\$ 9,225,000	\$ -	\$ -	\$ -	\$ 9,225,000	\$ -

HISTORICAL DEBT STATEMENT

	2022-23 (1)	2021-22	2020-21	2019-20	2018-19
Population (2).....	29,424	29,424	29,424	29,424	29,424
Net taxable grand list.....	\$ 3,316,231,394	\$ 3,212,253,015	\$ 3,154,746,753	\$ 3,109,299,310	\$ 2,959,804,528
Estimated full value.....	\$ 4,737,473,420	\$ 4,588,932,879	\$ 4,506,781,076	\$ 4,441,856,157	\$ 4,228,292,183
Equalized net taxable grand list (3)...	\$ 5,281,482,794	\$ 5,368,290,587	\$ 5,368,290,587	\$ 4,440,713,889	\$ 4,518,598,159
Per capita income (2).....	\$ 42,832	\$ 42,832	\$ 42,832	\$ 42,832	\$ 42,832
Short-term debt.....	\$ -	\$ -	\$ 2,610,000	\$ 12,500,000	\$ 11,970,000
Long-term debt.....	\$ 69,295,000	\$ 67,235,000	\$ 67,250,000	\$ 52,140,000	\$ 43,090,000
Total Direct Indebtedness.....	\$ 69,295,000	\$ 67,235,000	\$ 69,860,000	\$ 64,640,000	\$ 55,060,000
Net Direct Indebtedness.....	\$ 69,295,000	\$ 67,235,000	\$ 69,860,000	\$ 64,640,000	\$ 55,060,000
Net Direct and Net Overlapping Indebtedness (4).....	\$ 146,642,113	\$ 138,576,299	\$ 149,214,940	\$ 145,565,597	\$ 136,699,148

(1) Unaudited estimates.

(2) U.S. Department of Commerce, 2017-2021 American Community Survey.

(3) Office of Policy and Management, State of Connecticut.

(4) Does not include co-terminus District debt. Although included in the calculation of the Town's statutory debt limit, debt issued by the District is NOT debt of the Town and is not a pledge of the full faith and credit of the Town but shall be payable solely by the District. The District issued \$8,575,000 Special Obligation Revenue Bonds, 2019 Series (Great Pond Phase I Project) on or about July 9, 2019 and \$27,135,000 Special Obligation Revenue Bonds, 2022 Series (Great Pond Phase II Project) on or about December 29, 2022. (See "Overlapping and Underlying Indebtedness" – "Great Pond Improvement District" herein). Includes MDC debt as of March 31, 2023. (See "Overlapping and Underlying Indebtedness" herein).

HISTORICAL DEBT RATIOS

	2022-23 (1)	2021-22	2020-21	2019-20	2018-19
Total Direct Indebtedness:					
Per capita.....	\$2,355.05	\$2,285.04	\$2,374.25	\$2,196.85	\$1,871.26
To net taxable grand list.....	2.09%	2.09%	2.21%	2.08%	1.86%
To estimated full value.....	1.46%	1.47%	1.55%	1.46%	1.30%
To equalized net taxable grand list.....	1.31%	1.25%	1.30%	1.46%	1.22%
Debt per capita to per capita income..	5.50%	5.33%	5.54%	5.13%	4.37%
Net Direct Indebtedness:					
Per capita.....	\$2,355.05	\$2,285.04	\$2,374.25	\$2,196.85	\$1,871.26
To net taxable grand list.....	2.09%	2.09%	2.21%	2.08%	1.86%
To estimated full value.....	1.46%	1.47%	1.55%	1.46%	1.30%
To equalized net taxable grand list.....	1.31%	1.25%	1.30%	1.46%	1.22%
Debt per capita to per capita income..	5.50%	5.33%	5.54%	5.13%	4.37%
Net Direct and Net Overlapping Indebtedness:					
Per capita.....	\$4,983.76	\$4,709.63	\$5,071.20	\$4,947.17	\$4,645.84
To net taxable grand list.....	4.42%	4.31%	4.73%	4.68%	4.62%
To estimated full value.....	3.10%	3.02%	3.31%	3.28%	3.23%
To equalized net taxable grand list.....	2.78%	2.58%	2.78%	3.28%	3.03%
Debt per capita to per capita income..	11.64%	11.00%	11.84%	11.55%	10.85%

(1) Unaudited estimates.

**RATIO OF ANNUAL DEBT SERVICE EXPENDITURES TO TOTAL GENERAL FUND
EXPENDITURES AND TRANSFERS OUT**

Fiscal Year Ended 6/30	Annual Debt Service	Total General Fund Expenditures and Transfers out	Ratio of General Fund Debt Service to Total General Fund Expenditures and Transfers Out %
2024 (1)	\$ 9,204,320	\$ 139,205,750	6.61%
2023 (1)	9,060,750	129,527,782	7.00%
2022	8,170,900	137,389,386	5.95%
2021	8,295,344	131,569,597	6.30%
2020	8,056,009	134,796,403	5.98%
2019	7,067,791	121,253,395	5.83%
2018	6,927,469	124,302,336	5.57%
2017	6,714,205	124,585,624	5.39%
2016	6,672,435	114,303,514	5.84%
2015	6,201,403	112,600,257	5.51%

- (1) Annual audited financial statements for FYs 2015-2022, estimated actuals for FY 2023 and the FY 2024 Town Council adopted budget which will go to Town-wide referendum vote on May 9, 2023. (See "Budgetary Procedures" herein).

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VII. LEGAL AND OTHER LITIGATION

LITIGATION

The Town of Windsor, its officers, employees, boards and commissions are defendants in various lawsuits. The Town Attorney is of the opinion that all pending litigation will not be finally determined so as to result individually or in the aggregate in a final judgment against the Town which would materially adversely affect its financial position.

MUNICIPAL ADVISOR

The Town has retained Munistat Services, Inc. (the "Municipal Advisor") to serve as its municipal advisor in connection with the issuance of the Bonds. The Municipal Advisor has not independently verified any of the information contained in this Official Statement and makes no guarantee as to its completeness or accuracy. The Town may engage the Municipal Advisor to perform other services, including without limitation, providing certain investment services with regard to the investment of Bond proceeds.

DOCUMENTS ACCOMPANYING DELIVERY OF THE BONDS

Upon delivery of the Bonds, the winning bidder will be furnished with the following:

1. A Signature and No Litigation Certificate stating that at the time of delivery no litigation is pending or threatened effecting the validity of the Bonds or the levy or collection of taxes to pay them;
2. A certificate on behalf of the Town, signed by the Town Manager and the Finance Director, which will be dated the date of delivery and which will certify to the best of said officials' knowledge and belief, that at the time bids were accepted on the Bonds, the descriptions and statements in the Official Statement relating to the Town and its finances were true and correct in all material respects and did not contain any untrue statements of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, and that there has been no material adverse change in the financial condition of the Town from that set forth in or contemplated by the Official Statement;
3. A receipt for the purchase price of the Bonds;
4. The approving opinion of Pullman & Comley, LLC, Bond Counsel, of Hartford, Connecticut, in substantially the forms attached as Appendix B;
5. An executed Continuing Disclosure Agreement for the Bonds in substantially the form attached to the Official Statement as Appendix C; and
6. Within seven business days of the bid opening, the Town will furnish the purchaser of the Bonds a reasonable number of copies of the Official Statement, as prepared by the Town.

A record of the proceedings taken by the Town in authorizing the Bonds will be kept on file at the principal office of U.S. Bank Trust Company, National Association, of Hartford, Connecticut and will be available for examination upon reasonable request.

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CONCLUDING STATEMENT

Additional information concerning the Town and this issue may be obtained upon request from the office of the Finance Director at (860) 285-1936 or from Munistat Services, Inc. at (203) 421-2087.

Any statements in this Official Statement involving matters of opinion or estimates, whether or not expressly so stated, are intended as such and not as representations of fact. No representation is made that any of such statements will be realized.

This Official Statement is not to be constructed as a contract or agreement between the Town and the purchasers or holders of any of the Bonds.

This Official Statement is submitted only in connection with the sale of the Bonds by the Town and may not be reproduced or used in whole or part for any other purpose.

TOWN OF WINDSOR, CONNECTICUT

/ s / Peter P. Souza

BY: PETER P. SOUZA
Town Manager

/ s / James R. Bourke

BY: JAMES R. BOURKE
Finance Director

Dated: June 8, 2023

APPENDIX A – FINANCIAL STATEMENTS

TOWN OF WINDSOR, CONNECTICUT

TABLE OF CONTENTS

JUNE 30, 2022

	<u>Page</u>
<i>Independent Auditors' Report</i>	1
<i>Management Discussion and Analysis</i>	3
 <u>Basic Financial Statements</u> 	
Statement of Net Position (Deficits)	15
Statement of Activities	16
Balance Sheet – Governmental Funds	17
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	18
Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	19
Statement of Net Position (Deficits) – Proprietary Funds	20
Statement of Revenues, Expenses and Changes in Fund Net Position (Deficits) - Proprietary Funds	21
Statement of Cash Flows – Proprietary Funds	22
Statement of Fiduciary Net Position – Fiduciary Funds	23
Statement of Changes in Fiduciary Net Position – Fiduciary Funds	24
Notes to Financial Statements.	25
Required Supplementary Information	75

Appendix A – Financial Statements – is taken from the Annual Financial Report of the Town of Windsor for the Fiscal Year ending June 30, 2022 as presented by the Auditors and does not include all of the schedules or management letter made in such report. A copy of the complete report is available upon request to the office of the Finance Director, Town of Windsor, Connecticut.



RSM US LLP

Independent Auditor's Report

Town Council and the Board of Finance
Town of Windsor, Connecticut

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, the 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 Windsor, Connecticut as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter

As explained in Note 18, the Town restated the July 1, 2021 beginning fund balance of the aggregate remaining fund information and the July 1, 2021 beginning net position of the governmental activities to correct an error related to revenue recognition. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management discussion and analysis, the pension and other post-employment benefit related schedules and budgetary comparison information 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 auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The combining and individual fund financial statements and other schedules 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 auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and other schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 6, 2023, on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Town's internal control over financial reporting and compliance.

RSM US LLP

Hartford, Connecticut
March 6, 2023

**Town of Windsor, Connecticut
Management's Discussion and Analysis—Unaudited
June 30, 2022**

As management of the Town of Windsor, Connecticut (the Town), we offer readers of the financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2022. We encourage readers to consider the information presented here along with additional information we have furnished in our letter of transmittal, as well as the Town's basic financial statements that follow this section.

Financial Highlights

- On a government-wide basis, the assets and deferred outflows of resources of the Town exceeded its liabilities and deferred inflows of resources resulting in total net position at the close of the fiscal year of \$60.9 million. Total net position for Governmental Activities at fiscal year-end was \$57.2 million, which was \$4.2 million higher than the FY 21 restated net position. Total net position for Business-Type Activities was \$3.7 million, which was a decrease of \$196 thousand as compared to FY 21.
- Government-wide expenses were \$148.3 million, which is an increase of \$8.9 million as compared to FY 21. Government-wide revenues were \$152.4 million, which is a decrease of \$7.1 million as compared to FY 21.
- At the close of the year, the Town's governmental funds reported, on a current financial resources basis, combined ending fund balances of \$61.4 million, a decrease of \$6.7 million from the prior fiscal year.
- At the end of the current fiscal year, the total fund balance for the General Fund was \$38.0 million, an increase of \$1.3 million from the prior fiscal year. Of the total fund balance as of June 30, 2022, \$33.0 million represents unassigned fund balance. Unassigned fund balance at year-end represents 24.0% of total FY 22 General Fund expenditures and transfers out and 25.4% of FY 23 adopted budgeted expenditures. FY 22 expenditures include the state teachers' retirement and Other Post-Employment Benefits (OPEB) payment of \$9.8 million made by the State Department of Education on-behalf of the Town.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Town's basic financial statements. The basic financial statements are comprised of 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 as well as the basic financial statements.

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 private-sector business. All of the resources the Town has at its disposal are shown, including major assets such as buildings and infrastructure. A thorough accounting of the cost of government is rendered because the statements present all costs, not just how much was collected and disbursed. They provide both long-term and short-term information about the Town's overall financial status.

The statement of net position presents information on all of the Town's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference reported as net position. One can think of the Town's net position - the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources - as one way to measure the Town's financial health or financial position. Over time, increases or decreases in net position may serve as an indicator of whether the financial position of the Town is improving or deteriorating. It speaks to the question of whether or not the Town, as a whole, is better or worse off as a result of this year's activities. Other non-financial factors will need to be considered, however, such as changes in the Town's property tax base and the condition of the Town's infrastructure, to assess the overall health of the Town.

The statement of activities presents information showing how the Town's net position changed during the most recent fiscal year. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flow in some future fiscal period; uncollected taxes are an example.

Both of the government-wide financial statements distinguish functions of the Town that are 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).

- Governmental activities of the Town encompass most of the Town's basic services and include general government, public safety, public works, human services, culture and recreation, and education. Property taxes, charges for services, and state and federal grants finance most of these activities.
- Business-type activities of the Town include the Landfill, Resident Transfer Station, Child Development Center, and the Caring Connection Adult Day Care Center. They are reported here as the Town charges fees to customers to help cover all or most of the cost of operations.

The government-wide financial statements (statement of net position (deficits) and statement of activities) can be found on pages 15-16 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control and accountability over resources that have been segregated for specific activities or objectives. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Town has three kinds of funds:

Governmental funds – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government'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 government'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 fifteen (15) 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, the Capital Projects Fund, the Educational Grants Fund, and the American Rescue Fund, which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation as other Non-Major Governmental Funds. Non-Major Governmental Funds for the Town include the Community Development Block Grant Fund, Cafeteria Fund, J. Bartash Trust Fund, Treehouse Fund, Adult Education Fund, American Rescue Fund, Student Activities Fund, Performance Bond Fund, Town Escrow Fund, Scholarship Fund, Debt Service Fund, Other Special Revenue Fund and Open Space Fund. The report provides individual fund data for each of these non-major governmental funds in the combining balance sheet on pages 86-87 and in the combining statement of revenues, expenditures and changes in fund balances on pages 88-89.

The Town adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with the authorized budget. The schedule of revenues, expenditures and changes in budgetary fund balance – budgetary basis – budget and actual – General Fund can be found on page 83.

The basic governmental fund financial statements (balance sheet and statement of revenues, expenditures and changes in fund balances) can be found on pages 17-19 of this report.

Proprietary funds – The Town maintains two different types of proprietary funds, four enterprise funds, and an internal service fund. 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 landfill post-closure activities, Resident Transfer Station, Child Development Center, and the Caring Connection Adult Day Care.

Internal service funds are an accounting device used to accumulate and allocate certain costs internally among the Town's various functions. The Town uses one internal service fund to account for its risk management costs related to workers' compensation, property, liability, and employee and retiree health insurance. Because these internal services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Landfill Enterprise Fund, which is considered to be the only major proprietary fund of the Town. The report combines the Child Development Center, the Caring Connection Adult Day Care Center, and the Resident Transfer Station into the non-major funds of the Town. Individual fund data for the internal service fund is also provided as a separate column in the proprietary fund financial statements. The proprietary fund financial statements can be found on pages 20-22 of this report.

Fiduciary funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to provide services to the Town's constituency. The Town has one Defined Benefit Retirement Trust Fund and one Other Post Employment Benefit Trust Fund. The accounting used for fiduciary funds is similar to the accounting for proprietary funds. The basic fiduciary fund financial statements are on pages 23-24 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are on pages 25-72 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information.

Government-wide Financial Analysis

As noted earlier, net position (deficits) may serve over time as a useful indicator of a government's financial position and an important determinant of its ability to finance services in the future. The Town's governmental activities assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$57.2 million on June 30, 2022, which was an increase of \$4.2 million from the beginning net position as restated of \$53 million.

TOWN OF WINDSOR CONNECTICUT SUMMARY STATEMENT OF NET POSITION (\$000's) June 30, 2022 and 2021

	Governmental Activities		Business-Type Activities		Total		Total Percentage Change
	2022	2021*	2022	2021	2022	2021	2021-22
Current and other assets	\$ 98,367	\$ 103,051	\$ 21,477	\$ 22,925	\$ 119,844	\$ 125,976	-4.9%
Capital assets, net of accumulated depreciation	152,826	143,744	77	90	152,903	143,834	6.3%
Total Assets	251,193	246,795	21,554	23,015	272,747	269,810	1.1%
Deferred outflows of resources	28,159	18,319	-	-	28,159	18,319	53.7%
Current liabilities	15,755	19,093	145	343	15,900	19,436	-18.2%
Long-term liabilities outstanding	163,766	156,886	17,715	18,781	181,481	175,667	3.3%
Total Liabilities	179,521	175,979	17,860	19,124	197,381	195,103	1.2%
Deferred Inflows of resources	42,589	36,135	-	-	42,589	36,135	17.9%
Net Position:							
Net investment in capital assets	90,872	81,206	77	90	90,949	81,296	11.9%
Restricted	7,313	10,487	-	-	7,313	10,487	-30.3%
Unrestricted	(40,943)	(38,693)	3,617	3,801	(37,326)	(34,892)	7.0%
Total Net Position	\$ 57,242	\$ 53,000	\$ 3,694	\$ 3,891	\$ 60,936	\$ 56,891	7.1%

* as restated- note 18

At the end of the current fiscal year, the Town is able to report positive balances of \$60.9 million in net position for the government as a whole.

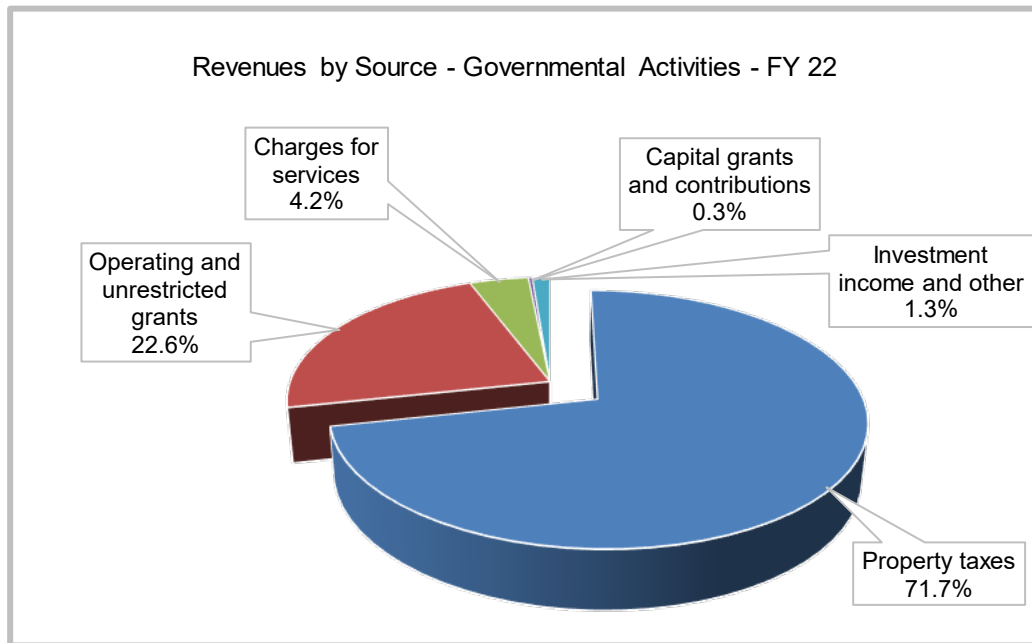
A large portion of the Town's net position reflects its net investment in capital assets (e.g., land, buildings, infrastructure, machinery, and equipment), less any related debt that is still outstanding used to acquire those assets. The Town uses these capital assets to provide services to citizens, and 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. Consequently, these assets are not available for future spending.

TOWN OF WINDSOR CONNECTICUT
SUMMARY STATEMENT OF ACTIVITIES (\$000's)
For the Years Ended June 30, 2022 and 2021

	Governmental Activities		Business-Type Activities		Total		Total Percentage Change
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2021-22</u>
Revenues							
Program revenues							
Charges for services	\$ 6,307	\$ 5,986	\$ 1,729	\$ 1,268	\$ 8,036	\$ 7,254	10.8%
Operating grants and contributions	31,139	42,047	300	21	31,439	42,068	-25.3%
Capital grants and contributions	428	1,642	-	-	428	1,642	-73.9%
General revenues							
Property taxes	107,720	105,092	-	-	107,720	105,092	2.5%
Grants not restricted to specific programs	2,857	2,680	-	-	2,857	2,680	6.6%
Miscellaneous	1,735	440	-	-	1,735	440	294.3%
Unrestricted investment earnings	103	189	51	139	154	328	-53.0%
Total revenues	150,289	158,076	2,080	1,428	152,369	159,504	-4.5%
Expenses							
General government	16,756	16,132	-	-	16,756	16,132	3.9%
Culture and recreation	5,753	5,206	-	-	5,753	5,206	10.5%
Human services	2,409	1,796	-	-	2,409	1,796	34.1%
Public works	8,688	8,523	-	-	8,688	8,523	1.9%
Education	96,028	104,062	-	-	96,028	104,062	-7.7%
Public safety	14,556	14,018	-	-	14,556	14,018	3.8%
Interest expense	1,791	1,647	-	-	1,791	1,647	8.7%
Landfill	-	-	563	(13,772)	563	(13,772)	-104.1%
Child development	-	-	1,092	1,053	1,092	1,053	3.7%
Adult caring connection	-	-	320	312	320	312	2.6%
Resident Transfer Station	-	-	368	366	368	366	0.5%
Total expenses	145,981	151,384	2,343	(12,041)	148,324	139,343	6.4%
Excess (deficit) of revenues over (under) expenses before transfers	4,308	6,692	(263)	13,469	4,045	20,161	-79.9%
Transfers	(66)	(316)	66	316	-	-	0.0%
Change in net position (deficit)	4,242	6,376	(197)	13,785	4,045	20,161	-79.9%
Net Position (deficits)- Beginning , as restated	53,000	46,624	3,891	(9,894)	56,891	36,730	54.9%
Net position Ending	\$ 57,242	\$ 53,000	\$ 3,694	\$ 3,891	\$ 60,936	\$ 56,891	7.1%

Governmental Activities

Approximately 71.7% of revenues and transfers in were derived from property taxes, followed by 22.6% from operating and unrestricted grants, 4.2% from charges for services, 0.3% from capital grants and contributions, and 1.3% from investment earnings and other miscellaneous revenue sources.



Major revenue factors included:

- Property tax revenues in FY 22 totaled \$107.7 million, which represents an increase of \$2.6 million or 2.5% over FY 21 tax revenues. The Town's FY 22 mill rate was 33.27 mills. The Town's collection rate on the current adjusted levy (real estate, personal property and motor vehicle) was budgeted at 98.8%, which was the same as the prior year's rate.
- Operating grants and contributions were less by \$10.7 million mostly due to a change in the State payment for the teacher's retirement system.
- Capital grants and contributions were less by \$1.2 million mostly due to a grant for a road rehabilitation project that was received in FY 21 but not again in FY 22.
- Charges for services increased \$321 thousand from the prior year. This is mostly due to a recovery in recreation and school program revenue that experienced a downturn in FY 21 caused by the COVID-19 pandemic.
- Investment income and other miscellaneous revenues increased \$1.2 million year over year. This was mostly due to rebate revenue received from Eversource and Connecticut Natural Gas for three school facility capital projects that resulted in improved energy efficiency at those facilities.

For Governmental Activities in FY 22, approximately 65.8% of the Town's expenses relate to education (vs. 68.7% in FY 21), 11.5% (vs. 10.7% in FY 21) relate to general government, 10.0% (vs. 9.3% in FY 21) to public safety, 6.0% (vs. 5.6% in FY 21) relate to public works, 3.9% (vs. 3.4% in FY 21) to culture and recreation, 1.6% (vs. 1.2% in FY 21) to human services, and 1.2% (vs. 1.1% in FY 21) to interest on long-term debt. It is important to remember that these expenses include non-budgetary items such as depreciation and disposal of capital assets, the change in compensated absence accruals, as well as pension and OPEB costs.

Major expense factors included:

- Education expenses decreased \$8.0 million or 7.7% from FY 21 primarily due to a change in the State Teacher's Retirement expense.
- Human services expenses increased \$613 thousand or 34.1% mostly due to the spending of COVID-19 grants and other special revenue funds during FY 22.
- Culture and recreation expenses increased \$547 thousand or 10.5% mostly due to reinstating programs that were less prevalent during FY 21 due to the COVID-19 pandemic.

Business-Type Activities

- The Business-type activities net position decreased by \$197 thousand during FY 22. This is due mostly to the landfill post-closure costs. See note 12 for further information.
- The Resident Transfer Station operating revenues increased \$6.6 thousand over last year and the expenses increased \$1.7 thousand mostly due to the receiving more waste and therefore the cost associated with waste transportation and disposal.
- The Child Development net position decreased \$28.8 thousand during FY 22, mostly as a result of increased operating revenue that resulted from the easing of COVID-19 mandated capacity reductions, offset by higher expenses.
- The Caring Connection Adult Day Care net position decreased \$10.8 thousand during FY 22. There was a \$120 thousand transfer from the General Fund operating budget to mitigate the anticipated annual operating loss.

Financial Analysis of the Fund Financial Statements

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

Governmental funds – The focus of the Town's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Town's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available to provide flexibility and meet future obligations.

As of June 30, 2022, the Town's governmental funds reported combined ending fund balances of \$61.4 million, a decrease of \$2.5 million from the restated \$63.8 million in the previous year. This is mostly due to the year-over-year timing of revenues and expenditures for the renovation and construction of Public Safety buildings in the Capital Projects Fund. The General Fund unassigned fund balance comprises 53.8% of the total fund balance. The remainder of the fund balance is considered either non-spendable, restricted, committed or assigned as defined by GASB Statement No. 54 *Fund Balance Reporting and Governmental Fund Type Definitions*. These fund balance definitions can be found in Note 1 of the notes to the financial statements.

The General Fund is the main operating fund of the Town. As of June 30, 2022, the unassigned fund balance for the General Fund was \$33.0 million, while total fund balance was \$38.0 million. The total fund balance increased \$1.3 million as compared to FY 21, mostly due to increased revenues and expenditure savings as noted below under General Fund Budgetary Highlights. As a measure of the General Fund's liquidity, it is useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 24.0% of total General Fund expenditures and transfers out of \$137.4 million, while total fund balance represents 27.7% of that same amount.

The Capital Projects Fund had a total fund balance of \$12.2 million, which is a decrease of \$3.9 million from a balance of \$16.0 million in FY 21. This is primarily due to the timing of when borrowing proceeds were received versus when expenditures were incurred. The assigned fund balance of the Capital Projects Fund was \$912 thousand on June 30, 2022.

The Educational Grants Program Fund had revenues and expenditures of \$6.2 million as compared to \$4.9 million in FY 21.

The American Rescue Fund had revenues and expenditures of \$569 thousand. FY 22 was the first year of expenditure activity.

Proprietary funds. The Town's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The net position of the Landfill Enterprise Fund at the end of the year was \$2.9 million with an unrestricted net position of \$2.9 million as compared to \$3.1 million and \$3.0 million, respectively, in the prior year. The Landfill Enterprise Fund change in net position is \$149 thousand for the year as compared with a change in net position of \$13.9 million in the prior year due to a post-closure liability decrease in FY21. The Landfill discontinued accepting municipal solid waste (MSW) on June 30, 2014, and has since been converted to a transfer station facility for residents.

General Fund Budgetary Highlights

Actual revenues on a budgetary basis were approximately \$127.4 million. This amount exceeded budgeted amounts by \$3.6 million. The major revenue variances were:

- Total General Property Tax collections exceeded budget by \$776 thousand mostly due to current levy collections in excess of budget by \$150 thousand, interim motor vehicle tax collections in excess of budget by \$429 thousand and interest in excess of budget by \$160 thousand.
- Licenses and Permits exceeded budget by \$1.2 million mostly due to building permits associated with several new distribution and warehouse facilities.
- Intergovernmental revenue exceeded budget by \$804 thousand mostly due to receiving State of Connecticut municipal stabilization grants that were not budgeted, as well as additional funds from the special education-excess costs grant.
- Charges for Current Services exceeded budget by \$822 thousand, mostly due to conveyance fee collections that exceeded budget by \$687 thousand.

Actual expenditures including transfers, but not use of fund balance, were \$113.2 million and kept under budget by approximately \$1.1 million. This is mostly due to savings from personnel cost associated with vacant positions, employees out on worker compensation, disability, and military leave and storm control overtime cost savings.

The difference between the original budget and the final amended budget was for additional appropriations of \$1,345,000 thousand from the unassigned fund balance. Uses were as follows:

Fire Department Extrication Equipment	\$ 25,000
Phone System Replacement	60,000
Chaffee House Roof Replacement and Painting	120,000
Day Hill Road Adaptive Signal Control Project	260,000
330 Windsor Ave Community Center HVAC Improvements	330,000
O'Brien Stadium Track Replacement Project	550,000
	\$ 1,345,000

These items combined (additional revenues, expenditure savings and use of fund balance) produced an increase of \$1.4 million to the General Fund budgetary fund balance. This takes into consideration that the \$2.0 million opening cash appropriation was not needed to balance the budget as actual revenues exceeded actual expenditures during the year.

Capital Asset and Debt Administration

Capital Assets

As restated for Governmental Accounting Standards Board No. 87, *Leases*, the Town's investment in capital assets for governmental and business-type activities as of June 30, 2022, amounted to \$152.8 million (net of accumulated depreciation) compared to \$144.0 million in the prior fiscal year. This investment in capital assets includes land, building and mechanical improvements, machinery and equipment, park facilities, roads, sewers, and bridges.

TOWN OF WINDSOR CONNECTICUT
CAPITAL ASSETS (net of depreciation)
June 30, 2022

	Governmental Activities	Business- Type Activities	Total
Land	\$ 7,034,284	\$ -	\$ 7,034,284
Construction in progress	29,124,202	-	29,124,202
Buildings and improvements	76,502,982	22,209	76,525,191
Infrastructure	19,994,186	-	19,994,186
Right to use equipment	213,227	-	213,227
Machinery and equipment	19,957,584	55,257	20,012,841
Total	\$ 152,826,465	\$ 77,466	\$ 152,903,931

Major additions during the year included the following:

- Fire Pumper Engine
- Vehicle Exhaust Systems at Wilson and Poquonock Firehouses
- L.P. Wilson Community Center Boilers Replacement
- Information Technology Data Storage Upgrade
- Windsor High School HVAC Improvements
- Sage Park Middle School Roof Replacement

Additional information on the Town's capital assets can be found in Note 4 of this report.

Debt Administration

At the end of the current fiscal year, the Town had total bonded debt outstanding of \$67.2 million. 100% of this debt is backed by the full faith and credit of the Town government.

TOWN OF WINDSOR CONNECTICUT OUTSTANDING DEBT June 30, 2022

	Governmental Activities
General obligation bonds	<u>\$ 67,235,000</u>

The Town's total bonded debt increased by \$15,000 or 0.02% during the current fiscal year as compared to a 29% increase in FY 21.

The Town's general obligation bond rating is AAA from Standard & Poor's. This rating was reaffirmed in June of 2022 when the Town issued general obligation bonds in the amount of \$6.7 million.

The State of Connecticut limits the amount of general obligation debt that towns and cities can issue based on a formula determined under State Statutes and according to type of debt and the tax base. The Town's overall statutory debt limit is equal to seven times annual receipts from taxation or \$751.2 million, up from \$737 million in FY 21. As of June 30, 2022, the Town recorded long-term debt of \$67.2 million related to Governmental Activities, well below its statutory debt limits. The following is a summary as of June 30, 2022, of the future principal and interest requirements for the Town's general obligation bonds:

Fiscal Year Ending	Principal Payments	Interest Payments	Total Debt Service
2023	\$ 7,165,000	\$ 1,901,228	\$ 9,066,228
2024	6,200,000	1,640,316	7,840,316
2025	5,220,000	1,422,977	6,642,977
2026	4,585,000	1,234,722	5,819,722
2027	4,540,000	1,071,615	5,611,615
2028	4,215,000	922,408	5,137,408
2029	3,945,000	822,939	4,767,939
2030	3,940,000	724,943	4,664,943
2031	3,935,000	635,353	4,570,353
2032	3,930,000	544,321	4,474,321
2033	3,920,000	458,698	4,378,698
2034	3,455,000	376,505	3,831,505
2035	3,450,000	301,025	3,751,025
2036	3,420,000	217,275	3,637,275
2037	2,005,000	134,125	2,139,125
2038	1,280,000	79,650	1,359,650
2039	1,280,000	48,270	1,328,270
2040	750,000	16,500	766,500
	<u>\$ 67,235,000</u>	<u>\$ 12,552,870</u>	<u>\$ 79,787,870</u>

Additional information on the Town's long-term debt can be found in Note 7 of this report.

Economic Factors

As of December 2022, the unemployment rate for the Town was 3.1%. The unemployment rate for the Hartford labor market area was 3.1% and 3.1% for the State of Connecticut. The overall national average was 3.3% for this same time period.

Overall, unemployment rates have decreased since last year and the overall economy has been improving as the Town has emerged from the pandemic. The Town's main source of revenue is property taxes, and this income stream has proven to be stable. State revenues make up a smaller portion of the Town's total revenue, and fortunately, this revenue has not seen major variances in the current period. Even with an over-reliance on property taxes and no significant increases in state aid, the Town has been able to adjust expenditures accordingly and continues to provide high levels of service.

The Town has a high quality tax base which includes a diverse mix of commercial and business enterprises, and this lends stability to the Town's revenue. The Town has maintained an active economic development program that has attracted and retained firms, and prides itself on a fast development approval process. The Town has positioned itself as a destination address for office and commercial development, and this increased development will lend itself to an increase in the tax base in coming years. Statistics on growth for the last ten years are available in the statistical section of this report.

Requests for Information

The Town of Windsor's Annual Comprehensive Financial Report is designed to provide citizens, taxpayers, customers, investors and creditors with a general overview of the Town's finances, and to demonstrate transparency and the Town's accountability for the money it receives and expends. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director at 275 Broad Street, Windsor, CT 06095.

Basic Financial Statements

Town of Windsor, Connecticut

Statement of Net Position
June 30, 2022

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and cash equivalents	\$ 76,670,569	\$ 19,761,989	\$ 96,432,558
Investments	6,001,571	1,649,561	7,651,132
Receivables:			
Property taxes, net of allowance for collection losses	1,532,753	-	1,532,753
Accounts receivable	3,132,948	-	3,132,948
Customer receivables	582,444	65,963	648,407
Community rehabilitation loans, net	1,944,828	-	1,944,828
Leases	3,640,175	-	3,640,175
Inventories	11,530	-	11,530
Prepays	5,637	-	5,637
Restricted cash and cash equivalents – capital outlay	4,843,511	-	4,843,511
Capital assets, not being depreciated	36,158,486	-	36,158,486
Capital assets, being depreciated, net of depreciation	116,667,979	77,466	116,745,445
Total assets	251,192,431	21,554,979	272,747,410
Deferred outflows of resources:			
Deferred charge on refunding	394,198	-	394,198
Deferred OPEB expense	15,378,793	-	15,378,793
Deferred pension expense	12,385,955	-	12,385,955
Total deferred outflows of resources	28,158,946	-	28,158,946
Liabilities			
Accounts payable and accruals	9,243,588	131,881	9,375,469
Accrued interest payable	168,735	-	168,735
Unearned revenues	6,342,436	13,314	6,355,750
Long-term liabilities:			
Due within one year	7,443,019	724,378	8,167,397
Due in more than one year	156,323,271	16,990,735	173,314,006
Total liabilities	179,521,049	17,860,308	197,381,357
Deferred inflows of resources:			
Advance property tax collections	3,850,171	-	3,850,171
Deferred other post-employment benefit (OPEB) related items	31,796,521	-	31,796,521
Lease related	3,640,175	-	3,640,175
Deferred pension related items	3,302,310	-	3,302,310
Total deferred inflows of resources	42,589,177	-	42,589,177
Net position:			
Net investment in capital assets	90,872,272	77,466	90,949,738
Restricted:			
Community rehabilitation program	1,944,828	-	1,944,828
Other	5,367,826	-	5,367,826
Unrestricted (deficit)	(40,943,775)	3,617,205	(37,326,570)
Total net position	\$ 57,241,151	\$ 3,694,671	\$ 60,935,822

See notes to financial statements.

Town of Windsor, Connecticut

Statement of Activities
Year Ended June 30, 2022

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-type Activities	Total
Primary government:							
Governmental activities:							
General government	\$ (16,755,731)	\$ 2,560,485	\$ 577,771	\$ -	\$ (13,617,475)	\$ -	\$ (13,617,475)
Culture and recreation	(5,752,548)	1,438,831	124,714	-	(4,189,003)	-	(4,189,003)
Human services	(2,408,523)	350,536	367,300	-	(1,690,687)	-	(1,690,687)
Public works	(8,688,057)	256,764	405,085	428,124	(7,598,084)	-	(7,598,084)
Education	(96,028,142)	831,643	29,645,848	-	(65,550,651)	-	(65,550,651)
Public safety	(14,556,386)	868,443	18,491	-	(13,669,452)	-	(13,669,452)
Interest expense	(1,791,074)	-	-	-	(1,791,074)	-	(1,791,074)
Total governmental activities	(145,980,461)	6,306,702	31,139,209	428,124	(108,106,426)	-	(108,106,426)
Business-type activities:							
Landfill	(563,090)	70,000	294,019	-	-	(199,071)	(199,071)
Child Development Center	(1,091,782)	1,062,117	685	-	-	(28,980)	(28,980)
Caring Connection Adult Day Care	(319,850)	237,394	5,743	-	-	(76,713)	(76,713)
Resident Transfer Station	(367,644)	358,938	-	-	-	(8,706)	(8,706)
Total business-type activities	(2,342,366)	1,728,449	300,447	-	-	(313,470)	(313,470)
Total primary government	\$ (148,322,827)	\$ 8,035,151	\$ 31,439,656	\$ 428,124	(108,106,426)	(313,470)	(108,419,896)
General revenues:							
Property taxes					107,720,053	-	107,720,053
Miscellaneous					1,734,550	-	1,734,550
Grants and contributions not restricted to specific programs					2,856,555	-	2,856,555
Unrestricted investment earnings					103,389	51,227	154,616
Internal transfers					(65,903)	65,903	-
Total general revenues and internal transfers					112,348,644	117,130	112,465,774
Change in net position					4,242,218	(196,340)	4,045,878
Net position – beginning - as restated (note 18)					52,998,933	3,891,011	56,889,944
Net position – ending					\$ 57,241,151	\$ 3,694,671	\$ 60,935,822

See notes to financial statements.

Town of Windsor, Connecticut

Balance Sheet – Governmental Funds
June 30, 2022

	Major Funds				Other Nonmajor Governmental Funds	Total Governmental Funds
	General	Capital Projects	Educational Grant Programs	American Rescue Fund		
Assets						
Cash and cash equivalents	\$ 40,380,595	\$ 6,983,146	\$ 4,318,396	\$ 3,683,037	\$ 8,446,978	\$ 63,812,152
Investments	3,370,610	987,188	-	-	496,573	4,854,371
Restricted cash and cash equivalents	-	4,843,511	-	-	-	4,843,511
Receivables (net of allowances for collection losses):						
Property taxes	1,532,753	-	-	-	-	1,532,753
Accounts receivable	336,243	2,010,814	29,373	-	756,518	3,132,948
Community rehabilitation loans, net	-	-	-	-	1,944,828	1,944,828
Lease Receivable	3,640,175	-	-	-	-	3,640,175
Due from other funds	3,564,699	-	-	-	-	3,564,699
Prepays	-	-	-	-	5,637	5,637
Inventories	11,530	-	-	-	-	11,530
Total assets	\$ 52,836,605	\$ 14,824,659	\$ 4,347,769	\$ 3,683,037	\$ 11,650,534	\$ 87,342,604
Liabilities						
Accounts payable and accrued liabilities	\$ 5,406,086	\$ 663,522	\$ 357,549	\$ -	\$ 51,923	\$ 6,479,080
Unearned revenue	-	2,010,814	648,585	3,683,037	-	6,342,436
Due to other funds	527,575	-	3,341,635	-	223,064	4,092,274
Total liabilities	5,933,661	2,674,336	4,347,769	3,683,037	274,987	16,913,790
Deferred inflow of resources:						
Lease related	3,640,175	-	-	-	-	3,640,175
Advance tax collections	3,850,171	-	-	-	-	3,850,171
Unavailable resources	1,374,174	-	-	-	187,056	1,561,230
Total deferred inflows of resources	8,864,520	-	-	-	187,056	9,051,576
Fund balances:						
Nonspendable	11,530	-	-	-	18,637	30,167
Restricted	-	4,843,511	-	-	7,312,654	12,156,165
Committed	-	6,395,158	-	-	3,320,015	9,715,173
Assigned	5,012,784	911,654	-	-	585,439	6,509,877
Unassigned	33,014,110	-	-	-	(48,254)	32,965,856
Total fund balances	38,038,424	12,150,323	-	-	11,188,491	61,377,238
Total liabilities, deferred inflows of resources and fund balances	\$ 52,836,605	\$ 14,824,659	\$ 4,347,769	\$ 3,683,037	\$ 11,650,534	

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets, net of accumulated depreciation purchased in governmental funds are reported as expenditures, however, the statement of net position includes those capital assets and accumulated depreciation among the assets of the Town as a whole.	152,826,465
Other long-term assets are not available and therefore not recognized in the funds.	
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	1,561,230 (163,766,290)
Deferred charge on refunding	394,198
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 included in governmental activities in the statement of net position.	12,351,128
Deferred pension expense due to pension related items	12,385,955
Deferred pension credit due to pension related items	(3,302,310)
Deferred OPEB expense due to OPEB related items	15,378,793
Deferred OPEB credit due to OPEB related items	(31,796,521)
Accrued interest payable	(168,735)

Net position of governmental activities

\$ 57,241,151

See notes to financial statements.

Town of Windsor, Connecticut

Statement of Revenues, Expenditures and Changes in Fund Balances –
 Governmental Funds
 Year Ended June 30, 2022

	Major Funds				Other Nonmajor Governmental Funds	Total Governmental Funds
	General	Capital Projects	Educational Grant Programs	American Rescue Fund		
Revenues:						
Property taxes	\$ 107,311,715	\$ -	\$ -	\$ -	\$ -	\$ 107,311,715
State and Federal governments	25,845,184	428,124	6,237,794	568,737	4,218,276	37,298,115
Charges for services	5,441,025	-	-	-	865,677	6,306,702
Investment income	79,005	12,749	-	-	1,126	92,880
Other	-	1,167,683	-	-	518,141	1,685,824
Total revenues	138,676,929	1,608,556	6,237,794	568,737	5,603,220	152,695,236
Expenditures:						
Current:						
Education	84,587,353	-	6,237,794	-	2,797,252	93,622,399
General government	15,791,682	-	-	568,737	1,294,172	17,654,591
Culture and recreation	4,887,248	-	-	-	121,596	5,008,844
Human services	1,144,377	-	-	-	599,644	1,744,021
Public safety	11,832,299	-	-	-	45,004	11,877,303
Public works	7,260,397	-	-	-	315,132	7,575,529
Debt service:						
Principal retirements	-	-	-	-	6,740,000	6,740,000
Interest and other charges	-	-	-	-	1,945,693	1,945,693
Capital outlay	-	15,918,374	-	-	-	15,918,374
Total expenditures	125,503,356	15,918,374	6,237,794	568,737	13,858,493	162,086,754
Excess (deficiency) of revenues over (under) expenditures	13,173,573	(14,309,818)	-	-	(8,255,273)	(9,391,518)
Other financing sources (uses):						
Transfers in	54,097	3,720,000	-	-	8,046,030	11,820,127
Transfers out	(11,886,030)	-	-	-	-	(11,886,030)
Issuance of bonds	-	6,725,000	-	-	-	6,725,000
Premium on bonds issued	-	-	-	-	265,804	265,804
Total other financing (uses) sources	(11,831,933)	10,445,000	-	-	8,311,834	6,924,901
Change in fund balances	1,341,640	(3,864,818)	-	-	56,561	(2,466,617)
Fund balances, beginning as restated (note 18)	36,696,784	16,015,141	-	-	11,131,930	63,843,855
Fund balances, ending	\$ 38,038,424	\$ 12,150,323	\$ -	\$ -	\$ 11,188,491	\$ 61,377,238

See notes to financial statements.

Town of Windsor, Connecticut

**Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balances of
Governmental Funds to the Statement of Activities
Year Ended June 30, 2022**

Net change in fund balances – total governmental funds \$ (2,466,617)

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period. 8,803,481

Changes in receivables that impact revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. 457,064

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 positions. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items. (44,951)

Some expenses including deferred inflows/outflows reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds. The change in these expenses are as follows:

Change in deferred outflows – pensions	7,528,704
Change in deferred inflows – pensions	7,146,906
Change in deferred outflow – OPEB	(10,974,172)
Change in deferred inflow – OPEB	2,384,603

Changes in some liabilities that impact 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. (6,612,386)

The net loss of certain activities of internal service funds is reported with governmental activities (1,980,414)

Change in net position of governmental activities \$ 4,242,218

See notes to financial statements.

Town of Windsor, Connecticut

Statement of Net Position – Proprietary Funds
June 30, 2022

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Landfill	Other Nonmajor Enterprise Funds	Total	Internal Service Fund
Assets				
Current assets:				
Cash and cash equivalents	\$ 19,011,263	\$ 750,726	\$ 19,761,989	\$ 12,858,417
Investments	1,586,897	62,664	1,649,561	1,147,200
Due from other funds	-	-	-	527,575
Customer receivables, net	-	65,963	65,963	582,444
Total current assets	20,598,160	879,353	21,477,513	15,115,636
Noncurrent assets:				
Capital assets (net of accumulated depreciation)	73,466	4,000	77,466	-
Total noncurrent assets	73,466	4,000	77,466	-
Total assets	20,671,626	883,353	21,554,979	15,115,636
Liabilities				
Current liabilities:				
Accounts payable and accrued liabilities	71,062	79,597	150,659	105,584
Unearned revenue	-	13,314	13,314	-
Accrued claims payable	-	-	-	1,616,175
Accrued post closure costs	705,600	-	705,600	-
Total current liabilities	776,662	92,911	869,573	1,721,759
Noncurrent liabilities:				
Accrued post closure costs	16,934,400	-	16,934,400	-
Compensated absences	19,361	36,974	56,335	-
Accrued claims payable	-	-	-	1,042,749
Total noncurrent liabilities	16,953,761	36,974	16,990,735	1,042,749
Total liabilities	17,730,423	129,885	17,860,308	2,764,508
Net position:				
Net investment in capital assets	73,466	4,000	77,466	-
Unrestricted	2,867,737	749,468	3,617,205	12,351,128
Total net position	\$ 2,941,203	\$ 753,468	\$ 3,694,671	\$ 12,351,128

See notes to financial statements.

Town of Windsor, Connecticut

Statement of Revenues, Expenses and Changes in Fund Net Position – Proprietary Funds
Year Ended June 30, 2022

	Business-Type Activities – Enterprise Funds			Governmental
	Landfill	Other Nonmajor Enterprise Funds	Total	Internal Service Fund Activities
Operating revenues:				
User charges	\$ -	\$ 1,658,449	\$ 1,658,449	\$ 17,915,881
Other	70,000	-	70,000	-
Total operating revenues	70,000	1,658,449	1,728,449	17,915,881
Operating expenses:				
Operations and maintenance	551,161	1,778,276	2,329,437	-
Claims	-	-	-	19,906,804
Depreciation	11,929	1,000	12,929	-
Total operating expenses	563,090	1,779,276	2,342,366	19,906,804
Operating loss	(493,090)	(120,827)	(613,917)	(1,990,923)
Nonoperating revenues:				
Interest income	50,374	853	51,227	10,509
Intergovernmental	294,019	6,428	300,447	-
Total nonoperating revenues	344,393	7,281	351,674	10,509
Loss before transfers	(148,697)	(113,546)	(262,243)	(1,980,414)
Transfers in	-	120,000	120,000	-
Transfers out	-	(54,097)	(54,097)	-
Change in net position	(148,697)	(47,643)	(196,340)	(1,980,414)
Net position, beginning	3,089,900	801,111	3,891,011	14,331,542
Net position, ending	\$ 2,941,203	\$ 753,468	\$ 3,694,671	\$ 12,351,128

See notes to financial statements.

Town of Windsor, Connecticut

Statement of Cash Flows – Proprietary Funds
Year Ended June 30, 2022

	Business-Type Activities – Enterprise Funds			Governmental
	Other Nonmajor		Total	Internal
	Landfill	Enterprise Funds		Service Fund
Cash flows from operating activities:				
Receipts from customers and users	\$ 70,000	\$ 1,586,037	\$ 1,656,037	\$ 17,363,535
Payments to suppliers	(1,296,792)	(559,486)	(1,856,278)	(19,683,276)
Payments to employees	(452,936)	(1,244,772)	(1,697,708)	-
Net cash used in operating activities	(1,679,728)	(218,221)	(1,897,949)	(2,319,741)
Cash flows from noncapital financing activities:				
Intergovernmental revenue	294,019	6,428	300,447	-
Transfers in	-	120,000	120,000	-
Transfers out	-	(54,097)	(54,097)	-
Due to/from other funds	-	-	-	(427,575)
Net cash provided by (used in) noncapital financing activities	294,019	72,331	366,350	(427,575)
Cash flows from investing activities:				
Interest received	50,374	853	51,227	10,509
(Purchase)/sale of investments	924,855	47,095	971,950	437,579
Net cash provided by investing activities	975,229	47,948	1,023,177	448,088
Net decrease in cash and cash equivalents	(410,480)	(97,942)	(508,422)	(2,299,228)
Cash and cash equivalents:				
Beginning	19,421,743	848,668	20,270,411	15,157,645
Ending	\$ 19,011,263	\$ 750,726	\$ 19,761,989	\$ 12,858,417
Reconciliation of operating loss to net cash used in operating activities:				
Operating loss	\$ (493,090)	\$ (120,827)	\$ (613,917)	\$ (1,990,923)
Adjustments to reconcile operating loss to net cash used in operating activities:				
Depreciation	11,929	1,000	12,929	-
Changes in assets and liabilities:				
Decrease (increase) accounts receivable	-	(32,654)	(32,654)	(552,346)
(Decrease) increase in accounts payable	(127,238)	(25,981)	(153,219)	(128,415)
Decrease in unearned revenue	-	(39,759)	(39,759)	-
Increase (decrease) in accrued liabilities	(1,071,329)	-	(1,071,329)	351,943
Net cash (used in) operating activities	\$ (1,679,728)	\$ (218,221)	\$ (1,897,949)	\$ (2,319,741)

See notes to financial statements.

Town of Windsor, Connecticut

Statement of Fiduciary Net Position – Fiduciary Funds
June 30, 2022

	Trust Funds
Assets	
Cash and cash equivalents	\$ 985,419
Investments:	
Equity mutual funds	44,782,628
Fixed income mutual funds	22,911,464
Other Investments – real estate	5,617,367
Total investments	<u>73,311,459</u>
Contributions receivable	1,255,000
Other receivables	404
Total assets	<u>75,552,282</u>
Net position - restricted for pensions	70,312,746
Net position - restricted for other post-employment benefits	<u>5,239,536</u>
Total Net Position	<u><u>\$ 75,552,282</u></u>

See notes to financial statements.

Town of Windsor, Connecticut

Statement of Changes in Fiduciary Net Position – Fiduciary Funds
Year Ended June 30, 2022

	Trust Funds
Additions:	
Contributions:	
Employer	\$ 3,262,746
Plan members	446,671
Total contributions	<u>3,709,417</u>
Investment income:	
Net depreciation in fair value of investments	(14,491,457)
Interest and dividends	1,609,206
	<u>(12,882,251)</u>
Less investment expenses:	
Investment management fees	(24,724)
Net investment loss	<u>(12,906,975)</u>
Total additions (losses)	<u>(9,197,558)</u>
Deductions:	
Benefits	<u>(5,179,825)</u>
Change in plan net position	(14,377,383)
Net position - beginning of year	<u>89,929,665</u>
Net position - end of year	<u>\$ 75,552,282</u>

See notes to financial statements.

Town of Windsor, Connecticut

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies

Reporting entity: Windsor, Connecticut (the Town) was founded by English settlers in 1633, making it the first town in the State of Connecticut (State). The Town operates under a Council-Manager form of government and provides the following services as authorized by its Charter: public safety, public works, sanitation, health and social services, culture-recreation, education, planning and zoning, and general administrative services. The Charter was most recently revised (via referendum) in 1998. The accompanying financial statements conform to accounting principles generally accepted in the United States of America (U.S. GAAP) as applicable to governments.

U.S. GAAP requires that the reporting entity include: (1) the primary government, (2) organizations for which the primary government is financially accountable and (3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The criteria provided in Government Accounting Standards Board (GASB) Statement Codification Section 2100 have been considered and there are no agencies or entities that should be, but are not, combined in the financial statements of the Town.

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 non-fiduciary balances and activities of the Town. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

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

Accounting standards adopted in the current year: The Town adopted GASB Statement No. 87, *Leases* for the fiscal year ending June 30, 2022. GASB 87 establishes a single approach to accounting for and reporting leases by state and local governments. Under this statement, a government entity that is a lessee must recognize (1) a lease liability and (2) an intangible asset representing the lessee's right to use the leased asset. In addition, the Town must report the (1) amortization expense for using the lease asset over the shorter of the term of the lease or the useful life of the underlying asset, (2) interest expense on the lease liability and (3) note disclosures about the lease. The Statement provides exceptions from the single-approach for short-term leases, financial purchases, leases of assets that are investments and certain regulated leases. This statement also addresses accounting for lease terminations and modifications, sale-leaseback transactions, non-lease components embedded in lease contracts (such as service agreements), and leases with related parties. The implementation of this standard resulted in the Town recording a lease asset and lease liability and reclassifying lease expenditures into amortization and interest expense. The implementation of this standard also resulted in certain additional disclosures.

Town of Windsor, Connecticut

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Measurement focus, basis of accounting, and financial statement presentation: The government-wide, proprietary fund and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Property taxes are recognized as revenues in the year for which they are levied for. Intergovernmental grants and entitlements 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. Intergovernmental revenues are considered to be available if they are collected within 12 months of the end of the fiscal period. Expenditures are generally recorded when a liability is incurred except for debt service expenditures, as well as expenditures related to compensated absences, pension obligations, claims and judgments, and other post-employment benefits (OPEB) which are recorded only when payment is due (matured).

Property taxes when levied for, intergovernmental revenue when eligibility requirements are met, licenses, charges for services and interest associated with the current fiscal period, are all considered to be measurable and so have been recognized as revenues of the current fiscal period, if available. All other revenue items are considered to be measurable only when cash is received by the Town.

Governmental funds: Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the Town's major governmental funds:

The **General Fund** is the Town's primary operating fund. The General Fund is used to account for and report all financial resources not accounted for and reported in another fund.

The **Capital Projects Fund** is used to account for and report financial resources that are restricted, committed or assigned to expenditure for capital outlay other than reported in proprietary funds.

The **Education Grant Programs Fund** is used to account for and report financial resources that are restricted, committed or assigned to expenditure for educational purposes.

The **American Rescue Fund** is used to account for and report financial resources that are restricted, to expenditure for various purposes.

Town of Windsor, Connecticut

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

The other governmental funds of the Town are considered nonmajor and are as follows:

The **Special Revenue Fund** is used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

The **Debt Service Fund** is used to account for and report financial resources that are restricted, committed or assigned to expenditure for principal and interest.

The **Cafeteria Fund** is used to account for revenue and expenditures of the food service operations in the Windsor Public Schools.

The **Community Rehabilitation Program** is used to account for block grants received from the United States Department of Housing and Urban Development.

The **J. Bartash Expendable Trust Fund** is used to account for a bequest made to the Town by a former resident.

The **Treehouse Fund** accounts for revenue and expenditures for before and after school childcare provided by the school system.

The **Adult Education Fund** accounts for educational programs that are state-mandated or enrichment based.

The **Student Activities Fund** accounts for monies used to support cocurricular and extracurricular activities outside of the regular classroom that directly add value to the formal or stated curriculum.

The **Performance Bond Fund** accounts for guarantees from contractors to ensure obligations to the Town are completed.

The **Town Escrow Fund** accounts for grants received and kept by the Town until they are transferred to the ultimate party.

The **Scholarship Fund** accounts for bequests made to the Board of Education to be used for financial awards to students.

The **Capital Project – Open Space Fund** accounts for funds received through donations and appropriations from the General Fund for the acquisition and improvement of open space.

Town of Windsor, Connecticut

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Proprietary funds: Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position and cash flows. The Town reports the following major proprietary fund:

The **Landfill Fund** accounts for the operations of the Windsor-Bloomfield Sanitary Landfill.

The other proprietary funds of the Town are considered nonmajor and are as follows:

The **Child Development Center Fund**, **Caring Connection Adult Day Care Fund** and the **Resident Transfer Station Fund**.

Additionally, the Town reports the following proprietary fund:

The **Internal Service Fund** accounts for all general health, auto, fire, heart and hypertension, and workers' compensation insurance activity, including premiums and claims.

Fiduciary funds:

The **Pension Trust Fund**, a fiduciary fund, accounts for the activities of the Town's defined benefit pension plan which accumulates resources for pension benefit payments to qualified employees upon retirement.

The **OPEB Trust Fund**, a fiduciary fund, accounts for the activities of the Town's other post-employment benefit plan which accumulates resources for medical benefit payments to qualified employees upon retirement.

As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the enterprise funds and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations, which for the internal service fund include premium charges and claims. The principal operating revenues of the enterprise funds are charges to customers for services. Operating expenses for the funds include the cost of operations and maintenance, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Accounting estimates: The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets/deferred outflows and liabilities/deferred inflows and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

Town of Windsor, Connecticut

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Property taxes: Property taxes are assessed as of October 1, and are levied for on the following July 1, and due in one installment, July 1. Motor vehicle taxes are due in one installment on July 1, and supplemental motor vehicle taxes are due in full January 1. Taxes become delinquent thirty days after the installment is due. Liens are filed by the last day of the fiscal year.

Delinquent real estate taxes are billed at least twice a year, with interest charged at a rate of 1.5% per month. Delinquent motor vehicle and personal property accounts are transferred to a suspense account after three years, at which time they cease to be carried as receivables. However, they remain valid claims for up to 15 years after being levied.

Cash and cash equivalents: The Town classifies money market funds, State of Connecticut Short-Term Investment Fund (STIF) investments, treasury bills, and certificates of deposit having original maturities of three months or less when purchased as cash equivalents. Certificates of deposit are recorded at amortized cost.

Restricted cash and cash equivalents: Certain assets are classified as restricted because their use is subject to constraints imposed by creditors. Restricted cash and cash equivalents in the Capital Projects Fund are to be used for construction purposes.

Loans receivable: The Town records its loans receivable for the Community Rehabilitation Program in the special revenue funds as the loan proceeds are advanced, net of an allowance for uncollectible accounts.

Allowance for doubtful accounts: Accounts, notes receivable, and community rehabilitation loans are reported net of allowance for doubtful accounts. The allowance for doubtful accounts represents those accounts which are deemed uncollectible based on past collection history and on analysis of creditor's ability to pay. An amount of approximately \$802,000 has been established as an allowance for uncollectible taxes.

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

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

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

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

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

Town of Windsor, Connecticut

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Lessee: The Town is the lessee for noncancellable leases of equipment and property. The Town recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. The Town recognizes lease liabilities with an initial, individual value of \$5,000 or more

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

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

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

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

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

Fair value: The Town uses fair value measurements to record fair value adjustments to certain assets and to determine fair value disclosures. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is best determined based upon quoted market prices. However, in certain instances, there are no quoted market prices for certain assets or liabilities. In cases where quoted market prices are not available, fair values are based on estimates using present value or other valuation techniques. Those techniques are significantly affected by the assumptions used, including the discount rate and estimates of future cash flows. Accordingly, the fair value estimates may not be realized in an immediate settlement of the asset or liability.

Fair value measurements focus on exit prices in an orderly transaction (that is, not a forced liquidation or distressed sale) between market participants at the measurement date under current market conditions. If there has been a significant decrease in the volume and level of activity for the asset or liability, a change in valuation technique or the use of multiple valuation techniques may be appropriate. In such instances, determining the price at which willing market participants would transact at the measurement date under current market conditions depends on the facts and circumstances and requires the use of significant judgment.

The Town's fair value measurements are classified into a fair value hierarchy based on the markets in which the assets and liabilities are traded and the reliability of the assumptions used to determine fair value.

Town of Windsor, Connecticut

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

The three categories within the hierarchy are as follows:

Level 1: Quoted prices in active markets for identical assets and liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, including quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, interest rates and yield curves observable at commonly quoted intervals, implied volatilities, credit spreads, and market-corroborated inputs.

Level 3: Unobservable inputs shall be used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flows methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment.

See Note 3 for additional information regarding fair value.

Investments measured at the net asset value (NAV): Investments valued using the NAV per share (or its equivalent) generally do not have readily obtainable market values and take the form of limited partnerships. The Town values these investments based on the partnerships' audited financial statements. If June 30 statements are available, those values are used preferentially. However, some partnerships have fiscal years ending at other than June 30. If June 30 valuations are not available, the value is progressed from the most recently available valuation taking into account subsequent calls and distributions.

Inventories and prepaids: Inventories are stated at cost, determined on the first-in, first-out basis. Inventories of governmental funds are recorded as expenditures/expenses when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Deferred outflows/inflows of resources: In addition to assets, the statement of financial 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 that applies to a future period or periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Town reports a deferred charge on refunding and deferred outflows related to pension and OPEB in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. A deferred outflow of resources related to pension and OPEB results from differences between expected and actual experience, changes in assumptions or other inputs. These amounts are deferred and included in pension/OPEB expense in a systematic and rational manner.

Town of Windsor, Connecticut

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

In addition to liabilities, the statement of financial position includes a separate section for deferred inflows of resources. Deferred inflows of resources, represents an acquisition of net assets that applies to a future period or periods and so will not be recognized as an inflow of resources (revenue) until that time. The Town reports a deferred inflow of resources for advance property tax collections, a deferred inflow related to lease receivables and deferred inflows of resources related to pension and OPEB in the government-wide statement of net position. Advance property tax collections represent taxes inherently associated with a future period. This amount is recognized during the period in which the revenue is associated. The deferred inflows related to lease receivables was discussed previously. A deferred inflow of resources related to pension and OPEB results from differences between expected and actual experience, changes in assumptions or other inputs. These amounts are deferred and included in pension/OPEB expense in a systematic and rational manner.

Capital assets: Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and proprietary fund financial statements. Capital assets are defined by the Town as assets with an initial, individual cost greater than \$5,000 depending on asset classification and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend 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 using the straight-line method over the following estimated useful lives. Six months of depreciation is taken in the year the asset is put into service:

<u>Assets</u>	<u>Years</u>
Buildings	35-50
Building improvements	20
Distribution and collection systems	50-65
Public domain infrastructure	50
System infrastructure	30
Machinery and equipment	5-20

In the governmental fund financial statements, capital outlay (assets) is reported as an expenditure and no depreciation expense is reported.

Compensated absences: Under the terms of its various union contracts, Town and Board of Education employees are granted vacation in varying amounts based on length of service. Sick leave does not vest. Town employees may carry over a limited number of unused vacation days (up to 30 days) to subsequent years and, in the event of termination, employees are reimbursed for accumulated vacation. Board of Education employees may carry over a limited number of unused vacation days to the next fiscal year.

Vacation leave expenditures are recognized in the governmental fund financial statements in the current year to the extent they are paid or due (matured). The liability for the remainder of the accrued vacation earned and not due is reported in the government-wide and proprietary fund financial statements.

Town of Windsor, Connecticut

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

The General Fund is typically used to liquidate the liability for compensated absences.

Long-term obligations: In the government-wide and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type 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 as reported include unamortized bond premiums or discounts. Bond issuance costs are expensed as incurred.

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

Landfill closure and post-closure: The Town accounts for the cost and estimated costs for closure and post-closure costs in its Landfill Fund. The Landfill Fund is an enterprise fund. The fund accounts for the estimated total current costs of landfill closure and post-closure and are recognized as an expense and liability in each period in which the landfill accepts solid waste. Estimated total current costs are based on use. The landfill discontinued accepting municipal solid waste as of June 30, 2014, and has converted to a transfer station facility for residents.

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.

Net OPEB liability: The net OPEB liability is measured as the portion of the actuarial present value of projected benefits that is attributed to past periods of employee service (total OPEB liability), net of the OPEB plan's fiduciary net position. The OPEB plan's fiduciary net position is determined using the same valuation methods that are used by the OPEB plan for purposes of preparing its statement of fiduciary net position. The net OPEB 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.

Encumbrances: Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation, is utilized in the governmental funds. Encumbrances outstanding at year-end are reported as assigned fund balance as they do not constitute either expenditures or liabilities.

All other General Fund appropriations lapse at year-end.

Town of Windsor, Connecticut

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Net position: In the Government-wide and proprietary fund financial statements, net position is classified in the following categories:

Net investment in capital assets: The net investment in capital assets 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 those assets. 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 legislations.

Unrestricted net position (deficit): This category represents the net position of the Town, which are not restricted for any project or other purpose. A deficit will require future funding.

Fund balance: In the government fund financial statements, the Town classifies fund balances as follows:

Nonspendable fund balance: Amounts which cannot be spent either because they are in a nonspendable 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 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 legislations.

Committed fund balance: This represents amounts constrained prior to year-end for a specific purpose by a government using its highest level of decision-making authority (Town of Windsor Town Council) in the form of a Resolution. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken to remove or revise the limitation.

Assigned fund balance: Amounts constrained for the intent to be used for a specific purpose by a governing board or a body or official that has been delegated authority to assign amounts. Under the Town's adopted policy, the Town Manager or the Finance Director has the authority to assign amounts for a specific purpose as delegated by the Town Council.

Unassigned fund balance (deficit): 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.

When both restricted and unrestricted amounts are available for use, it is the Town's practice to use restricted resources first. Additionally, the Town would first use committed, then assigned, and lastly unassigned.

Town of Windsor, Connecticut

Notes to Financial Statements

Note 2. Reconciliation of Government-wide and Fund Financial Statements

Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position: The governmental fund balance sheet includes reconciliation between fund balance – total governmental funds, and net position – governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains that long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds. The details of this difference are as follows:

Bonds payable	\$ 67,235,000
Premiums, net of amortization	3,926,074
Compensated absences	837,545
Lease liability	210,817
Net pension liability	37,331,254
Net pension liability – CMERS	7,017,968
Net OPEB liability	47,207,632
Net adjustment to reduce fund balance – total governmental funds to arrive at net position – governmental activities	<u>\$ 163,766,290</u>

Explanation of certain differences between the governmental fund statement of revenues, expenditures and changes in fund balances and the government-wide statement of activities: The governmental fund statement of revenues, expenditures and changes in fund balances includes reconciliation between net changes in fund balances – total governmental funds, and changes in net position of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The details of this difference are as follows:

Capital outlay	\$ 17,273,989
Depreciation expense	(8,470,508)
Net adjustment to increase net changes in fund balances – total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 8,803,481</u>

Another element of that reconciliation states that 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. The details of this difference are as follows:

Debt issued or incurred:	
Issuance of general obligation bonds	\$ 6,725,000
Principal repayments:	
Lease payments	(68,374)
General obligation debt	(6,740,000)
Amortization:	
Bond premium	54,860
Loss on refundings	73,465
Net adjustment to increase net changes in fund balances – total governmental funds to arrive at change in net position of governmental activities	<u>\$ 44,951</u>

Town of Windsor, Connecticut

Notes to Financial Statements

Note 2. Reconciliation of Government-wide and Fund Financial Statements (Continued)

Another element of that reconciliation states that 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. The details of this difference are as follows:

Change in:	
Compensated absences	\$ (63,641)
Accrued interest	(17,140)
Net pension liability – CMERS	(2,189,922)
Net pension liability	20,851,166
Net OPEB liability	<u>(11,968,077)</u>
Net adjustment to increase net changes in fund balances – total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 6,612,386</u>

Note 3. Cash, Cash Equivalents and Investments

Deposits: Town deposits can include demand accounts, savings accounts and certificates of deposits. The Town's policy for custodial credit risk follows the State requirements that each depository maintains segregated collateral in an amount equal to a defined percentage of its public deposits based upon the bank's risk-based capital ratio.

Investments: Town policy for eligible investments are governed by Connecticut State Statutes (Statutes) which, in general, allow the Town to invest in obligations of the United States of America or United States government sponsored corporations, in shares or other interests in any custodial arrangement, pool, or no-load, open-end management type investment company or investment trust (as defined), in obligations of any state or political subdivision rated within the top two rating categories of any nationally recognized rating service, or in obligations of the State or political subdivision rated within the top three rating categories of any nationally recognized rating service. 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 laws applicable to fiduciaries and the provisions of the applicable plan.

The Town has an investment policy for its pension and OPEB funds providing a target asset allocation of 51% equities (or equivalents), 29% fixed income, 15% asset allocation funds, and 5% real estate.

Town of Windsor, Connecticut

Notes to Financial Statements

Note 3. Cash, Cash Equivalents and Investments (Continued)

With respect to mutual/co-mingled funds, the Town Retirement Plan Committee will consider the following to insure proper diversification and function of each of the funds:

- a. The mutual fund/co-mingled pool organizations selected should demonstrate:
(a) a clearly defined investment philosophy; (b) a consistent investment process; (c) an experienced and stable organization; and (d) cost-effectiveness.
- b. The mutual fund/co-mingled pool used will generally have at least a full three-year track record, or its equivalent, and the individual fund/pool must have at least \$25 million under management (or, as an organization, \$100 million in the same strategy) at the time of selection.
- c. Each mutual fund/co-mingled pool will be regularly evaluated for proper diversity and each will provide material information on a timely basis.
- d. With respect to hedge fund-of-funds, in addition to meeting each of the three above-specified criteria, each fund-of-funds will include an appropriate number of hedge fund managers to be considered well diversified. Investment strategies in hedge fund-of-funds may generally include: long/short U.S. equity, global equity, derivatives, distressed debt and other fixed income strategies, currency exposure, arbitrage and event driven strategies, and additional strategies with low correlation to traditional asset classes.

Interest rate risk: The Town's policy, which includes the Pension Trust Fund and the OPEB Trust Fund, is to limit its exposure to fair value losses arising from changes in interest rates by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity, and investing operating funds primarily in shorter-term securities, money market mutual funds, or similar investment pools.

Concentrations: The Town's policy is to maintain a diversified portfolio to minimize the risk of loss resulting from over concentration of assets in a specific issuer. There are no concentrations that are required to be reported.

Custodial credit risk:

Deposits: This is the risk that, in the event of failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. As of June 30, 2022, approximately \$98,470,000 of the Town's bank balance of approximately \$111,165,000 was uninsured and uncollateralized.

Investments: Custodial credit risk for an investment is the risk that, in the event of the failure of the counterparty (the institution that pledges collateral or repurchase agreement securities to the Town or that sells investments to or buys them for the Town), the Town or plans will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Town's or plan's individual investments in fixed income securities and equities are uninsured and registered securities held by a counterparty, or by its trust department or agent that are in the Town's or pension plan's name. The Town or the pension and OPEB plans do not have a custodial credit risk policy for investments.

Town of Windsor, Connecticut

Notes to Financial Statements

Note 3. Cash, Cash Equivalents and Investments (Continued)

Cash, restricted cash and investments of the Town consist of the following at June 30, 2022:

Cash, restricted cash and equivalents:	
Deposits with financial institutions	\$ 109,911,227
Short Term Investment Fund	1,393
Total cash, restricted cash and equivalents	<u>109,912,620</u>
Less certificates of deposits classified as investments	(7,651,132)
	<u>102,261,488</u>
Pension and OPEB trust funds:	
Equity mutual funds	44,782,628
Fixed income mutual funds	22,911,464
Real estate fund	5,617,367
Total pension and OPEB investments	<u>73,311,459</u>
Total cash, cash equivalents and investments	<u>\$ 183,224,079</u>

* These investments are uninsured and unregistered, with securities held by the counterparty, in the Town's or pension or OPEB trust's name.

Cash, cash equivalents and investments are classified in the accompanying financial statements as follows:

Statement of net position:	
Cash and cash equivalents	\$ 96,432,558
Investments – certificates of deposit	7,651,132
	<u>108,927,201</u>
Fiduciary funds:	
Cash and cash equivalents	985,419
Investments	73,311,459
	<u>74,296,878</u>
Total cash, cash equivalents and investments	<u>\$ 183,224,079</u>

Interest rate risk: This 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. Information about the exposure of the Town's debt-type investments to this risk using the segmented time distribution model is as follows:

Type of Investment	Fair Value	Investment Maturities			
		Less Than 1 Year	1-5 Years	6-10 Years	Over 10 Years
Fiduciary Funds:					
Fixed income mutual funds	\$ 22,911,464	\$ (1,436,028)	\$ 7,132,604	\$ 5,259,315	\$ 11,955,573
Total	<u>\$ 22,911,464</u>	<u>\$ (1,436,028)</u>	<u>\$ 7,132,604</u>	<u>\$ 5,259,315</u>	<u>\$ 11,955,573</u>

Town of Windsor, Connecticut

Notes to Financial Statements

Note 3. Cash, Cash Equivalents and Investments (Continued)

Credit risk: Generally, credit risk is the risk that an issuer of a debt-type investment will not fulfill its obligation to the holder of the investment. This is measured by assignment of a rating by a nationally recognized rating organization. U.S. government securities or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk exposure. The Town does not have a formal policy for credit risk. Presented below is the minimum rating as required for each debt-type investment.

Average rating	Fixed Income Mutual Funds
AAA	\$ 11,108,395
AA	1,710,984
A	2,134,025
BBB	3,513,612
BB	1,732,274
B	689,034
Below B	361,016
Unrated	1,662,124
Total	\$ 22,911,464

Fair value: The plan categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The plan has the following recurring fair value measurements as of June 30, 2022:

	Fair Value Measurements Using		
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Other Observable Inputs (Level 3)
June 30, 2022			
Investments by fair value level:			
Equity mutual funds	\$ 44,782,628	\$ 44,782,628	\$ -
Fixed income mutual funds	22,911,464	22,911,464	-
Total investments by fair value level	67,694,092	\$ 67,694,092	\$ -
Investments measured at the NAV:			
Real estate fund	5,617,367		
Total investments measured at the NAV	5,617,367		
Total investments	\$ 73,311,459		

Real estate fund: This type includes real estate investments in U.S. residential, hotel, industrial office, retail, land, and development properties. In addition, this fund invests in mezzanine loans. The fair value of this investment has been determined using NAV per share (or its equivalent) of the plan's ownership interest in partners' capital. The values are based upon independent appraisals, estimated sales proceeds or the manager's opinion of value. The fair values do not reflect transaction sale costs or prepayment costs, which may be incurred upon disposition of the investment or instrument. There are no unfunded commitments.

Town of Windsor, Connecticut

Notes to Financial Statements

Note 4. Capital Assets

Capital asset activity for the year ended June 30, 2022, was as follows:

	Beginning Balance*	Increases/ Transfers	Decreases/ Transfers	Ending Balance
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 7,034,284	\$ -	\$ -	\$ 7,034,284
Construction in progress	20,300,418	16,767,446	7,943,662	29,124,202
Total capital assets not being depreciated	27,334,702	16,767,446	7,943,662	36,158,486
Capital assets being depreciated:				
Buildings and improvements	163,811,928	4,770,561	-	168,582,489
Machinery and equipment	50,236,062	2,145,101	347,685	52,033,478
Infrastructure	105,225,900	1,534,543	-	106,760,443
Right-to-use leased equipment	279,191	-	-	279,191
Total capital assets being depreciated	319,553,081	8,450,205	347,685	327,655,601
Less accumulated depreciation for:				
Buildings and improvements	87,674,333	4,405,174	-	92,079,507
Machinery and equipment	29,872,251	2,551,328	347,685	32,075,894
Infrastructure	85,318,215	1,448,042	-	86,766,257
Right-to-use leased equipment	-	65,964	-	65,964
Total accumulated depreciation	202,864,799	8,470,508	347,685	210,987,622
Total capital assets being depreciated, net	116,688,282	(20,303)	-	116,667,979
Governmental activities capital assets, net	\$ 144,022,984	\$ 16,747,143	\$ 7,943,662	\$ 152,826,465
Business-type activities:				
Capital assets being depreciated:				
Buildings and improvements	\$ 359,027	\$ -	\$ -	\$ 359,027
Machinery and equipment	3,251,513	-	-	3,251,513
Total capital assets being depreciated	3,610,540	-	-	3,610,540
Less accumulated depreciation for:				
Buildings and improvements	334,972	1,846	-	336,818
Machinery and equipment	3,185,173	11,083	-	3,196,256
Total accumulated depreciation	3,520,145	12,929	-	3,533,074
Total business-type capital assets, net	\$ 90,395	\$ (12,929)	\$ -	\$ 77,466

- As restated for GASB No. 87 Leases

Town of Windsor, Connecticut

Notes to Financial Statements

Note 4. Capital Assets (Continued)

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

Governmental activities:	
Education	\$ 3,920,008
General government	620,044
Culture and recreation	546,460
Human services	129,090
Public safety	2,290,711
Public works	964,195
Total depreciation expense – governmental activities	<u>\$ 8,470,508</u>
Business-type activities:	
Landfill	\$ 11,929
Child development	1,000
Total depreciation expense – business-type activities	<u>\$ 12,929</u>

Note 5. Interfund Receivables, Payables and Transfers

During the course of operations, transactions are processed through a fund on-behalf of another fund. A summary of interfund balances as of June 30, 2022, is presented below:

	Due From Other Funds	Due to Other Funds
General Fund	\$ 3,564,699	\$ 527,575
Educational Grant Fund	-	3,341,635
Internal Service Fund	527,575	-
Nonmajor Governmental Funds	-	223,064
	<u>\$ 4,092,274</u>	<u>\$ 4,092,274</u>

The outstanding balances between funds result mainly 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 during the year ended June 30, 2022, were as follows:

	Transfers In				
	General Fund	Capital Projects Fund	Nonmajor Governmental Funds	Nonmajor Enterprise Funds	Total Transfers Out
General Fund	\$ -	\$ 3,720,000	\$ 8,046,030	\$ 120,000	\$ 11,886,030
Nonmajor enterprise funds	54,097	-	-	-	54,097
Total transfers in	<u>\$ 54,097</u>	<u>\$ 3,720,000</u>	<u>\$ 8,046,030</u>	<u>\$ 120,000</u>	<u>\$ 11,940,127</u>

Town of Windsor, Connecticut

Notes to Financial Statements

Note 5. Interfund Receivables, Payables and Transfers (Continued)

Transfers from the General Fund to the Debt Service Fund reported as a nonmajor governmental fund represent the Town's payment toward debt service on bonds outstanding. The remaining transfers primarily consisted of financing by the General Fund of programs accounted for in other funds in accordance with budgetary authorizations. The Capital Projects Fund received \$2,375,000 from the General Fund General Services Capital Projects budget to fund various projects and \$1,345,000 from the General Fund Unassigned Fund Balance to fund fire equipment purchases, install new traffic signal technology on Day Hill Road, replace the Chaffee House roof, a phone system replacement project, the track replacement project at O'Brien Stadium and new HVAC equipment at 330 Windsor Avenue Community Center. The Open Space Fund received \$200,000 from the General Fund General Services Capital Projects budget.

Note 6. Unearned Revenue/Deferred Inflows of Resources

Governmental funds report deferred inflows of resources in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds and governmental activities also report unearned revenue in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of unearned revenue and unavailable revenues reported in the governmental funds such as prepaid program fees:

	Unavailable Resources	Unearned Revenues
General Fund:		
Property taxes	\$ 1,324,650	\$ -
Advance tax collections	3,850,171	-
Lease related	3,640,175	
Other receivables	49,524	-
	<u>8,864,520</u>	<u>-</u>
American Rescue Fund - Unearned		3,683,037
Education Grants Fund - Unearned		648,585
Other governmental funds:		
Other receivables	187,056	2,010,814
	<u>187,056</u>	<u>2,010,814</u>
Total	<u>\$ 9,051,576</u>	<u>\$ 6,342,436</u>

Town of Windsor, Connecticut

Notes to Financial Statements

Note 7. Long-Term Liabilities

A summary of changes in outstanding long-term obligations during the year ended June 30, 2022, is as follows:

	Beginning Balance*	Increases	Decreases	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable:					
General obligation bonds	\$ 67,250,000	\$ 6,725,000	\$ 6,740,000	\$ 67,235,000	\$ 7,165,000
Unamortized premiums	3,871,214	265,804	210,944	3,926,074	-
	<u>71,121,214</u>	<u>6,990,804</u>	<u>6,950,944</u>	<u>71,161,074</u>	<u>7,165,000</u>
Other long-term liabilities:					
Compensated absences	901,186	836,403	900,044	837,545	209,386
Lease liability*	279,191	-	68,374	210,817	68,633
Net pension liability	16,480,088	20,851,166	-	37,331,254	-
Net pension liability – Connecticut					
Municipal Employees					
Retirement System (CMERS)	9,207,890	-	2,189,922	7,017,968	-
Net OPEB liability	59,175,709	-	11,968,077	47,207,632	-
	<u>86,044,064</u>	<u>21,687,569</u>	<u>15,126,417</u>	<u>92,605,216</u>	<u>278,019</u>
Governmental activities long-term liabilities	<u>\$ 157,165,278</u>	<u>\$ 28,678,373</u>	<u>\$ 22,077,361</u>	<u>\$ 163,766,290</u>	<u>\$ 7,443,019</u>
Business-type activities:					
Other long-term liabilities:					
Compensated absences	\$ 79,956	\$ 74,203	\$ 79,046	\$ 75,113	\$ 18,778
Landfill post closure costs	18,701,500	-	1,061,500	17,640,000	705,600
Total other long-term liabilities	<u>18,781,456</u>	<u>74,203</u>	<u>1,140,546</u>	<u>17,715,113</u>	<u>724,378</u>
Business-type activities long-term liabilities	<u>\$ 18,781,456</u>	<u>\$ 74,203</u>	<u>\$ 1,140,546</u>	<u>\$ 17,715,113</u>	<u>\$ 724,378</u>

All long-term liabilities for governmental activities are liquidated by the General Fund.

*As restated for GASB 87 – See Note 1

Town of Windsor, Connecticut

Notes to Financial Statements

Note 7. Long-Term Liabilities (Continued)

General obligation bonds: As of June 30, 2022, the outstanding general obligation bonds of the Town were as follows:

Town of Windsor Debt Outstanding Purpose	Maturity Ranges	Issued	Interest Rate	Original Amount	Balance June 30, 2022
General Purpose:					
Public Refunding	\$45,000 - \$1,415,000	2014	2.0-4.0	\$ 3,355,000	\$ 538,000
Public General Obligation	\$310,000 - \$315,000	2016	2.0	3,755,000	1,880,000
Public General Obligation	\$213,000	2017	2.0-4.0	4,260,000	1,917,000
Public Refunding	\$53,000 - \$1,573,000	2017	2.0-4.0	5,657,000	641,000
Public General Obligation	\$195,000 - \$215,000	2018	2.0-5.0	3,135,000	630,000
Public General Obligation	\$404,000 - \$405,000	2019	2.0-5.0	8,085,000	6,873,000
Public General Obligation	\$675,000 - \$710,000	2020	2.0-5.0	14,140,000	12,720,000
Public Refunding	\$217,000 - \$1,377,000	2021	.025-4.0	7,965,000	6,451,000
Public General Obligation	\$1,105,000 - \$1,130,000	2021	2.0-5.0	16,895,000	15,770,000
Public General Obligation	\$175,000 - \$200,000	2022	3.0-5.0	2,905,000	2,905,000
Total general purpose				<u>70,152,000</u>	<u>50,325,000</u>
Schools:					
School General Obligation Refunding	\$45,000 - \$1,415,000	2014	2.0-4.0	915,000	142,000
School General Obligation	\$40,000 - \$50,000	2016	2.0	530,000	250,000
School General Obligation	\$82,000 - \$87,000	2017	2.0-4.0	1,685,000	758,000
School Refunding	\$47,000 - \$1,297,000	2017	2.0-4.0	3,568,000	244,000
School General Obligation	\$255,000 - \$240,000	2018	2.0-5.0	3,630,000	720,000
School General Obligation	\$95,000 - \$96,000	2019	2.0-5.0	1,915,000	1,627,000
School General Obligation	\$70,000 - \$75,000	2020	2.0-5.0	1,430,000	1,290,000
School Refunding	\$88,000 - \$473,000	2021	.025-4.0	4,500,000	3,979,000
School Improvements	\$285,000 - \$295,000	2021	2.0-5.0	4,375,000	4,080,000
School Improvements	\$250,000 - \$270,000	2022	3.0-5.0	3,820,000	3,820,000
Total schools				<u>26,368,000</u>	<u>16,910,000</u>
Grand total				<u>\$ 96,520,000</u>	<u>\$ 67,235,000</u>

The following is a summary as of June 30, 2022, of the future principal and interest requirements for the Town's general obligation bonds:

Fiscal years ending June 30:	Principal	Interest	Total
2023	\$ 7,165,000	\$ 1,901,228	\$ 9,066,228
2024	6,200,000	1,640,316	7,840,316
2025	5,220,000	1,422,977	6,642,977
2026	4,585,000	1,234,722	5,819,722
2027	4,540,000	1,071,615	5,611,615
2028-2032	19,965,000	3,649,963	23,614,963
2033-2037	16,250,000	1,487,628	17,737,628
2038-2040	3,310,000	144,420	3,454,420
Total	<u>\$ 67,235,000</u>	<u>\$ 12,552,869</u>	<u>\$ 79,787,869</u>

Town of Windsor, Connecticut

Notes to Financial Statements

Note 7. Long-Term Liabilities (Continued)

Debt limitation: The Town's indebtedness (including authorized but unissued bonds, net of principal reimbursements expected from the State) does not exceed the legal debt limitation as required by the Connecticut General Statutes as reflected in the following schedule:

Category	Debt Limit	Indebtedness	Balance
General purpose	\$ 241,451,359	\$ 67,515,000	\$ 173,936,359
Unfunded pension benefit obligation	321,935,145	-	321,935,145
Schools	482,902,718	17,815,000	465,087,718
Sewers	402,418,931	70,296,722	332,122,209
Urban renewal	348,763,074	-	348,763,074

The total overall statutory debt limit for the Town is equal to seven times annual receipts from taxation, or \$751,182,005.

Bonds authorized but unissued: Total authorized but unissued debt at June 30, 2022, consists of the following:

Town	<u><u>\$ 4,520,000</u></u>
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Bond anticipation notes: In June 2022, the Town repaid \$2,610,000 in bond anticipation notes that had been issued with an interest rate of 2.00%. The notes were used to fund certain capital projects for which there were grants or rebate reimbursements forthcoming.

Bond anticipation note transactions for the year ended June 30, 2022, were as follows:

Outstanding, July 1, 2021	\$ 2,610,000
New borrowings	-
Repayments	<u>(2,610,000)</u>
Outstanding, June 30, 2022	<u><u>\$ -</u></u>

Note 8. Employee Retirement Plans

Employee pension plans: The Town maintains the Town of Windsor Retirement Plan, a single-employer, public employee retirement system (PERS), which covers all Town employees (except police officers) and all employees of the Board of Education not eligible for membership in the State of Connecticut Teacher's Retirement Plan, hired before July 1, 2011 (before November 1, 2011 for the Teamster Local 671 bargaining unit and before November 1, 2012, for the United Public Service Employee Union Local 424). The PERS plan does not issue a separate stand-alone financial report.

Plan administration: The general administration and management of the Town pension plan and the responsibility for carrying out the provision of the plan shall be placed in the Town Retirement Plan Committee. The Town Retirement Plan Committee shall consist of the Town Manager, Finance Director, Superintendent of Schools and an employee of the Board of Education (BOE) designated by the Superintendent of Schools.

Town of Windsor, Connecticut

Notes to Financial Statements

Note 8. Employee Retirement Plans (Continued)

The Town also participates in the statewide State of Connecticut Municipal Employees Retirement System (CMERS), a multiple-employer, cost-sharing public employee retirement system that covers all of the police officers of the Town.

The certified faculty and administrative personnel of the Board of Education participate in a contributory retirement plan (non-contributory for the employer) administered by the Connecticut State Teachers' Retirement Board.

The membership in the PERS at July 1, 2021, the date of the actuarial valuation, is comprised of the following:

Retirees and beneficiaries currently receiving benefits	256
Vested terminated employees	52
Active members	161
Total	<u>469</u>

Funding policy: The contribution requirements of plan members are established and may be amended by the Town Council and Board of Education, subject to union contract negotiation. Non-affiliated administrative employees, public works/clerical employees' collective bargaining group and public safety dispatchers are required to contribute 5% of their earnings. If an employee leaves covered employment or dies before meeting the vesting requirements, accumulated employee contributions and interest thereon are refunded. The Town is required to contribute the remaining amounts necessary to finance the benefits for its employees. As determined by the Town's actuaries, the current rate is 23.18% of annual covered payroll. The direct management costs of the plan (fund manager, trustee) are paid for by the Pension Fund. The Town pays the cost of monitoring the plan (advisor) and administering its plan (actuary) through an additional annual budget appropriation. The benefits and refunds of the plan are recognized when due and payable in accordance with the terms of the plan.

Investments:

Investment policy: The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the Retirement Plan Committee. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the pension plan. The following was the adopted allocation policy as of June 30, 2022.

Asset Class	Index	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Core Fixed Income	Barclays Aggregate	34.25%	1.37%
U.S. Equity Market	Russell 3000	30.00%	5.33%
Global Equity	MSCI ACW NR	9.75%	5.81%
Non-U.S. Equity	MSCI ACW xUS NR	21.00%	6.74%
Private Real Estate Property	NCREIF Property	5.00%	4.62%

Town of Windsor, Connecticut

Notes to Financial Statements

Note 8. Employee Retirement Plans (Continued)

The long-term expected rate of return on the Town plan's investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Town plan's target asset allocation as of June 30, 2022, are summarized in the table above.

Rate of return: For the year ended June 30, 2022, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was -14.41%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Discount rate: The discount rate used to measure the total pension liability was 6.5%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from the Town will be made at contractually required rates, actuarially determined. 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.

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

Net Pension Liability

Total pension liability	\$ 107,644,000
Fiduciary net position	70,312,746
Net pension liability	37,331,254
Fiduciary net position as a percentage of total pension liability	65.32%
Covered payroll	10,844,689
Net pension liability as a percentage of covered payroll	344.24%

Actuarial assumptions: The total pension liability was determined by an actuarial valuation as of July 1, 2021, calculated based on the discount rate and actuarial assumptions below, and then was projected forward to the measurement date June 30, 2022.

Discount rate:

Investment Rate of Return	6.500%
Long-term expected rate of return, net of investment expense	6.500%

Town of Windsor, Connecticut

Notes to Financial Statements

Note 8. Employee Retirement Plans (Continued)

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

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balances at June 30, 2021	\$ 100,959,000	\$ 84,478,906	\$ 16,480,094
Changes for the year:			
Service cost	854,610	-	854,610
Interest on total pension liability	6,824,123	-	6,824,123
Effect of economic/demographic gains or losses	143,237	-	143,237
Effect of assumptions changes or inputs	4,056,601	-	4,056,601
Benefit payments	(5,193,571)	(5,193,571)	-
Employer contributions	-	2,513,586	(2,513,586)
Member contributions	-	446,671	(446,671)
Net investment income	-	(11,909,991)	11,909,991
Administrative expense	-	(22,855)	22,855
Net changes	6,685,000	(14,166,160)	20,851,160
Balances at June 30, 2022	<u>\$ 107,644,000</u>	<u>\$ 70,312,746</u>	<u>\$ 37,331,254</u>

Other key actuarial assumptions:

Valuation date	July 1, 2021
Measurement date	June 30, 2022
Inflation	2.75%
Salary increases including inflation	3.50%
Mortality	Pub-2010 Mortality Table with generational projection per the MP – 2019 Ultimate Scale
Actuarial cost method	Entry Age Normal

Sensitivity analysis: The following table presents the net pension liability of the Town, calculated using the discount rate of 6.50%, as well as what the Town's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.50%) or 1 percentage point higher (7.50%) than the current rate.

	1% Decrease 5.500%	Current Discount Rate 6.500%	1% Increase 7.500%
Net pension liability	<u>\$ 50,348,591</u>	<u>\$ 37,331,254</u>	<u>\$ 26,799,628</u>

Town of Windsor, Connecticut

Notes to Financial Statements

Note 8. Employee Retirement Plans (Continued)

For the year ended June 30, 2022, the Town recognized pension expense of \$6,609,507 for the Town pension. At June 30, 2022, the Town reported deferred outflows of resources and deferred inflows of resources related to the Town pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 58,980	\$ -
Change of assumptions	1,670,365	-
Net difference between expected and actual earnings	7,467,131	-
Total	<u>\$ 9,196,476</u>	<u>\$ -</u>

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

Years ending June 30:	
2023	\$ 3,622,722
2024	1,264,373
2025	781,052
2026	3,528,329
Thereafter	-

Town of Windsor, Connecticut

Notes to Financial Statements

Note 8. Employee Retirement Plans (Continued)

**Schedule of Plan Net Position
June 30, 2022**

	Pension Trust Fund	OPEB Trust Other Post- Employment Benefit Fund	Total
	Town Pension Fund		
Assets			
Cash	\$ 967,542	\$ 17,877	\$ 985,419
	<u>967,542</u>	<u>17,877</u>	<u>985,419</u>
Investments:			
Equity mutual funds	41,472,465	3,310,163	44,782,628
Fixed income mutual funds	20,999,981	1,911,483	22,911,464
Other investments - real estate	5,617,367	-	5,617,367
Total investments	<u>68,089,813</u>	<u>5,221,646</u>	<u>73,311,459</u>
Contributions receivable	1,255,000	-	1,255,000
Other receivables	391	13	404
Total assets	<u>70,312,746</u>	<u>5,239,536</u>	<u>75,552,282</u>
Net position – restricted for pension benefits and OPEB	<u>\$ 70,312,746</u>	<u>\$ 5,239,536</u>	<u>\$ 75,552,282</u>

Town of Windsor, Connecticut

Notes to Financial Statements

Note 8. Employee Retirement Plans (Continued)

**Schedule of Changes in Plan Net Position
Year Ended June 30, 2022**

	Pension Trust Fund	OPEB Trust Other Post- Employment Benefit Fund	Total
	Town Pension Fund		
Additions:			
Employer contributions	\$ 2,512,746	\$ 750,000	\$ 3,262,746
Plan members	446,671	-	446,671
Total contributions	<u>2,959,417</u>	<u>750,000</u>	<u>3,709,417</u>
Investment income:			
Net depreciation in fair value of investments	(13,413,506)	(1,077,951)	(14,491,457)
Interest and dividends	1,490,609	118,597	1,609,206
Less investment expenses:			
Investment management fees	(22,855)	(1,869)	(24,724)
Net investment loss	<u>(11,945,752)</u>	<u>(961,223)</u>	<u>(12,906,975)</u>
Total deletions	<u>(8,986,335)</u>	<u>(211,223)</u>	<u>(9,197,558)</u>
Deductions:			
Benefits	(5,179,825)	-	(5,179,825)
Change in net position	(14,166,160)	(211,223)	(14,377,383)
Net position, restricted for pensions and OPEB:			
Beginning of year	84,478,906	5,450,759	89,929,665
End of year	<u>\$ 70,312,746</u>	<u>\$ 5,239,536</u>	<u>\$ 75,552,282</u>

Town of Windsor, Connecticut

Notes to Financial Statements

Note 8. Employee Retirement Plans (Continued)

Town of Windsor retirement plan – defined contribution pension plan: As part of the FY 2012 budget process, management took steps to reduce the Town's cost of providing retirement benefits for future employees. To help mitigate future increases in retirement costs, the Town Council voted to amend the Personnel Rules requiring all non-affiliated full-time employees hired after July 1, 2011, to participate in a 401(a) defined contribution plan. This plan is not reported as a fiduciary fund by the Town as it does not meet the reporting criteria. All members of the Teamsters Local 671 collective bargaining unit hired after November 1, 2011, are required to participate in a 401(a) defined contribution plan. All members of the United Public Service Employees Union Local 424 (Public Safety Dispatchers) collective bargaining unit hired on or after November 1, 2012, are required to participate in a 401(a) defined contribution plan. As of July 1, 2013, all new hires of the Board of Education (excluding teachers), regardless of affiliation, participate in a 401(a) defined contribution plan.

The Defined Contribution Plan requires the Town to contribute 5.5% of each participant's salary. Employees are also required to contribute 5.5% of their salary and may make additional contributions subject to IRS regulations. Town contributions to the plan amounted to \$254,191 for the year. The assets for the plan are held by MissionSquare Retirement. The balance of the plan is not reflected in the accompanying financial statements of the Town, as the Town's role in the administration of the plan is limited.

Connecticut Municipal Employees' Retirement Fund B: All uniformed police officers of the Town participate in a cost-sharing multiple-employer defined benefit pension plan administered by the CMERS. Under a cost-sharing plan, pension obligations for employees of all employers are pooled and plan assets are available to pay the benefits of the employees of any participating employer providing pension benefits through the plan, regardless of the status of the employers' payment of its pension obligation to the plan. The plan provides retirement and disability benefits and death benefits to plan members and beneficiaries. The System issues a publicly available financial report that includes financial statements and required supplementary information for the plans. The report 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 active service, or 15-year 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 under certain conditions.

Normal Retirement: For members not covered by social security: 2% of the average of the three highest paid years of service times the years of service. For members covered by social security: 1.5% of the average final compensation not in excess of the year's breakpoint plus 2% of average final compensation in excess of the year's breakpoint, times years of service. Maximum benefit is 100% of the average final compensation and the minimum benefit of \$1,000 annually. The breakpoint is \$10,700 increased by 6% each year after 1982, rounded to the nearest multiple of \$100.

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

Town of Windsor, Connecticut

Notes to Financial Statements

Note 8. Employee Retirement Plans (Continued)

Disability Retirement – Service connected: This applies to employees who are totally and permanently disabled from engaging in any gainful employment in the service of the Authority provided such disability has arisen out of and in the course of his/her employment with the Authority. Disability due to hypertension or heart disease, in the case of firemen and police is presumed to have been suffered in the line of duty. Benefits are deferred to normal retirement age, or on an actuarially reduced allowance may begin at the time of separation.

Disability Retirement – Non-Service Connected: This applies to employees who have 10 years of service and permanently and totally disabled. Benefits are calculated as a service retirement allowance based on compensation and service to the date of 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 – by members: For members not covered by social security: 5% of compensation. For members covered by the Social security: 2.25% of compensation up to the social security taxable wage base plus 5% of compensation, if any, in excess of such base. Effective July 1, 2019, member contribution rates are set to increase by .50% of compensation each year for six years.

Contributions – by employer: Participating entities 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 the System not met by member contributions.

Assumptions: The total pension liability was determined using the following actuarial assumptions applied to all periods included in the measurement:

Valuation date	6/30/21
Actuarial cost method	Entry age normal
Amortization method	Level dollar, closed
Remaining amortization period	18 years
Investment rate return	7.00%, net of investment related expense
Projected salary increases	3.50% to 10.00% including inflation
Inflation	2.50%

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

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

Future cost-of-living adjustments for members who retire on or after January 1, 2002, are 3.25% for those who have reached age 65 and increases of 2.50% are assumed for those who have not reached age 65. For members that have retired after December 31, 2001, increase of 2.50% are assumed regardless of age.

Town of Windsor, Connecticut

Notes to Financial Statements

Note 8. Employee Retirement Plans (Continued)

The long-term expected rate of return: The long-term expected rate of return on pension plan investments was determined using a lognormal 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 target asset allocation and most recent best estimates of arithmetic real rates of return for each major asset class are to be provided by the Fiduciary of the Plan.

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	20.00%	5.3%
Developed Market International	11.00%	5.1%
Emerging Market International	9.00%	7.4%
Core Fixed Income	16.00%	1.6%
Inflation Linked Bond	5.00%	1.3%
Emerging Market Debt	5.00%	1.3%
High Yield Bonds	6.00%	3.4%
Real Estate	10.00%	4.7%
Private Equity	10.00%	7.3%
Alternative Investments	7.00%	3.2%
Liquidity Fund	1.00%	9.0%
	100.00%	

Discount rate: The discount rate used to measure the total pension liability was 7%. 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 rates in 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.

Pension liability, pension expense and deferred outflows of resources and deferred inflows of resources: At June 30, 2022, the Town reported a net pension liability of \$7,017,968 for its proportionate share of the net pension liability related to its participation in CMERS. The net pension liability was determined by an actuarial valuation as of June 30, 2021. 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 total contributions of all participants, actuarially determined. At June 30, 2021, the Town's proportion was 2.98%. The decrease in proportion from 2020 was 2.83%.

Town of Windsor, Connecticut

Notes to Financial Statements

Note 8. Employee Retirement Plans (Continued)

For the year ended June 30, 2022, the Town recognized CMERS pension expense of \$1,255,509 related to the CMERS plan. At June 30, 2022, the Town reported deferred outflows of resources related to CMERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ (278,444)
Change of actuarial assumptions	719,580	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	(3,023,866)
Net difference between expected and actual earnings	1,163,355	-
Town contributions made after measurement date	1,306,544	-
Total	<u>\$ 3,189,479</u>	<u>\$ (3,302,310)</u>

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

Years ending June 30:

2022	\$ 141,580
2023	(481,233)
2024	(465,694)
2025	(614,028)
2026	-
Thereafter	-

Sensitivity of the net pension liability to changes in the discount rate: The following presents the net pension liability of CMERS, calculated using the discount rate of 7%, as well as what the System's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6%) or 1-percentage-point higher (8%) than the current rate:

	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
Town's share of net pension liability associated with the Plan	<u>\$ 11,890,841</u>	<u>\$ 7,017,968</u>	<u>\$ 2,817,062</u>

All certified personnel participate in the State of Connecticut Teachers' Retirement System (the "System") under Section 10.183 of the General Statutes of the State of Connecticut. All employees are eligible to receive a normal retirement benefit if he or she has: 1) attained age 60 and has accumulated 20 years of credited service in the public schools of Connecticut, or 2) attained any age and has accumulated 35 years of credited service, at least 25 years of which are serviced in the public schools of Connecticut.

Town of Windsor, Connecticut

Notes to Financial Statements

Note 8. Employee Retirement Plans (Continued)

Description of system: Eligible employees within the Town's school system participate in a retirement system administered by the Connecticut State Teachers' Retirement Board (TRB). The System is a cost sharing multiple employer defined benefit pension system with a special funding situation. As such, the Town does not have a liability.

Summary of significant accounting policies: For purposes of measuring the liability, deferred outflows of resources and deferred inflows of resources, and expense associated with the State's requirement to contribute to the System, information about System's fiduciary net position and additions to/deductions from the System's fiduciary net position have been determined on the same basis as they are reported by the System. For this purpose, benefit payments (including refunds of contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. The Town does not have any liability for teacher pensions. The Town has recorded, in the General Fund, intergovernmental revenues and education expenditures in the amount of \$6,910,572 as payments made by the State on-behalf of the Town. The Town does not have any liability for teachers' pensions.

Benefits provided: The benefits provided to participants by the System are as follows:

Normal benefit: A member 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 is eligible for vested benefits of 2% of average annual salary times years of credited service (maximum benefit is 75% of average annual salary.)

Prorated benefit: A member who completes 10 years of Connecticut public school service is eligible for a vested benefit commencing at age 60. The benefit is 2% less 0.1% for each year less than 20 years of average annual salary times years of credited service.

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

Contribution requirements: The pension contributions made by the State to the System are determined on an actuarial reserve basis as described in Statutes CGS Section 10-183z.

Employees are required to contribute 6.0% of their annual salary rate to the System as required by CGS Section 10-183b(7). Employers are not required to make contributions to the Plan.

Actuarial assumptions: The actuarial assumptions used in the June 30, 2020, valuation were based on the results of an actuarial experience study for the five year period ending June 30, 2019. The total pension liability was determined by an actuarial valuation as of June 30, 2020, using the following key actuarial assumptions:

Inflation	2.50%
Salary increases, including inflation	3.00%-6.50%
Long-term investment rate of return, net of pension investment expense, including inflation	6.90%

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.

Town of Windsor, Connecticut

Notes to Financial Statements

Note 8. Employee Retirement Plans (Continued)

Future cost-of-living increases for teachers who retired prior to September 1, 1992, are made in accordance with increases in the Consumer Price Index, with a minimum of 3% and a maximum of 5% per annum.

For teachers who were members of the 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 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%.

The long-term expected rate of return on pension 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 investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity Fund	20.00%	5.60%
Developed Market Intl. Stock Fund	11.00%	6.00%
Emerging Market Intl. Stock Fund	9.00%	7.90%
Core Fixed Income Fund	16.00%	2.10%
Inflation Linked Bond Fund	5.00%	1.10%
Emerging Market Debt Fund	5.00%	2.70%
High Yield Bond Fund	6.00%	4.00%
Real Estate Fund	10.00%	4.50%
Private Equity	10.00%	7.30%
Alternative Investments	7.00%	2.90%
Liquidity Fund	1.00%	0.40%
	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 member contributions will be made at the current contribution rate and that State contributions will be made at the actuarially determined rates in future years. Based on those assumptions, the pension's fiduciary net position was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return on pension investments was applied to all periods of projected benefit payments to determine the total pension liability.

Town of Windsor, Connecticut

Notes to Financial Statements

Note 8. Employee Retirement Plans (Continued)

Pension liabilities, pension expense, and deferred inflows/outflows of resources: The State makes all contributions to the System on behalf of employees of the participating districts. Therefore, participating employers are considered to be in a special funding situation as defined by GASB and the State is treated as a non-employer contributing entity in the System. Since the Towns do not contribute directly to the System, there is no net pension liability or deferred inflows or outflows to report in the financial statements of the Town. The portion of the State net pension liability that was associated with the Town was \$114,169,195 and 100% of the collective net pension liability is allocated to the State. The Town has no proportionate share of the liability. The Town has recognized pension revenues and expenses of \$7,369,887 in the Government-Wide financial statements for pension expenses paid directly to the System by the State of Connecticut. For the year ended June 30, 2022, the Town recognized the amount of “on-behalf” contributions made by the State was \$9,559,838 and is recorded as intergovernmental revenues and education expenditures in General Fund.

Sensitivity of the proportionate share 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.

Note 9. Other Post-Employment Benefits

Town Other Post-Employment Benefit Plan

In addition to providing pension benefits, the Town provides certain healthcare benefits for its retired employees and their spouses, as outlined below:

Eligibility

Teachers and Central Office Administrators:

A Teacher or Administrator retiring shall be eligible to receive medical and dental benefits for self and spouse. Normal Retirement for Teachers and Administrators is the earliest of age 60 with 20 years of service, or completion of 35 years of service regardless of age. Early Retirement is the earliest of age 60 with 10 years of service, any age with 25 years of service, or age 55 with 20 years of service.

Police:

Employees retiring under the Connecticut Municipal Employees’ Retirement Fund B (MERF B) shall be eligible to receive health benefits for self and spouse only if similar insurance is not available through another employer or spouse’s employer.

Town, Board of Education (BOE) Non-Certified and Dispatchers hired before July 1, 2016:

Employees retiring under the Town of Windsor Retirement Plan shall be eligible to receive health benefits for self and spouse. Coverage for self – age 55 with 10 years of service. Coverage for spouse – earlier of age 55 with 30 years of service or age 65 with 10 years of service. Town employees shall be eligible to receive health benefits for self and spouse only if similar insurance is not available through another employer or spouse’s employer.

Dispatchers hired on and after July 1, 2016:

Employees retiring under the Town of Windsor Retirement Plan shall be eligible to receive health benefits for self and spouse. Coverage for self – age 55 with 15 years of service. Coverage for spouse – earlier of age 55 with 30 years of service or age 65 with 15 years of service.

Note 9. Other Post-Employment Benefits (Continued)

Cost Sharing

Police:

Hired prior to July 1, 2013:

Medical – Retiree pays the same percentage of premium that is in effect for current employees for self and spouse, up to a maximum retiree share of 25% of the premium.

Dental – Retiree pays same percentage of premium that is in effect for current employees for self, with a maximum retiree share of 25%. Spouse coverage is available at 100% retiree-paid.

Hired on or after July 1, 2013:

Medical – Retiree pays the same percentage of premium that is in effect for current employees for self and 100% for spouse.

Dental – Retiree pays same percentage of premium that is in effect for current employees for self and 100% for spouse.

Town Administrative:

Hired prior to July 1, 2009:

Medical – Retiree pays the same percentage of premium that is in effect for current employees for self and spouse, up to a maximum retiree share of 25% of the premium.

Dental – Retiree contributes 0% of the cost for self and 100% for spouse.

Hired after July 1, 2009 and prior to March 1, 2013:

Medical – Retiree contributes 25% of the cost for self and 50% for spouse.

Dental – Retiree contributes 0% of the cost for self and 100% for spouse.

Hired on or after March 1, 2013:

Medical – Retiree pays the same percentage of premium that is in effect for current employees for self and 100% for spouse.

Dental – Retiree contributes 0% of the cost for self and 100% for spouse.

Dispatchers:

Hired prior to January 1, 2007:

Medical - Retiree pays the same percentage of premium that is in effect for current employees for self and spouse, up to a maximum retiree share of 25% of the premium.

Dental – Retiree pays the same percentage of premium that is in effect for current employees for self, with a maximum retiree share of 25%. Spouse coverage is available at 100% retiree-paid.

Hired after January 1, 2007 and prior to July 1, 2011:

Medical – Retiree pays the same percentage of premium that is in effect for current employees for self and spouse, up to a maximum retiree share of 25% for the retiree and 40% for the spouse.

Dental – Retiree pays the same percentage of premium that is in effect for current employees for self, with a maximum retiree share of 25%. Spouse coverage is available at 100% retiree-paid.

Note 9. Other Post-Employment Benefits (Continued)

Cost Sharing

Hired on or after July 1, 2011:

Medical – Retiree pays the same percentage of premium that is in effect for current employees for self and 100% for spouse.

Dental – Retiree pays the same percentage of premium that is in effect for current employees for self and 100% for spouse.

Town Teamsters:

Hired prior to July 1, 2008:

Medical – Retiree pays the same percentage of premium that is in effect for current employees for self and spouse, up to a maximum retiree share of 25% of the premium.

Dental – Retiree contributes 100% of the cost for self and spouse.

Hired after July 1, 2008 and prior to November 1, 2011:

Medical – Retiree pays the same percentage of premium that is in effect for current employees for self and spouse, to a maximum retiree share of 25% for the retiree and 50% for the spouse.

Dental – Retiree contributes 100% of the cost for self and spouse. *Hired on or after November 1, 2011:*

Medical – Retiree pays the same percentage of premium that is in effect for current employees for self and 100% for spouse.

Dental – Retiree contributes 100% of the cost for self and spouse.

Board NAGE (Custodians/Maintenance/Food):

Hired prior to July 1, 2010:

Medical – Retiree contributes 75% of the cost for self and 100% for spouse.

Dental – Retiree contributes 100% of the cost for self and spouse.

Hired on or after July 1, 2010:

Medical – Retiree contributes 100% of the cost for self and spouse.

Dental – Retiree contributes 100% of the cost for self and spouse.

Board Nurses:

Medical – Retiree contributes 100% of the cost for self and spouse.

Dental – Retiree contributes 100% of the cost for self and spouse.

Board Non-Affiliated:

Hired prior to January 1, 2007:

Retiree pays the same percentage of premium that is in effect at the time of the employee's retirement.

Medical – Retiree contributes 15% of the cost for self and 50% for spouse.

Dental – Retiree contributes 15% of the cost for self and 25% for spouse, up to an annual cap of \$2,500.

Hired on or after January 1, 2007:

Medical – Retiree contributes 100% of the cost for self and spouse.

Dental – Retiree contributes 100% of the cost for self and spouse.

Town of Windsor, Connecticut

Notes to Financial Statements

Note 9. Other Post-Employment Benefits (Continued)

Cost Sharing

Board Administrative Support Staff:

Hired prior to July 1, 2008:

Medical – Retiree contributes 85% of the cost for self and 100% for spouse.

Dental – Retiree contributes 85% of the cost for self and 100% for spouse.

Hired on or after July 1, 2008:

Medical – Retiree contributes 100% of the cost for self and spouse.

Dental – Retiree contributes 100% of the cost for self and spouse.

Teachers and Central Office Administrators:

Medical* – Retiree contributes 100% of the cost for self and spouse.

Dental* – Retiree contributes 100% of the cost for self and spouse.

* less \$1,320 annual CT Teachers Retirement Board subsidy

Other Bargaining Units:

No retiree medical or dental benefits are provided.

Plan description: The Town provides post-employment benefits for certain employees for current and future health and life insurance benefit expenses through a single-employer defined benefit plan. A bi-annual actuarial valuation is made to determine whether the contributions are sufficient to meet the plan obligations. The latest actuarial valuation was made July 1, 2019. The post-retirement plan does not issue stand-alone financial reports.

The valuation date is July 1, 2021. The net OPEB liability is reported at the measurement date of June 30, 2022.

The contribution requirements of plan members and the Town are established and may be amended by the Town.

Membership in the plan consisted of the following at July 1, 2021:

Retirees, beneficiaries, and spouses of retirees receiving benefits	292
Active plan members	731
Total	<u>1,023</u>

Actuarial assumptions are as follows:

Valuation date	July 1, 2021
Actuarial cost method	Entry Age Normal
Asset funding method	Fair value
Amortization method	Level Percent (closed)
Remaining amortization period	22 years

Town of Windsor, Connecticut

Notes to Financial Statements

Note 9. Other Post-Employment Benefits (Continued)

Actuarial assumptions:

Investment rate of return	5.00%
Discount rate	3.54%
Inflation rate	2.60%
Amortization growth rate	3.00%
Health cost trend rates	5.20% to 4.47% over 68 years

Mortality:

For Teachers and Administrators, the PubT-2010 Mortality Tables for Employees and Healthy Annuitants (adjusted 105% for males and 103% for females at age 82 and above) with generational projection of future improvements per the MP-2019 ultimate scale.

For Police, the PubS-2010 Mortality Tables with generational projection per MP-2021 ultimate scale, with employee rates before benefit commencement and healthy annuitant rates after benefit commencement.

For all other participants, the PubG-2010 Mortality Tables with generational projection per MP-2021 ultimate scale with employee rates before benefit commencement and healthy annuitant rates after benefit commencement)

Investments:

Investment policy: The OPEB plan's policy in regard to the allocation of invested assets is established and may be amended by the Board. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the OPEB plan.

Rate of return: For the year ended June 30, 2022, the annual money-weighted rate of return on OPEB plan investments, net of OPEB plan investment expense, was as follows. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

	<u>OPEB Plan</u>
Rate of return	-15.47%

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

Total OPEB liability	\$ 52,447,169
Plan fiduciary net position	<u>5,239,537</u>
Net OPEB liability	<u>\$ 47,207,632</u>
Plan fiduciary net position as a percentage of total OPEB liability	9.99%
Covered payroll	\$ 43,755,414
Net OPEB liability as a % of covered payroll	107.89%

Town of Windsor, Connecticut

Notes to Financial Statements

Note 9. Other Post-Employment Benefits (Continued)

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
	(a)	(b)	(a) - (b)
Balances at June 30, 2021	\$ 64,626,468	\$ 5,450,759	\$ 59,175,709
Changes for the year:			
Service cost	2,507,979	-	2,507,979
Interest on total OPEB liability	1,426,938	-	1,426,938
Effect of economic/demographic gains or losses	2,710,392	-	2,710,392
Effect of assumptions changes or inputs	(16,668,125)	-	(16,668,125)
Benefit payments	(2,156,483)	(2,156,483)	-
Employer contributions	-	2,906,483	(2,906,483)
Net investment income	-	(959,354)	959,354
Administrative expense	-	(1,869)	1,869
Net changes	(12,179,299)	(211,223)	(11,968,076)
Balances at June 30, 2022	\$ 52,447,169	\$ 5,239,536	\$ 47,207,633

Assumed rate of return: The long-term expected rate of return on OPEB plan investments was determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. Best estimates of the real rates of returns for each major asset class are included in the OPEB plan's target asset allocation. Best estimates of arithmetic real rates of return for each major asset class included in the OPEB plan's target asset allocation as of June 30, 2022, and the final vestment return assumption, are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Geometric Real Rate of Return
U.S. Core Fixed Income	35.00%	1.26%
U.S. Large Caps	36.00%	3.65%
Non-U.S. Equity	24.00%	4.90%
U.S. REITS	5.00%	3.57%
	<u>100.00%</u>	

Discount rate: The discount rate used to measure the total OPEB liability was 3.54%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current member contribution rate and that contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be depleted in 2019 and, as a result, the Municipal Bond Index Rate was used in the determination.

Town of Windsor, Connecticut

Notes to Financial Statements

Note 9. Other Post-Employment Benefits (Continued)

Sensitivity of the total OPEB liability to changes in the discount rate: The following presents the total OPEB liability of the Town, calculated using the discount rate of 3.54%, as well as what the Town's total OPEB liability would be if it were calculated using a discount rate that is 1.00% lower or 1.00% higher than the current rate:

	1% Decrease 2.54%	Current Discount Rate 3.54%	1% Increase 4.54%
Net OPEB Liability			
OPEB Plan	\$ 54,185,743	\$ 47,207,632	\$ 41,451,360

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

	1.0% Decrease	Healthcare Cost Trend Rates	1.0% Increase
OPEB Plan	\$ 40,529,181	\$ 47,207,632	\$ 55,435,476

OPEB expense and deferred outflows of resources and deferred inflows of resources related to OPEB: For the year ended June 30, 2022, the Town recognized OPEB expense of (\$472,025). As of June 30, 2022, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,387,726	\$ (15,415,848)
Changes of assumptions	12,582,158	(16,380,673)
Net difference between projected and actual earnings on OPEB plan investments	408,909	-
	<u>\$ 15,378,793</u>	<u>\$ (31,796,521)</u>

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

Years ending June 30:	
2023	\$ (4,114,587)
2024	(4,104,143)
2025	(3,691,158)
2026	(59,297)
2027	(468,484)
Thereafter	(3,980,059)

Town of Windsor, Connecticut

Notes to Financial Statements

Note 9. Other Post-Employment Benefits (Continued)

Plan description: Teachers, principals, superintendents or supervisors engaged in service of public schools are provided with benefits, including retiree health insurance, through the System – a cost sharing multi-employer defined benefit pension plan administered by the TRB. Chapter 167a of the State Statutes grants authority to establish and amend the benefit terms to the TRB. The System issues a publicly available financial report that can be obtained at www.ct.gov.

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

Any member that is not currently participating in Medicare Parts A & B is eligible to continue health care coverage with their former employer. A subsidy of up to \$110 per month for a retired member plus an additional \$110 per month for a spouse enrolled in a local school district plan is provided to the school district to first offset the retiree's share of the cost of coverage, any remaining portion is used to offset the district's cost.

The subsidy amount is set by statute, and has not increased since July of 1996. A subsidy amount of \$220 per month may be paid for a retired member, spouse or the surviving spouse of a member who has attained the normal retirement age to participate in Medicare, is not eligible for Part A of Medicare without cost, and contributes at least \$220 per month towards coverage under a local school district plan.

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

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

Employees are eligible to retire at age 60 with 20 years of credited service in Connecticut, or 35 years of credited service including at least 25 years of service in Connecticut.

Contributions:

State of Connecticut

Per Statutes Section 10-183z (which reflects Public Act 79-436 as amended), contribution requirements of active employees and the State of Connecticut are amended and certified by the TRB and appropriated by the General Assembly. The State pays for one third of plan costs through an annual appropriation in the General Fund.

Employer (School Districts)

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

Town of Windsor, Connecticut

Notes to Financial Statements

Note 9. Other Post-Employment Benefits (Continued)

Employees

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

Administrative Expenses

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

OPEB liabilities, OPEB expense, and deferred outflows of resources and deferred inflows of resources related to OPEB: At June 30, 2021, 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	12,438,525
	<u>\$ 12,438,525</u>

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

The Town has recognized OPEB revenues and expenses of (\$459,315) in the Government-Wide financial statements for OPEB expenses paid directly to the System by the State of Connecticut. For the year ended June 30, 2022, the Town recognized the amount of "on-behalf" contributions made by the State was \$224,961 and is recorded as intergovernmental revenues and education expenditures in the General Fund.

Actuarial assumptions: The total OPEB liability was determined by an actuarial valuation as of June 30, 2021, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Healthcare costs trend rate	
Pre-Medicare	5.95% decreasing to 4.75% by 2025
Medicare	5.00% decreasing to 4.75% by 2028
Salary increases	3.00-6.50%, including inflation
Investment rate of return	3.00%, net of OPEB plan investment expense, including inflation
Year fund net position will be depleted	2021

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

Town of Windsor, Connecticut

Notes to Financial Statements

Note 9. Other Post-Employment Benefits (Continued)

The long-term expected rate of return on plan assets is reviewed as part of the GASB Statement No. 75 valuation process. Several factors are considered in the evaluation of the long-term rate of return assumption, including the plan's current asset allocations and a log-normal distribution analysis using the best estimate ranges of expected future real rates of return (expected return, net investment expense and inflation) for each major asset class.

The long-term expected rate of return was determined by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The assumption is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years. The plan is 100% invested in U.S. Treasuries (Cash Equivalents) for which the expected 10-Year Geometric Real Rate of Return is (0.42%).

Discount rate: The discount rate used to measure the total OPEB liability was 2.21%. The projection of cash flows used to determine the discount rate was performed in accordance with GASB 75. The projection was based on an actuarial valuation performed as of June 30, 2020. Based on those assumptions, the Plan's fiduciary net position was projected to be depleted in 2021 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 healthcare cost trend rate and the discount rate: The Town's proportionate share of the net OPEB liability is \$-0- and, therefore, the change in the healthcare cost trend rate or the discount rate would only impact the amount recorded by the State of Connecticut.

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 10. Risk Management

The Town self-insures its liability for workers' compensation claims to a limit of \$600,000 per employee and \$750,000 for police and firefighters. Aggregate claims in excess of that amount up to \$20,000,000, as well as any individual claim up to \$1,000,000 are fully insured. USI/FutureComp, a fully qualified, third-party administrator, is the current administrator of the program and assists management in determining the liability at year-end. As employee claims are processed and certified for payment by the third-party administrator, payment is made out of the Internal Service Fund. The accrued liability made for this purpose is determined annually based on prior experience and the amount of unsettled claims outstanding on an actuarial basis.

Premiums are paid into the Internal Service Fund by all other funds and are available to pay claims, claim reserves, and administrative costs of the program.

Employee and non-Medicare eligible retiree medical, prescription and dental claims are self-funded through Anthem Blue Cross/Blue Shield of Connecticut and Express Scripts. Funds are transferred into the Internal Service Fund from other funds and are available to pay the self-funded claims, administrative fees and premium costs for Medicare eligible retirees.

Town of Windsor, Connecticut

Notes to Financial Statements

Note 10. Risk Management (Continued)

Claim activity and service fees are accounted for in a self-insurance reserve fund. The Town has Individual Stop Loss (ISL) coverage through CT Prime that limits the Town's liability to \$175,000 per claim annually. On an aggregate basis, total claims exceed the Town's maximum liability of 125% of expected claims (approximately \$4,520,000). Anthem is the provider and administers the payment of claims and calculates and provides the accrued liability at year-end based on prior claims experience and the amount of unsettled claims outstanding on an actuarial basis. Arthur J. Gallagher & Co., the Town's consultant/broker, analyzes claims and advises the Town on all health insurance related issues. Conservatively, through the budget process and available reserves, the Town will project to have, at a minimum, the Town's maximum liability available to process expected claims, pay required retiree Medicare supplement premiums, stop loss premiums and administrative fees (\$4,480,000).

The BOE records its liability for health benefits in a self-insurance reserve fund and accounts for claim activity and service fees on a self-insured basis. The BOE has ISL coverage that limits the BOE's liability to \$200,000 annually. On an aggregate basis, the BOE's liability is limited to 125% of expected claims (approximately \$12,246,183). Claims exceeding the BOE's maximum liability are fully insured through aggregate stop loss coverage. Anthem, the provider, administers the payment of claims. Lockton Companies, the BOE's consultant, analyzes claims and advises the BOE on all health insurance related issues as well as calculating and providing the accrued liability at year-end based on prior claims experience and the amount of unsettled claims outstanding on an actuarial basis. Conservatively, through the budget process and available reserves, the BOE will project to have, at a minimum, the BOE's maximum liability available to process expected claims.

The following is a schedule of changes in the aggregate liabilities for the Internal Service Fund claims:

Workers' Compensation / Heart and Hypertension / Liability	Liability July 1,	Current Year Claims and Changes in Estimates	Claim Payments	Liability June 30,
2020-21	\$ 1,586,336	\$ 1,824,334	\$ 1,706,389	\$ 1,704,281
2021-22	1,704,281	2,294,665	2,310,609	1,688,337

Town – Health / Medical	Liability July 1,	Current Year Claims and Changes in Estimates	Claim Payments	Liability June 30,
2020-21	\$ 147,000	\$ 3,955,708	\$ 3,965,308	\$ 137,400
2021-22	137,400	5,347,241	5,160,854	323,787

BOE – Health / Medical	Liability July 1,	Current Year Claims and Changes in Estimates	Claim Payments	Liability June 30,
2020-21	\$ 380,537	\$ 10,400,255	\$ 10,315,492	\$ 465,300
2021-22	465,300	12,616,841	12,435,341	646,800

Town of Windsor, Connecticut

Notes to Financial Statements

Note 10. Risk Management (Continued)

The Town and BOE have commercial general liability and auto liability with levels of coverage of \$3,000,000 and \$1,000,000, respectively, with umbrella coverage up to \$15,000,000. There have been no significant reductions in insurance coverage from the level of coverage in the prior year. Furthermore, for the past three fiscal years, no settlements have exceeded insurance coverage.

Property and casualty risks are fully insured except for the general environmental liability exposure represented by the landfill, which is essentially uninsurable.

Note 11. Contingencies

The Town has received state and federal grants for specific purposes that are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Town expects such amounts, if any, to be immaterial.

As a member of the Metropolitan District (a quasi-municipal corporation that provides water supply, sewage collection, and disposal facilities for members), the Town is contingently liable for \$71,341,299 or 8.85% of the debt of the District.

Law suits: Various litigations, principally involving claims for personal injury and contested tax assessment, are pending against the Town. The outcome and eventual liability of the Town, if any, in these cases are not known at this time. The Town's management does not believe any potential claims against the Town would have a material adverse effect on the financial position of the Town.

Note 12. Landfill Closure and Post-closure Costs

State and federal laws and regulations require the Town to place a final cover on its 65-acre landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for at least 30 years after closure. Under these regulations, the landfill has established a horizontal footprint of 55 acres which is now the basis of maximum horizontal expansion without providing a liner system. The results of a July 2014 capacity analysis show that the landfill has reached its overall capacity as of June 30, 2014. The landfill stopped accepting commercial waste on July 1, 2014, and has since been converted to a transfer station facility for residents.

The \$17,640,000 reported as landfill closure and post-closure liability at June 30, 2022, is \$1,061,500 less than the amount reported on June 30, 2021. These amounts represent estimated third-party costs to perform all landfill closure and post-closure care at 2021 prices. Actual costs may change based on inflation, compliance with the State of Connecticut stewardship permit, changes in technology, changes in the regulations, or the quantity of work performed internally by Town staff. The engineering analysis assumes that numerous engineering and construction procedures will be required.

The landfill served the towns of Bloomfield and Windsor. An agreement (dated November 19, 1993) exists between the two communities that establishes the terms and conditions for the operation and closure of the landfill. Regarding closure costs, the agreement states: "the two towns shall contribute equally, on an annual basis, for said purposes and shall be equally responsible for closure, post-closure, and monitoring expenses until all federal and state requirements are met." The Town is responsible for the funding, accounting and financial reporting for the landfill on-behalf of both towns. The post-closure cost will be covered by the landfill's funds. If those funds run out, and only if they do, the Town of Windsor and the Town of Bloomfield will both split the costs. It is anticipated that no additional amount will be required from the towns for the closure and the post-closure care of the landfill at this time.

Town of Windsor, Connecticut

Notes to Financial Statements

Note 12. Landfill Closure and Post-closure Costs (Continued)

The landfill is currently operating under the State of Connecticut stewardship permit issued by the Department of Energy & Environment Protection that addresses the requirements of the regulations, including the control and monitoring of leachate and landfill generated gases.

Note 13. Fund Balances

The Town classifies fund balances under the provisions of GASB Statement No. 54, *Fund Balance Reporting and Government Fund Type Definitions*. The details for the Town's fund balance are the following:

	General Fund	Capital Projects	Nonmajor Governmental Funds
Fund balances:			
Nonspendable:			
Inventories	\$ 11,530	\$ -	\$ -
Prepays	-	-	5,637
Scholarship fund principal	-	-	13,000
Total nonspendable	11,530	-	18,637
Restricted:			
Scholarship funding	-	-	1,201
Library operations and recreation	-	-	76,491
Human services programs	-	-	410,136
Public safety programs	-	-	4,653
Community development block grant loans	-	-	1,944,828
Education	-	-	2,252,191
School capital improvements	-	2,034,470	-
Road and sidewalk construction and maintenance	-	912,489	-
Other capital projects	-	1,896,552	-
Other programs	-	-	2,623,154
Total restricted	-	4,843,511	7,312,654
Committed:			
School capital improvements	-	1,294,099	-
Road and sidewalk construction and maintenance	-	3,586,226	-
Other capital projects	-	1,514,833	-
Debt service	-	-	3,320,015
Total committed	-	6,395,158	3,320,015
Assigned:			
Subsequent year expenditures	1,800,000	-	-
Education	672,736	-	91,511
General government activities	319,659	-	-
Recreation programs	629,815	-	-
Human services	178,637	-	-
Public safety and police private duty	919,902	-	-
Public works	492,035	-	-
Community development	-	-	493,928
Other capital projects	-	911,654	-
Total assigned	5,012,784	911,654	585,439
Unassigned	33,014,110	-	(48,254)
Total fund balance	\$ 38,038,424	\$ 12,150,323	\$ 11,188,491

Encumbrances contained in the above table are as follows: \$1,063,588 in the General Fund, \$5,005,936 in the Capital Projects Fund, and \$51,179 in Nonmajor Governmental Funds.

Town of Windsor, Connecticut

Notes to Financial Statements

Note 14. Tax Abatements

The Town has the authority to offer economic development incentives in the form of local tax abatements to eligible applicants for both real property and manufacturing machinery and equipment. The statutory authority for these abatements is in accordance with Statutes Sec. 2 65(b). The Town had tax abatement agreements with one entity as of June 30, 2022:

Company Name	Description	Percentage of Taxes Abated in FY 22	Amount of Taxes Abated in FY 22	Abatement Expires
Amazon.com Services LLC	Fulfillment Center	50%	\$ 1,199,971	FY22

Note: FY 2023 will be the first year of a three-year property tax abatement agreement with a new Amazon facility on Kennedy road.

Note 15. Leases

The Town leases equipment as well as certain operating and office facilities for various terms under long-term, noncancelable lease agreements. The leases expire at various dates through 2026.

Amount of Lease Assets by Major Classes of Underlying Asset

Asset Class	As of Fiscal Year-end	
	Lease Asset Value	Accumulated Amortization
Equipment	\$ 279,191	\$ 65,964
Total Leases	\$ 279,191	\$ 65,964

Principal and Interest Requirements to Maturity

Fiscal Year	Governmental Activities		
	Principal Payments	Interest Payments	Total Payments
2023	\$ 68,633	\$ 810	\$ 69,443
2024	68,924	519	69,443
2025	54,738	242	54,980
2026	18,523	30	18,553

The Town, acting as lessor, leases various properties under long-term, noncancelable lease agreements.

Town of Windsor, Connecticut

Notes to Financial Statements

Note 15. Leases (Continued)

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

Fiscal Year	Principal and Interest Expected to Maturity		
	Principal Payments	Interest Payments	Total Payments
2023	\$ 264,050	\$ 41,109	\$ 305,159
2024	244,914	38,934	283,848
2025	255,985	36,684	292,669
2026	270,671	34,314	304,985
2027	279,441	31,782	311,223
2028 - 2032	1,121,557	118,556	1,240,113
2033 - 2037	834,147	55,381	889,528
2038 - 2042	451,100	11,726	462,826

Note 16. Accounting Standards Not Yet Effective

GASB has issued several pronouncements that have effective dates that may impact future financial presentations. Management has not currently determined what, if any, impact implementation of the following statements may have on the financial statements.

The impact of the following accounting pronouncements are currently being assessed by the Town as to the impact to the financial statements. Other recently issued financial statements are not expected to have a material effect to the Town's financial statements.

GASB Statement No. 91, *Conduit Debt Obligations*. This Statement provides a single method of reporting conduit debt obligations by issuers and eliminates diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2021. Earlier application is encouraged. The Town/City is not an issuer of conduit debt, therefore, this Statement will have no effect on its financial statements.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. GASB Statement No. 96 provides accounting and financial reporting guidance for subscription-based information technology arrangements (SBITAs). It is based on the standards established in Statement No. 87, Leases. It:

- Defines a SBITA as a contract that conveys control of the right to use a SBITA vendor's IT software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction;
- Requires governments with SBITAs to recognize a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability (with an exception for short-term SBITAs—those with a maximum possible term of 12 months); and
- Provides guidance related to outlays other than subscription payments, including implementation costs, and requirements for note disclosures related to a SBITA.

Town of Windsor, Connecticut

Notes to Financial Statements

Note 16. Accounting Standards Not Yet Effective (Continued)

The requirements of this Statement are effective for reporting periods beginning after June 15, 2022.

Management is in the process of determining what impact, if any, implementation of the above statements may have on the financial statements of the Town.

GASB Statement No. 99, *Omnibus 2022*. The requirements of this Statement are effective as follows: The requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance.

The requirements related to leases, public-public partnership, and subscription-based information technology arrangements are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.

The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged and is permitted by topic.

GASB Statement No. 100, *Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62*. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. Effective Date: For fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

GASB Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. Effective Date: The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

Note 17. Subsequent Events

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which is March 6, 2023.

Town of Windsor, Connecticut

Notes to Financial Statements

Note 18. Prior Period Adjustment – Correction of an Error

The Town recognized revenue within the Other Special Revenue Fund and in the Governmental Activities for American Rescue Plan Act grant proceeds prior to eligible expenditures/expenses being incurred. The net position of the Governmental Activities as of June 30, 2021 was overstated by \$4.25 million and the June 30, 2021 fund balance of the Other Governmental Non-major funds was overstated by \$4.25 million.

	<u>Governmental Activities</u>	<u>Aggregate Non- Major Fund</u>
Net position/fund balance, June 30, 2021, as previously reported	\$ 57,250,707	\$ 15,383,704
Correction of ARPA revenue error	<u>(4,251,774)</u>	<u>(4,251,774)</u>
Net position/fund balance, June 30, 2021, as restated	<u>\$ 52,998,933</u>	<u>\$ 11,131,930</u>

**Required Supplementary
Information – Unaudited**

Town of Windsor, Connecticut

**Required Supplementary Information – Unaudited
Schedule of Investment Returns – Defined Benefit Pension Plan
Last Eight Fiscal Years**

	2022	2021	2020	2019	2018	2017	2016	2015
Annual money-weighted rate of return, net of investment income*	-14.41%	27.63%	3.44%	2.54%	6.27%	13.56%	-2.01%	1.45%

* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the Town will present information for those years for which information is available.

Town of Windsor, Connecticut

**Required Supplementary Information – Unaudited
Schedule of Employer Contributions – Defined Benefit Pension Plan
Last Ten Fiscal Years**

	Schedule of Contributions – Pension									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Actuarially determined contribution	\$ 2,492,047	\$ 2,089,210	\$ 1,516,196	\$ 1,340,704	\$ 1,196,328	\$ 1,054,742	\$ 1,026,539	\$ 998,378	\$ 1,311,760	\$ 1,367,561
Contributions in relation to the actuarially determined contribution	2,513,586	2,089,210	1,516,223	1,340,704	1,196,328	1,054,742	1,026,539	998,378	1,311,760	1,367,561
Contribution deficiency (excess)	\$ (21,539)	\$ -	\$ (27)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	10,844,689	11,383,383	12,192,970	12,839,197	13,489,831	14,057,983	14,982,909	15,744,000	15,947,000	15,895,000
Contributions as a percentage of covered payroll	23.18%	18.35%	12.44%	10.44%	8.87%	7.50%	6.85%	6.34%	8.23%	8.60%

Town of Windsor, Connecticut

Required Supplementary Information – Unaudited Schedule of Changes in Net Pension Liability (NPL) and Related Ratios – Defined Benefit Pension Plan Last Eight Fiscal Years (in 000s)

Changes in Net Pension Liability	2022	2021	2020	2019	2018	2017	2016	2015
Total pension liability:								
Service cost	\$ 855	\$ 859	\$ 914	\$ 984	\$ 1,019	\$ 1,042	\$ 1,090	\$ 1,145
Interest on total pension liability	6,824	6,688	6,015	5,908	5,767	5,597	5,385	5,193
Effect of plan changes	-	-	-	(1)	(16)	(59)	-	-
Effect of economic/demographic gains or (losses)	143	(1,826)	842	(380)	(457)	(253)	20	(179)
Effect of assumption changes or inputs	4,057	3,104	6,707	973	1,098	1,058	1,007	-
Benefit payments	(5,194)	(5,011)	(4,626)	(4,188)	(3,799)	(3,623)	(3,481)	(3,211)
Net change in total pension liability	6,685	3,814	9,852	3,296	3,612	3,762	4,021	2,948
Total pension liability, beginning	100,960	97,146	87,294	83,998	80,386	76,624	72,603	69,655
Total pension liability, ending (a)	107,645	100,960	97,146	87,294	83,998	80,386	76,624	72,603
Fiduciary net position:								
Employer contributions	2,514	2,089	1,516	1,341	1,195	1,055	1,027	998
Member contributions	447	442	483	543	563	599	509	613
Investment income net of investment expenses	(11,910)	18,448	2,309	1,723	4,142	8,124	(1,271)	931
Benefit payments	(5,194)	(5,011)	(4,626)	(4,188)	(3,799)	(3,623)	(3,481)	(3,211)
Administrative expenses	(23)	(22)	(20)	(19)	(19)	(15)	(19)	(13)
Net change in plan fiduciary net position	(14,166)	15,946	(338)	(600)	2,082	6,140	(3,235)	(682)
Fiduciary net position, beginning	84,479	68,533	68,871	69,471	67,389	61,249	64,485	65,167
Fiduciary net position, ending (b)	70,313	84,479	68,533	68,871	69,471	67,389	61,250	64,485
Net pension liability, ending = (a) - (b)	\$ 37,332	\$ 16,481	\$ 28,613	\$ 18,423	\$ 14,527	\$ 12,997	\$ 15,374	\$ 8,118
Fiduciary net position as a % of total pension liability	65.32%	83.68%	70.55%	78.90%	82.71%	83.83%	79.94%	88.82%
Covered payroll	\$ 10,845	\$ 11,383	\$ 12,193	\$ 12,839	\$ 13,489	\$ 14,057	\$ 14,983	\$ 15,744
Net pension liability as a % of covered payroll	344.23%	144.79%	234.67%	143.49%	107.70%	92.46%	102.61%	51.56%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the Town will present information for those years for which information is available.

Town of Windsor, Connecticut

**Required Supplementary Information – Unaudited
Schedule of Contributions – Connecticut Municipal Employees’ Retirement System (CMERS)
Last Seven Fiscal Years**

Measurement Period Ended June 30,	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	\$ 1,315,634	\$ 1,256,375	\$ 1,155,964	\$ 967,336	\$ 961,140	\$ 846,628	\$ 839,857
Contribution in relation to the actuarially determined contribution	1,315,634	1,256,375	1,155,964	967,336	961,140	846,628	839,857
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 5,414,320	\$ 4,728,064	\$ 5,614,438	\$ 6,429,162	\$ 5,644,057	\$ 5,533,389	\$ 5,759,928
Contributions as a percentage of covered payroll	24.30%	26.57%	20.59%	15.05%	17.03%	15.30%	14.58%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the Town will present information for those years for which information is available.

Town of Windsor, Connecticut

**Required Supplementary Information – Unaudited
 Schedule of the Town’s Proportionate Share of the Net Pension Liability –
 Connecticut Municipal Employees’ Retirement System (CMERS)
 Last Seven Fiscal Years**

	2022	2021	2020	2019	2018	2017	2016
Town’s proportion of the net pension liability	2.98%	2.83%	3.34%	3.90%	0.00%	0.00%	0.00%
Town’s proportionate share of the net pension (asset) liability	<u>\$ 7,017,968</u>	<u>\$ 9,207,890</u>	<u>\$ 10,432,669</u>	<u>\$ 10,340,925</u>	<u>\$ (2,671,406)</u>	<u>\$ (1,930,679)</u>	<u>\$ (3,332,712)</u>
Town’s covered payroll	<u>\$ 5,414,320</u>	<u>\$ 4,612,745</u>	<u>\$ 5,477,500</u>	<u>\$ 6,303,100</u>	<u>\$ 5,644,057</u>	<u>\$ 5,533,389</u>	<u>\$ 5,759,928</u>
Town’s proportionate share of the net pension liability as a percentage of its covered payroll	<u>129.62%</u>	<u>199.62%</u>	<u>190.46%</u>	<u>164.06%</u>	<u>-47.33%</u>	<u>-34.89%</u>	<u>-57.86%</u>
System fiduciary net position as a percentage of the total pension liability	<u>82.59%</u>	<u>71.18%</u>	<u>72.69%</u>	<u>88.29%</u>	<u>91.68%</u>	<u>88.29%</u>	<u>92.72%</u>

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the Town will present information for those years for which information is available.

Town of Windsor, Connecticut

**Required Supplementary Information – Unaudited
Schedule of the Town’s Proportionate Share of the Net Pension Liability -
Teachers’ Retirement System
Last Seven Fiscal Years**

	2022	2021	2020	2019	2018	2017	2016
Town’s proportion of the net pension liability	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Town’s proportionate share of the net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State’s proportionate share of the net pension liability associated with the Town	\$ 114,169,195	\$ 144,151,481	\$ 129,818,072	\$ 100,097,275	\$ 100,735,001	\$ 106,276,198	\$ 81,836,695
Total	\$ 114,169,195	\$ 144,151,481	\$ 129,818,072	\$ 100,097,275	\$ 100,735,001	\$ 106,276,198	\$ 81,836,695
Town’s covered payroll	\$ 34,425,054	\$ 33,295,322	\$ 33,378,186	\$ 32,860,661	\$ 31,929,411	\$ 30,775,321	\$ 30,419,140
Town’s proportionate share of the net pension liability as a percentage of its covered payroll	0%	0%	0%	0%	0%	0%	0%
System fiduciary net position as a percentage of the total pension liability	60.77%	49.24%	52.00%	55.93%	55.93%	52.26%	59.50%

Notes to Schedule

Actuarial cost method	Entry age
Amortization method	Level percent of salary, closed
Remaining amortization period	17.6 years
Asset valuation method	4-year smoothed market
Inflation	2.50%
Salary Increase	3.25-6.50%, including inflation
Investment rate of return	6.90%, net of investment related expense

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the Town will present information for those years for which information is available.

Town of Windsor, Connecticut

**Required Supplementary Information – Unaudited
Schedule of Contributions – OPEB Plan
Last Ten Fiscal Years**

	Schedule of Contributions – OPEB Plan									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Actuarially determined contribution	\$ 3,256,104	\$ 3,095,939	\$ 3,571,873	\$ 3,360,296	\$ 5,250,156	\$ 4,883,931	\$ 6,762,112	\$ 6,299,617	\$ 7,831,000	\$ 7,258,000
Contributions in relation to the actuarially determined contribution	2,906,483	2,322,777	2,170,946	2,226,427	1,976,204	2,410,939	2,593,319	2,595,904	2,240,000	2,047,000
Contribution deficiency (excess)	\$ 349,621	\$ 773,162	\$ 1,400,927	\$ 1,133,869	\$ 3,273,952	\$ 2,472,992	\$ 4,168,793	\$ 3,703,713	\$ 5,591,000	\$ 5,211,000
Covered payroll	\$ 43,755,414	\$ 46,133,025	\$ 46,133,025	\$ 46,133,025	\$ 45,660,809	\$ 45,660,809	\$ 44,515,553	\$ 44,515,553	N/A	N/A
Contributions as a percentage of covered payroll	6.64%	5.03%	4.71%	4.83%	4.33%	5.28%	5.83%	5.83%	N/A	N/A

Town of Windsor, Connecticut

**Required Supplementary Information – Unaudited
Schedule of Investment Returns – OPEB Plan
Last Five Fiscal Years***

	2022	2021	2020	2019	2018
Annual money-weighted rate of return, net of investment income*	-15.47%	27.55%	3.89%	6.47%	5.95%

* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the Town will present information for those years for which information is available.

Town of Windsor, Connecticut

**Required Supplementary Information – Unaudited
Schedule of Changes in the Town’s OPEB Liability and Related Ratios
Last Five Fiscal Years*
(in 1,000s)**

	OPEB Plan				
Changes in Net OPEB Liability	2022	2021	2020	2019	2018
Total pension liability:					
Service cost	\$ 2,508	\$ 2,320	\$ 1,401	\$ 1,559	\$ 1,749
Interest	1,427	1,403	1,788	1,816	2,760
Differences between expected and actual experience	2,710	-	(8,095)	-	(28,317)
Changes in assumptions	(16,668)	558	17,878	2,501	(4,622)
Benefit payments, including refunds of member contributions	(2,156)	(1,598)	(1,445)	(1,626)	(1,476)
Net change in total OPEB liability	(12,179)	2,683	11,527	4,250	(29,906)
Total pension liability, beginning	64,626	61,943	50,416	46,166	76,074
Total OPEB liability, ending (a)	52,447	64,626	61,943	50,416	46,168
Fiduciary net position:					
Employer contributions	2,906	2,323	2,171	2,226	1,976
Investment (loss) income net of investment expenses	(959)	1,177	133	164	94
Benefit payments, including refunds of member contributions	(2,156)	(1,598)	(1,446)	(1,626)	(1,476)
Administrative expenses	(2)	(2)	(1)	(1)	(1)
Net change in plan fiduciary net position	(211)	1,900	857	763	593
Fiduciary net position, beginning	5,450	3,550	2,694	1,931	1,338
Fiduciary net position, ending (b)	5,239	5,450	3,551	2,694	1,931
Net OPEB liability, ending = (a) - (b)	\$ 47,208	\$ 59,176	\$ 58,392	\$ 47,722	\$ 44,237
Fiduciary net position as a % of total OPEB liability	9.99%	8.43%	5.73%	5.34%	4.18%
Covered payroll	\$ 43,755	\$ 46,133	\$ 46,133	\$ 46,133	\$ 45,661
Net OPEB liability as a % of covered payroll	107.89%	128.27%	126.57%	103.44%	96.88%

*Note: This schedule is intended to show 10 years of information. Additional information will be added as it becomes available.

Town of Windsor, Connecticut

**Required Supplementary Information – Unaudited
Schedule of the Town’s Proportionate Share of the Net OPEB Liability – Teachers Retiree Health Plan
Last Four Fiscal Years***

	2022	2021	2020	2019
Town’s proportion of the net OPEB liability	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	\$ 12,438,525	\$ 21,500,199	\$ 20,245,862	\$ 20,010,108
Total	\$ 12,438,525	\$ 21,500,199	\$ 20,245,862	\$ 20,010,108
Town’s covered payroll	\$ 33,949,276	\$ 33,949,276	\$ 33,378,187	\$ 30,992,792
Town’s proportionate share of the net OPEB liability as a percentage of its covered payroll	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total OPEB liability	6.11%	2.50%	2.08%	1.49%

Notes to Schedule

Changes in benefit terms	None
Changes of assumptions	The discount rate was decreased from 3.87% to 3.50% to reflect the change in the Municipal Bond Index rate. Additionally, expected annual per capita claims costs were updated to better reflect anticipated medical and prescription drug claim experience both before and after the plan change that became effective on January 1, 2019. Further, the expected rate of inflation was decreased and the Real Wage Growth assumption was increased
Actuarial cost method	Entry age
Amortization method	Level percent of payroll
Remaining amortization period	30 years, open
Asset valuation method	Market value of assets
Investment rate of return	3.00%, net of investment related expense, including price inflation

*Note: This schedule is intended to show 10 years of information. Additional information will be added as it becomes available.

Town of Windsor, Connecticut

**Required Supplementary Information – Unaudited
Schedule of Revenues, Expenditures and Changes in Budgetary Fund Balance – Budgetary Basis
Budget and Actual – General Fund
For the Year Ended June 30, 2022**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget
	Original	Final		
Revenues:				
Property taxes	\$ 106,536,200	\$ 106,536,200	\$ 107,311,715	\$ 775,515
Licenses and permits	732,450	732,450	1,975,959	1,243,509
Fines, forfeitures and penalties	34,000	34,000	18,165	(15,835)
Other agencies	126,370	126,370	129,895	3,525
Intergovernmental	15,174,400	15,174,400	15,978,268	803,868
Revenues from use of assets	420,000	420,000	419,107	(893)
Charges for services	764,200	764,200	1,585,879	821,679
Total revenues	123,787,620	123,787,620	127,418,988	3,631,368
Expenditures:				
Current:				
General government	1,098,590	1,125,160	1,112,780	12,380
Safety service	11,542,090	11,515,520	10,869,932	645,588
Public works	6,822,340	6,763,140	6,578,850	184,290
Health services	558,930	558,930	508,539	50,391
Human services	456,550	456,550	449,265	7,285
Recreation and leisure services	2,261,650	1,935,700	1,901,534	34,166
Education	74,366,390	74,207,526	74,204,994	2,532
Town support for education	5,485,280	3,418,510	3,417,846	664
Library services	1,801,510	1,801,510	1,714,192	87,318
Development services	1,437,150	1,437,150	1,424,546	12,604
Information services	581,530	581,530	574,310	7,220
Administrative services	2,634,640	2,632,640	2,573,516	59,124
Community Development	103,840	103,840	103,840	-
General services	16,716,880	7,758,247	7,738,678	19,569
Total expenditures	125,867,370	114,295,953	113,172,822	1,123,131
Revenues over (under) expenditures	(2,079,750)	9,491,667	14,246,166	4,754,499
Other financing sources (uses):				
Transfers in	79,750	79,750	54,097	(25,653)
Transfers out	-	(11,571,417)	(11,571,417)	-
Use of fund balance	-	(1,345,000)	(1,345,000)	-
Total other financing sources (uses)	79,750	(12,836,667)	(12,862,320)	(25,653)
Net change in budgetary fund balance	\$ (2,000,000)	\$ (3,345,000)	1,383,846	\$ 4,728,846
Budgetary fund balance, beginning			<u>33,441,794</u>	
Budgetary fund balance, ending			34,825,640	
Less:				
Inventory			(11,530)	
FY 23 appropriation of fund balance			<u>(1,800,000)</u>	
Unassigned fund balance, ending			33,014,110	
Unassigned, beginning			<u>31,416,207</u>	
Net change in unassigned fund balance			\$ 1,597,903	

See notes to required supplementary information.

Town of Windsor, Connecticut

Note to Required Supplementary Information (Unaudited)

Note 1. Budgets and Budgetary Accounting

General Fund: Budget policies in accordance with the Town Charter, Chapter 8, Sections 8-1 through 8-4, are as follows:

- A. Prior to April 1, the Town Manager submits the proposed budget for the General Fund to the Town Council.
- B. After various public hearings, the Town Council recommends the budget, as revised, for adoption at the annual Town Meeting on the first Tuesday in May.
- C. The Town Meeting appropriates the budget as one balance for revenues and separate expenditure amounts per individual service unit. Additional appropriations and transfers between functions and activities may be made by the Town Council in accordance with Town Charter provisions, thereby lowering the legal level of control to the function and activity levels. The level at which expenditures may not legally exceed appropriations is at the service unit level, i.e., safety services, public works, etc.
- D. The original budget for expenditures, encumbrances and other financing uses was increased by approximately \$1,345,000 as a result of fund balance and revenue appropriations during the year ended June 30, 2022. The additional appropriations were approved in accordance with the Town Charter.
- E. A reconciliation of General Fund operations presented in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) to the amounts presented on the budgetary basis is as follows:

	Revenues and Transfers	Expenditures and Transfers
Balance, GAAP basis	\$ 138,731,026	\$ 137,389,386
State teachers retirement and OPEB payments made by State Department of Education on behalf of the Town, not recognized for budgetary purposes	(9,784,799)	(9,784,799)
Reclassified to General Fund, as funds were previously reported as special revenue funds, and no longer meet the definition in accordance with GASB Statement No. 54.	(1,473,142)	(1,480,492)
Encumbrances:		
June 30, 2021	-	(1,098,444)
June 30, 2022	-	1,063,588
Balance, budgetary basis	\$ 127,473,085	\$ 126,089,239

- F. Classifications of certain revenues and expenditures under U.S. GAAP differ from classifications utilized for budgetary purposes.

Special Revenue Funds: The Town includes special revenue funds within the adopted annual operating budget. Budgets for the various special revenue funds that are utilized to account for specific grant programs are established in accordance with the requirements of the State or other grantor agencies. Such budgets are non-lapsing and may comprise more than one fiscal year.

Capital Projects Fund: Legal authorization for expenditures of the capital projects fund is provided by the related bond ordinances and/or intergovernmental grant agreements or Connecticut General Statutes. Capital appropriations do not lapse until completion of the applicable projects.

APPENDIX B – FORM OF OPINION OF BOND COUNSEL

June __, 2023

Town of Windsor
275 Broad Street
Windsor, CT 06095

We have acted as Bond Counsel in connection with the issuance by the Town of Windsor, Connecticut (the “Town”), of its \$ _____ General Obligation Bonds, Issue of 2023 (the “Bonds”) dated June __, 2023. In such capacity, we have examined a record of proceedings of the Town authorizing the Bonds, a Tax Regulatory Agreement of the Town dated the date hereof (the “Agreement”), such law and such other proceedings, certifications, and documents as we have deemed necessary to render this opinion.

As to questions of fact material to our opinion, we have relied upon the certified proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation.

We are of the opinion that when the Bonds are duly certified by U.S. Bank Trust Company, National Association, the Bonds will be valid and legally binding general obligations of the Town payable as to both principal and interest from ad valorem taxes which may be levied on all taxable property subject to taxation by the Town without limitation as to rate or amount except as to classified property such as certified forest lands taxable at a limited rate and dwelling houses of qualified elderly persons of low income or of qualified disabled persons taxable at limited amounts pursuant to Connecticut statutes. We are further of the opinion that the Agreement is a valid and binding agreement of the Town and was duly authorized by the Town.

The rights of the holders of the Bonds and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors’ rights generally and by equitable principles, whether considered at law or in equity.

The Internal Revenue Code of 1986, as amended (the “Code”), establishes certain requirements that must be satisfied at and subsequent to the issuance and delivery of the Bonds in order that interest on the Bonds be excluded from gross income under Section 103 of the Code. In the Agreement, the Town has made covenants and representations designed to assure compliance with such requirements of the Code. The Town has covenanted in the Agreement that it will at all times comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds to ensure that interest on the Bonds shall not be included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds, including covenants regarding, among other matters, the use, expenditure and investment of the proceeds of the Bonds.

In rendering the below opinions regarding the federal treatment of interest on the Bonds, we have relied upon and assumed (i) the material accuracy of the representations, statements of intention and reasonable expectations, and certifications of fact contained in the Agreement, and (ii) continuing compliance by the Town with the covenants set forth in the Agreement as to such tax matters.

The Town has designated the Bonds as “qualified tax exempt obligations” within the meaning of Code Section 265(b)(3) for purposes of the deduction by financial institutions for interest expense allocable to the Bonds.

In our opinion, under existing statutes and court decisions, (i) interest on the Bonds is excluded from gross income for federal income tax purposes; and (ii) such interest is not an item of tax preference for purposes of the federal alternative minimum tax; however, such interest is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the alternative minimum tax imposed on corporations for tax years beginning after December 31, 2022. We express no opinion regarding other federal income tax consequences caused by ownership or disposition of, or receipt of interest on the Bonds.

We are further of the opinion that, under existing statutes, interest on the Bonds is excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates and is excluded from amounts on which the net Connecticut minimum tax is based for individuals, trusts and estates required to pay the federal alternative minimum tax. We express no opinion regarding other state income tax consequences caused by ownership or disposition of, or receipt of interest on the Bonds.

We express no opinion herein regarding the accuracy, adequacy, or completeness of the Preliminary Official Statement, the Official Statement and other offering material relating to the Bonds.

The foregoing opinion is based upon existing laws, regulations, rules and court decisions. We undertake no responsibility to inform you of changes in law or fact occurring after the date hereof which may affect the conclusions herein. In addition, we have not undertaken to advise in the future whether any events after the date of issuance of the Bonds, including the adoption of federal tax legislation, may affect the tax status of interest on the Bonds.

Respectfully,

PULLMAN & COMLEY, LLC

APPENDIX C – FORM OF CONTINUING DISCLOSURE AGREEMENT

In accordance with the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission, the Town will agree, pursuant to a Continuing Disclosure Agreement to be executed by the Town substantially in the following form, to provide, or cause to be provided, (i) annual financial information and operating data, (ii) in a timely manner not in excess of ten business days after the occurrence of the event, notice of the occurrence of certain events with respect to the Bonds and (iii) timely notice of a failure by the Town to provide the required annual financial information on or before the date specified in the Continuing Disclosure Agreement.

Continuing Disclosure Agreement

This Continuing Disclosure Agreement ("Agreement") is made as of June __, 2023 by the Town of Windsor, Connecticut (the "Issuer") acting by its undersigned officers, duly authorized, in connection with the issuance of \$ _____ General Obligation Bonds, Issue of 2023, dated as of June __, 2023 (the "Bonds"), for the benefit of the beneficial owners from time to time of the Bonds.

Section 1. Definitions. For purposes of this Agreement, the following capitalized terms shall have the following meanings:

"Final Official Statement" means the official statement of the Issuer dated June __, 2023 prepared in connection with the Bonds.

"MSRB" means the Municipal Securities Rulemaking Board established under the Securities Exchange Act of 1934, as amended, or any successor thereto.

"Repository" means the MSRB or any other information repository established pursuant to the Rule as amended from time to time.

"Rule" means Rule 15c2-12 under the Securities Exchange Act of 1934, as of the date of this Agreement.

"SEC" means the Securities and Exchange Commission of the United States, or any successor thereto.

Section 2. Annual Financial Information.

(a) The Issuer agrees to provide or cause to be provided to each Repository, in accordance with the provisions of the Rule and of this Agreement, annual financial information and operating data (commencing with information and data for the fiscal year ending June 30, 2023) as follows:

(i) Financial statements of the Issuer's general fund for the prior fiscal year which statements shall be prepared in accordance with generally accepted accounting principles or mandated state statutory principles as in effect from time to time. As of the date of this Agreement, the Issuer prepares its financial statements in accordance with generally accepted accounting principles. The financial statements will be audited.

(ii) The following financial information and operating data to the extent not included in the financial statements described in (i) above:

- (A) amounts of the gross and the net taxable grand list applicable to the fiscal year,
- (B) listing of the ten largest taxpayers on the applicable grand list, together with each such taxpayer's taxable valuation thereon,
- (C) percentage of the annual property tax levy uncollected as of the close of the fiscal year,
- (D) schedule of annual debt service on outstanding long-term bonded indebtedness as of the close of the fiscal year,
- (E) calculation of total direct debt, total net direct debt, and total overall net debt (reflecting overlapping and underlying debt), as of the close of the fiscal year,
- (F) total direct debt, total net direct debt and total overall net debt of the Issuer per capita,

- (G) ratios of the total direct debt, total net direct debt and total overall net debt of the Issuer to the Issuer's net taxable grand list,
- (H) statement of statutory debt limitation as of the close of the fiscal year, and
- (I) funding status of the Issuer's pension benefit obligation.

(b) The financial information and operating data described above will be provided on or before the date eight months after the close of the fiscal year for which such information is being provided (the "Filing Due Date"). The Issuer's fiscal year currently ends on June 30. The Issuer reserves the right to provide unaudited financial statements if audited financial statements are not available as of the Filing Due Date, provided that the Issuer shall promptly provide audited financial statements when available.

(c) Annual financial information and operating data may be provided in whole or in part by cross-reference to other documents available to the public on the MSRB's Internet Web site referenced in the Rule as amended from time to time or filed with the SEC. All or a portion of the financial information and operating data may be provided in the form of a comprehensive annual financial report.

(d) The Issuer reserves the right (i) to provide financial statements which are not audited if no longer required by law, (ii) to modify from time to time the format of the presentation of such information or data, and (iii) to modify the accounting principles it follows to the extent required by law, by changes in generally accepted accounting principles, or by changes in accounting principles adopted by the Issuer; provided that the Issuer agrees that any such modification will be done in a manner consistent with the Rule.

Section 3. Notice of Certain Events.

The Issuer agrees to provide or cause to be provided, in a timely manner not in excess of ten business days after the occurrence of the event, to each Repository notice of the occurrence of any of the following events with respect to the Bonds:

- (a) principal and interest payment delinquencies;
- (b) non-payment related defaults, if material;
- (c) unscheduled draws on debt service reserves reflecting financial difficulties;
- (d) unscheduled draws on credit enhancements reflecting financial difficulties;
- (e) substitution of credit or liquidity providers, or their failure to perform;
- (f) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the bonds, or other material events affecting the tax status of the Bonds;
- (g) modifications to rights of holders of the Bonds, if material;
- (h) Bond calls, if material, and tender offers;
- (i) Bond defeasances;
- (j) release, substitution, or sale of property securing repayment of the Bonds, if material;
- (k) rating changes;
- (l) bankruptcy, insolvency, receivership or similar event of the Issuer;
- (m) the consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (n) appointment of a successor or additional trustee or the change of name of a trustee, if material;

(o) incurrence of a financial obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation, any of which affect security holders, if material; and

(p) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Issuer, any of which reflect financial difficulties.

Events (d) and (e). The Issuer does not undertake to provide any notice with respect to credit enhancement added after the primary offering of the Bonds, unless the Issuer applies for or participates in obtaining the enhancement.

Event (f). Event (f) is relevant only to the extent interest on the Bonds is excluded from gross income for federal income tax purposes.

Event (h). The Issuer does not undertake to provide the above-described event notice of a mandatory scheduled redemption, not *otherwise* contingent upon the occurrence of an event, if (A) the terms, dates and amounts of redemption are set forth in detail in the Final Official Statement, (B) the sole matter to be determined is which of the Bonds will be redeemed in the case of a partial redemption, (C) notice of redemption is given to the holders of the Bonds to be redeemed as required under the terms of the Bonds, and (D) public notice of redemption is given pursuant to Exchange Act Release No. 23856 of the SEC, even if the originally scheduled amounts are reduced due to prior optional redemptions or Bond purchases.

Events (o) and (p). The term “financial obligation” is defined as a (i) debt obligation, (ii) derivative instrument entered into in connection with or pledged as security or a source of payment for an existing or planned debt obligation, or (iii) guarantee of (i) or (ii). The term financial obligation does not include municipal securities for which a final official statement has been filed with MSRB pursuant to the Rule.

Section 4. Notice of Failure to Provide Annual Financial Information.

The Issuer agrees to provide or cause to be provided, in a timely manner, to each Repository notice of any failure by the Issuer to provide annual financial information as set forth in Section 2(a) hereof on or before the date set forth in Section 2(b) hereof.

Section 5. Use of Agents.

Annual financial information and operating data and notices to be provided pursuant to this Agreement may be provided by the Issuer or by any agents which may be employed by the Issuer for such purpose from time to time.

Section 6. Termination.

The obligations of the Issuer under this Agreement shall terminate upon the earlier of (i) payment or legal defeasance, at maturity or otherwise, of all of the Bonds, or (ii) such time as the Issuer ceases to be an obligated person with respect to the Bonds within the meaning of the Rule.

Section 7. Enforcement.

The Issuer acknowledges that the undertakings set forth in this Agreement are intended to be for the benefit of, and enforceable by, the beneficial owners from time to time of the Bonds. In the event the Issuer shall fail to perform its duties hereunder, the Issuer shall have the option to cure such failure within a reasonable time (but not exceeding 30 days with respect to the undertakings set forth in Section 2 of this Agreement or five business days with respect to the undertakings set forth in Sections 3 and 4 of this Agreement) from the time the Issuer's Finance Director, or a successor, receives written notice from any beneficial owner of the Bonds of such failure. The present address of the Finance Director is Town Hall, 275 Broad Street, Windsor, Connecticut 06095.

In the event the Issuer does not cure such failure within the time specified above, the beneficial owner of any Bonds shall be entitled only to the remedy of specific performance. The parties expressly acknowledge and agree that no monetary damages shall arise or be payable hereunder nor shall any failure to comply with this Agreement constitute an event of default with respect to the Bonds.

Section 8. Miscellaneous.

(a) All documents provided by the Issuer to a Repository pursuant to the Issuer’s undertakings set forth in Sections 2, 3 and 4 of this Agreement shall be in an electronic format as prescribed by the MSRB from time to time and shall be accompanied by identifying information as prescribed by the MSRB from time to time.

(b) The Issuer shall have no obligation to provide any information, data or notices other than as set forth in this Agreement; provided, however, nothing in this Agreement shall be construed as prohibiting the Issuer from providing such additional information, data or notices from time to time as it deems appropriate in connection with the Bonds. If the Issuer elects to provide any such additional information, data or notices, the Issuer shall have no obligation under this Agreement to update or continue to provide further additional information, data or notices of the type so provided.

(c) This Agreement shall be governed by the laws of the State of Connecticut.

(d) Notwithstanding any other provision of this Agreement, the Issuer may amend this Agreement, and any provision of this Agreement may be waived, if such amendment or waiver is made in connection with a change of circumstances that arises from a change in legal requirements, a change in law, or a change in the identity, nature or status of the Issuer, and is supported by an opinion of counsel expert in federal securities laws, to the effect that (i) such amendment or waiver would not materially adversely affect the beneficial owners of the Bonds, and (ii) the provisions of the Agreement as so amended or waived would have complied with the requirements of the Rule, taking into account any amendments or interpretations of the Rule as well as any changes in circumstances, in each case as of the date of such amendment to the Agreement or waiver. A copy of any such amendment or waiver will be filed in a timely manner with each Repository. The annual financial information provided on the first date following adoption of any such amendment will explain, in narrative form, the reasons for the amendment and the impact of the change in the type of operating or financial information provided.

(e) This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but such counterparts shall together constitute but one and the same instrument.

TOWN OF WINDSOR, CONNECTICUT

By: _____
PETER P. SOUZA
Town Manager

By: _____
JAMES R. BOURKE
Finance Director

APPENDIX D – NOTICE OF SALE

NOTICE OF SALE

**TOWN OF WINDSOR, CONNECTICUT
\$9,225,000 GENERAL OBLIGATION BONDS, ISSUE OF 2023
(BANK QUALIFIED)
BOOK-ENTRY-ONLY**

NOTICE IS GIVEN that ELECTRONIC BIDS *solely* via **PARITY**® will be received by the TOWN OF WINDSOR, CONNECTICUT (the “Issuer”), until 11:00 A.M. (E.T.) on THURSDAY,

JUNE 8, 2023

(the “Sale Date”) for the purchase, when issued, of all (but not less than all) of the Issuer’s \$9,225,000 General Obligation Bonds, Issue of 2023, dated June 27, 2023 (the “Bonds”), at no less than par and accrued interest from the date of the Bonds to the date of delivery, if any, maturing on June 15 in the principal amounts and in each of the years as follows:

<u>Maturity</u>	<u>Amount (\$)</u>	<u>Maturity</u>	<u>Amount (\$)</u>
2024	615,000	2032	615,000
2025	615,000	2033	615,000
2026	615,000	2034	615,000
2027	615,000	2035	615,000
2028	615,000	2036	615,000
2029	615,000	2037	615,000
2030	615,000	2038	615,000
2031	615,000		

The Bonds will bear interest commencing December 15, 2023 and semiannually thereafter on June 15 and December 15 in each year until maturity, as further described in the Preliminary Official Statement (as hereinafter defined), at the rate or rates per annum specified by the winning bidder.

Optional Redemption

The Bonds maturing on or before June 15, 2029 are not subject to redemption prior to maturity. The Bonds maturing June 15, 2030 and thereafter are subject to redemption prior to maturity, at the option of the Issuer, on or after June 15, 2029, either in whole or in part at any time, in such order of maturity and amount as the Issuer may determine, and by lot within a maturity, at the respective prices (expressed as a percentage of the principal amount of the Bonds to be redeemed) set forth in the following table, plus interest accrued and unpaid to the redemption date:

<u>Period During Which Redeemed</u>	<u>Redemption Price</u>
June 15, 2029 and thereafter	100.0%

Nature of Obligation

The Bonds will constitute general obligations of the Issuer, and the Issuer will pledge its full faith and credit to pay the principal of and interest on the Bonds when due. Unless paid from other sources, the Bonds are payable from ad valorem taxes which may be levied on all taxable property subject to taxation by the Issuer without limit as to rate or amount, except as to classified property such as certified forest lands taxable at a limited rate and dwelling houses of qualified elderly persons of low income or of qualified disabled persons taxable at limited amounts pursuant to provisions of the Connecticut General Statutes, as amended.

Bank Qualification

The Bonds SHALL be designated by the Issuer as qualified tax exempt obligations under the provisions of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended, for purposes of the deduction by financial institutions for interest expense allocable to the Bonds.

Registration

The Bonds will be issued by means of a book-entry system with no physical distribution of bond certificates made to the public. The Bonds will be issued in registered form and one bond certificate for each maturity will be issued to The Depository Trust Company (“DTC”), New York, New York, registered in the name of its nominee, Cede & Co., and immobilized in its custody. A book-entry system will be employed, evidencing ownership of the Bonds in principal amounts of \$5,000 or any integral multiple thereof, with transfers of ownership effected on the records of DTC and its participants pursuant to rules and procedures adopted by DTC and its participants. The purchaser, as a condition to delivery of the Bonds, will be required to deposit the bond certificates with DTC, registered in the name of Cede & Co. Principal of, redemption premium, if any, and interest on the Bonds will be payable by the Issuer or its agent to DTC or its nominee as registered owner of the Bonds. Principal and interest payments by DTC to participants of DTC will be the responsibility of DTC; principal and interest payments to beneficial owners by participants of DTC will be the responsibility of such participants and other nominees of beneficial owners. The Issuer will not be responsible or liable for payments by DTC to its participants or by DTC participants or indirect participants to beneficial owners or for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants. Upon receipt from the Issuer, the Paying Agent will pay principal of and interest on the Bonds directly to DTC so long as DTC or its nominee, Cede & Co, is the bondholder.

In the event that (a) DTC determines not to continue to act as securities depository for the Bonds and the Issuer fails to identify another qualified securities depository to replace DTC, or (b) the Issuer determines to discontinue the book-entry system of evidence and transfer of ownership of the Bonds, the Issuer will authenticate and deliver replacement Bonds in the form of fully registered certificates. Any such replacement Bonds will provide that interest will be payable by check mailed by the Paying Agent to the registered owner whose name appears on the registration books of the Issuer as of the close of business on the record date preceding each interest payment date. The record dates for the Bonds will be the last business day of May and November in each year.

Proposals

Each bid must be for the entire \$9,225,000 of the Bonds. Each proposal must specify the amount bid for the Bonds (which shall be the aggregate par value of the Bonds, and, at the option of the bidder, a premium), and must specify in a multiple of one-twentieth of one percent (1/20 of 1%) or one-eighth of one percent (1/8 of 1%) the rate or rates of interest per annum which the Bonds are to bear, provided that such proposal shall not state (a) more than one interest rate for any Bonds having a like maturity or (b) any interest rate for any Bonds of one maturity which exceeds the interest rate stated in such proposal for Bonds of a different maturity by more than two (2) percentage points. In addition to the amount bid for the Bonds, the purchaser must pay an amount equal to the interest on the Bonds accrued to the date of delivery. For the purpose of the bidding process, the time as maintained on **PARITY**® shall constitute the official time. For information purposes only, bidders are requested to state in their bids the true interest cost (“TIC”) to the Issuer, as described under “Basis of Award” below, represented by the rate or rates of interest and the bid price specified in their respective bids. Interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months. No proposal for less than par and accrued interest to the date of delivery will be considered.

Basis of Award; Right to Reject Proposals; Waiver; Postponement; Change of Terms

Unless all bids are rejected, as between proposals which comply with this Notice of Sale, the Bonds will be awarded to the bidder whose bid proposes the lowest true interest cost (“TIC”) to the Issuer. The TIC will be the annual interest rate, compounded semiannually, which, when used to discount all payments of principal and interest payable on the Bonds results in an amount equal to the purchase price for the Bonds, excluding interest accrued to the date of delivery. If there is more than one bidder making said offer at the same lowest TIC, the Bonds will be sold to the bidder whose proposal is selected by the Issuer by lot from among all such proposals. It is requested that each proposal be accompanied by a statement of the percentage of TIC computed and rounded to six decimal places. Such statement shall not be considered as part of the proposal. The purchase price must be paid in immediately available federal funds.

The right is reserved to reject any and all proposals and to reject any proposal not complying with this Notice of Sale and to waive any irregularity or informality with respect to any proposal.

The Issuer further reserves the right to postpone the sale to another time and date in its sole discretion for any reason, including Internet difficulties. The Issuer will use its best efforts to notify prospective bidders in a timely manner of any need for a postponement. Upon the establishment of an alternative sale date, any bidder may submit proposals for the purchase of the Bonds in accordance with the provisions of this Notice of Sale.

CUSIP Numbers

The deposit of the Bonds with DTC under a book-entry system requires the assignment of CUSIP numbers prior to delivery. It shall be the responsibility of the purchaser to apply for CUSIP numbers for the Bonds prior to delivery. Neither the failure to print such CUSIP number on any bond, nor any error with respect thereto, shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for the Bonds. All expenses in relation to the printing of CUSIP numbers on the Bonds shall be paid for by the Issuer; provided, however, that the Issuer assumes no responsibility for any CUSIP Service Bureau charge or other charge that may be imposed for the assignment of such numbers, which charges shall be the responsibility of and shall be paid for by the purchaser.

Electronic Proposals Bidding Procedure

Electronic bids for the purchase of the Bonds must be submitted through the facilities of **PARITY®**. Any prospective bidder must be a subscriber of i-Deal's BiDCOMP competitive bidding system. Further information about **PARITY®**, including any fee charged, may be obtained from **PARITY®**, c/o i-Deal LLC, 1359 Broadway, 2nd Floor, New York, New York 10018, Attention: Customer Support (telephone: (212) 849-5021 – email notice: parity@i-deal.com). The Issuer neither will confirm any subscription nor be responsible for any failure of a prospective bidder to subscribe.

Once an electronic bid made through the facilities of **PARITY®** is communicated to the Issuer, it shall constitute an irrevocable offer, in response to this Notice, and shall be binding upon the bidder as if made by the signed, sealed bid delivered to the Issuer. By submitting a bid for the Bonds via **PARITY®**, the bidder represents and warrants to the Issuer that such bidder's bid for the purchase of the Bonds is submitted for and on behalf of such prospective bidder by an officer or agent who is duly authorized to bind the prospective bidder by an irrevocable offer and that acceptance of such bid by the Issuer will bind the bidder by a legal, valid and enforceable contract, for the purchase of the Bonds on the terms described in this Notice. **The Issuer shall not be responsible for any malfunction or mistake made by, or as a result of the use of the facilities of PARITY®, or the inaccuracies of any information, including bid information or worksheets supplied by PARITY®, the use of PARITY® facilities being the sole risk of the prospective bidder. Each Bidder is solely responsible for knowing the terms of the sale as set forth herein.**

Disclaimer. Each of **PARITY®** prospective electronic bidders shall be solely responsible to make necessary arrangements to access **PARITY®** for the purpose of submitting its bid in a timely manner and in compliance with the requirements of this Notice. Neither the Issuer nor **PARITY®** shall have any duty or obligation to undertake such arrangements to bid for any prospective bidder or to provide or assure such access to any prospective bidder, and neither the Issuer or **PARITY®** shall be responsible for a bidder's failure to make a bid or for the proper operation of, or have any liability for any delays or interruptions of, or any damages caused by, **PARITY®**. The Issuer is using **PARITY®** as a communication mechanism, and not as the Issuer's agent, to conduct the electronic bidding for the Bonds. The Issuer is not bound by any advice and determination of **PARITY®** to the effect that any particular bid complies with the terms of this Notice and in particular the bid requirements herein set forth. All costs and expenses incurred by prospective bidders in connection with their subscription to, arrangements with and submission of bids via **PARITY®** are the sole responsibility of the bidders; and the Issuer is not responsible directly or indirectly, for any of such costs or expenses. If the prospective bidder encounters any difficulty in arranging to bid or submitting, modifying or withdrawing a bid for the Bonds, the prospective bidder should telephone **PARITY®** at (212) 849-5021. If any provision of this Notice shall conflict with information provided by **PARITY®**, this Notice shall control.

For the purpose of the electronic bidding process, the time maintained on **PARITY®** shall constitute the official time.

Certifying Agent, Registrar, Paying Agent and Transfer Agent

The Bonds will be authenticated by U.S. Bank Trust Company, National Association, Hartford, Connecticut. U.S. Bank Trust Company, National Association will also act as Registrar, Paying Agent and Transfer Agent.

Delivery, Payment and Closing Requirements

At or prior to the delivery of the Bonds the purchaser shall be furnished, without cost, with (a) the approving opinion of Pullman & Comley, LLC of Hartford, Connecticut, Bond Counsel (“Bond Counsel”) (see “Bond Counsel Opinion” below); (b) a signature and no litigation certificate, in form satisfactory to said firm, dated as of the date of delivery of the Bonds, and stating that there is no litigation pending, or to the knowledge of the signer or signers thereof threatened, affecting the validity of the Bonds or the power of the Issuer to levy and collect taxes to pay them; (c) a signed copy of the Official Statement prepared for this bond issue; (d) a certificate of Issuer Officials relating to the accuracy and completeness of the Official Statement; (e) a Continuing Disclosure Agreement; and (f) a receipt of payment for the Bonds.

The Bonds will be delivered against payment in immediately available federal funds through the facilities of DTC, New York, New York or its agent via Fast Automated Securities Transfer (“FAST”) on or about June 27, 2023 (the “Closing Date”).

The Issuer will have no responsibility to pay for any expenses of the purchaser except to the extent specifically stated in this Notice of Sale. The purchaser will have no responsibility to pay for any of the Issuer’s costs of issuance except to the extent specifically stated in this Notice of Sale.

The purchaser will be responsible for the clearance or exemption with respect to the status of the Bonds for sale under securities or “Blue Sky” laws and the preparation of any surveys or memoranda in connection with such sale. The Issuer shall have no responsibility for such clearance, exemption or preparation.

Bond Counsel Opinion

The legality of the issue will be passed upon by Pullman & Comley, LLC of Hartford, Connecticut, Bond Counsel, and the purchaser will be furnished with its opinion, without charge, substantially in the form set forth in Appendix B to the Official Statement. The opinion will state that the Bonds are valid and binding obligations of the Issuer. If the Competitive Sale Rule (as defined below in the “Establishment of Issue Price” section) is met, Bond Counsel will require as a precondition to release of its opinion that the purchaser of such Bonds deliver to it a completed “issue price” certificate, or similar certificate, regarding expectations or public offering prices, as applicable, with respect to the Bonds awarded to such bidder, as described below under “Establishment of Issue Price”.

Establishment of Issue Price

In order to provide the Issuer with information that enables it to comply with certain requirements of the Internal Revenue Code of 1986, as amended (the “Code”), relating to the exclusion of interest on the Bonds from the gross income of their owners, the winning bidder will be required to complete, execute, and deliver to the Issuer at or prior to the delivery of the Bonds an “issue price” or similar certificate setting forth the reasonably expected initial offering price to the Public (the “Initial Offering Price”) or the actual sales price or prices of the Bonds, as circumstances may determine, together with the supporting pricing wires or equivalent communications, with such modifications as may be appropriate or necessary, in the reasonable judgment of Bond Counsel. Communications relating to this “Establishment of Issue Price” section, the completed certificate(s) and any supporting information shall be delivered to (1) Bond Counsel at Glenn G. Rybacki, Esq., Pullman & Comley, LLC, 90 State House Square, Hartford, CT 06103, Telephone: (860) 424-4391, E-mail: grybacki@pullcom.com and (2) the Municipal Advisor at Mark Chapman, Munistat Services, Inc., 129 Samson Rock Drive, Suite A, Madison, CT 06443, Telephone: (203) 421-2087, E-mail: Mark.Chapman@munistat.com (the “Municipal Advisor”). Questions related to this “Establishment of Issue Price” section should be directed to Bond Counsel or the Municipal Advisor. For purposes of this “Establishment of Issue Price” section, Bond Counsel may act on behalf of the Issuer and the Municipal Advisor may act on behalf of the Issuer.

By submitting a bid, each bidder is certifying that its bid is a firm offer to purchase the Bonds, is a good faith offer which the bidder believes reflects current market conditions, and is not a “courtesy bid” being submitted for the purpose of assisting in meeting the competitive sale requirements relating to the establishment of the “issue price” of the Bonds pursuant to Section 148 of the Code, including the requirement that bids be received from at least three (3) underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds.

By submitting a bid, a bidder represents to the Issuer that it has an established industry reputation for underwriting new issuances of municipal bonds such as the Bonds, represents that such bidder’s bid is submitted for or on behalf of such bidder by an officer or agent who is duly authorized to bind the bidder to a legal, valid and enforceable contract for the purchase of the Bonds, and understands that upon award by the Issuer that this Notice of Sale constitutes a written contract between such bidder, as winning bidder, and the Issuer.

By submitting a bid, the bidder agrees that if the Competitive Sale Rule (as set forth below) is not met, it will satisfy either the Actual Sales Rule (as set forth below) or the Hold-the-Offering-Price Rule (as set forth below).

Bids will not be subject to cancellation in the event that the competitive sale requirements are not satisfied.

Notification of Contact Information of Winning Bidder. Promptly upon award, the winning bidder shall notify the Municipal Advisor and Bond Counsel of the contact name, telephone number and e-mail address of the person(s) of the winning bidder for purposes of communications concerning this “Establishment of Issue Price” section.

Competitive Sale Rule. The Issuer intends that the provisions of Treasury Regulations Section 1.148-1(f)(3)(i) (defining “competitive sale” for purposes of establishing the issue price of the Bonds) will apply to the initial sale of the Bonds (the “Competitive Sale Rule”) because:

- (1) the Issuer shall disseminate, or have disseminated on its behalf, this Notice of Sale to potential bidders in a manner that is reasonably designed to reach potential bidders;
- (2) all bidders shall have an equal opportunity to bid;
- (3) the Issuer anticipates receiving bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
- (4) the Issuer anticipates awarding the sale of the Bonds to the bidder who submits a firm offer to purchase the Bonds at the lowest true interest cost (“TIC”), as set forth in this Notice of Sale.

Competitive Sale Rule Met. The Issuer, or the Municipal Advisor on behalf of the Issuer, shall at the time of award advise the winning bidder if the Competitive Sale Rule has been met. Within two (2) hours of award (or such other time as agreed to by Bond Counsel), the winning bidder shall provide Bond Counsel and the Municipal Advisor, via e-mail, a completed “ISSUE PRICE CERTIFICATE” in the form attached hereto as Attachment A.

Competitive Sale Rule Not Met. In the event that the Competitive Sale Rule is not satisfied, the Issuer, or the Municipal Advisor on behalf of the Issuer, shall at the time of award advise the winning bidder. The Issuer may determine to treat (i) the first price at which ten percent (10%) of a Maturity of the Bonds (the “Actual Sales Rule”) is sold to the Public as the issue price of that Maturity, and/or (ii) the Initial Offering Price to the Public as of the Sale Date of any Maturity of the Bonds as the issue price of that Maturity (the “Hold-the-Offering-Price Rule”), in each case applied on a Maturity-by-Maturity basis. In the event that the Competitive Sale Rule is not satisfied, the winning bidder, by 4:30 p.m. (E.T.) on the Sale Date, shall notify and provide, via e-mail, Bond Counsel and the Municipal Advisor (I) of the first price at which ten percent (10%) of each Maturity of Bonds has been sold to the Public and (II) reasonable supporting documentation or certifications of such price the form of which is acceptable to Bond Counsel; i.e., those Maturities of the Bonds that satisfy the Actual Sales Rule as of the Sale Date. After such receipt, the Issuer, or Bond Counsel on behalf of the Issuer, shall promptly confirm with the winning bidder, via e-mail, which Maturities of the Bonds shall be subject to the Actual Sales Rule and which Maturities shall be subject to the Hold-the-Offering-Price Rule.

For those Maturities of Bonds subject to the Hold-the-Offering-Price Rule, the winning bidder shall (i) provide Bond Counsel (via e-mail) a copy of pricing wire or equivalent communication for the Bonds (ii) confirm that each Underwriter (as defined below) has offered or will offer all of the Bonds to the Public on or before the date of award at the Initial Offering Prices and (ii) agree, on behalf of each Underwriter participating in the purchase of the Bonds, that each Underwriter will neither offer nor sell unsold Bonds of any Maturity to which the Hold-the-Offering-Price Rule shall apply to any person at a price that is higher than the Initial Offering Price for such Maturity during the period starting on the Sale Date and ending on the earlier of the following:

- (1) the close of the fifth (5th) business day after the Sale Date; or
- (2) the date on which the Underwriters have sold at least ten percent (10%) of that Maturity of the Bonds to the Public at a price that is no higher than the Initial Offering Price.

The winning bidder shall promptly advise Bond Counsel and the Municipal Advisor, via e-mail, when the Underwriters have sold ten percent (10%) of that Maturity of the Bonds to the Public at a price that is no higher than the Initial Offering Price, if that occurs prior to the close of the fifth (5th) business day after the Sale Date.

By submitting a bid, each bidder confirms that: (i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the Bonds to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such third-party distribution agreement, as applicable, to (A) report the prices at which it sells to the Public the unsold Bonds of each Maturity allotted to it until it is notified by the winning bidder that either the Actual Sales Rule has been satisfied as to the Bonds of that Maturity or all Bonds of that Maturity have been sold to the Public and (B) comply with the Hold-the-Offering-Price Rule, if applicable, in each case if and for so long as directed by the winning bidder and as set forth in the related pricing wires, and (ii) any agreement among underwriters relating to the initial sale of the Bonds to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Bonds to the Public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the Public the unsold Bonds of each Maturity allotted to it until it is notified by the winning bidder or such Underwriter that either the Actual Sales Rule has been satisfied as to the Bonds of that Maturity or all Bonds of that Maturity have been sold to the Public and (B) comply with the Hold-the-Offering-Price Rule, if applicable, in each case if and for so long as directed by the winning bidder or such Underwriter and as set forth in the related pricing wires.

Sales of any Bonds to any person that is a Related Party (as defined below) to an Underwriter shall not constitute sales to the Public for purposes of this Notice of Sale.

Definitions. For purposes of this “Establishment of Issue Price” section:

- (1) “Maturity” means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.
- (2) “Public” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a Related Party to an Underwriter.
- (3) “Related Party” generally means any two or more persons who have greater than 50% common ownership, directly or indirectly.
- (4) “Underwriter” means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead Underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this definition to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the Public).

Official Statement

For more information regarding the Bonds or the Issuer, reference is made to the Preliminary Official Statement dated May 26, 2023 (the “Official Statement”) describing the Bonds and the financial condition of the Issuer. The Preliminary Official Statement is available in electronic format at www.i-dealprospectus.com and www.munistat.com, and such electronic access is being provided as a matter of convenience only. Copies of the Preliminary Official Statement may be obtained from Mark Chapman, Munistat Services, Inc., 129 Samson Rock Drive, Suite A, Madison, CT 06443, Telephone: (203) 421-2087, E-mail: Mark.Chapman@munistat.com. The Issuer deems such Official Statement to be a final official statement for purposes of complying with Securities and Exchange Commission Rule 15c2-12 (the “Rule”), but such Official Statement is subject to revision or amendment as appropriate. The Issuer will make available to the purchaser a reasonable number of copies of the final Official Statement at the Issuer’s expense, and the final Official Statement will be made available to the purchaser by no later than the earlier of the delivery of the Bonds or by the seventh (7th) business day after the day bids on the Bonds are received. If the Issuer’s Municipal Advisor, is provided with the necessary information from the purchaser by 12:00 o’clock noon on the day after the Sale Date, the copies of the final Official Statement will include an additional cover page and other pages, if necessary, indicating the interest rates, rating(s), yields or reoffering prices and the name of the managing underwriter of the Bonds, and any corrections. The purchaser shall arrange with the Municipal Advisor the method of delivery of the copies of the final Official Statement to the purchaser. Additional copies of the final Official Statement may be obtained by the purchaser at its own expense by arrangement with the printer.

Continuing Disclosure Agreement

As required by the Rule, the Issuer will undertake, pursuant to a Continuing Disclosure Agreement (the “Agreement”), to provide annual financial information and operating data including audited financial statements, notice of the occurrence of certain events with respect to the Bonds within ten (10) business days of such event, and timely notice of any failure by the Issuer to provide annual reports on or before the date specified in the Agreement. A form of the Agreement is attached to the Official Statement as Appendix C. The purchaser’s obligation to purchase the Bonds shall be conditioned upon its receiving, at or prior to delivery of the Bonds, an executed Agreement.

TOWN OF WINDSOR, CONNECTICUT

PETER P. SOUZA
Town Manager

JAMES R. BOURKE
Finance Director

May 26, 2023

ATTACHMENT A

ISSUE PRICE CERTIFICATE

(If Competitive Sale Rule Met)

TOWN OF WINDSOR, CONNECTICUT
\$ _____ GENERAL OBLIGATION BONDS, ISSUE OF 2023
Dated June 27, 2023

The undersigned, on behalf of [UNDERWRITER] (“[SHORT NAME OF UNDERWRITER]”), hereby certifies as set forth below with respect to the sale of the above-captioned obligations (the “Bonds”).

1. **Due Authorization.** The undersigned is a duly authorized representative of [SHORT NAME OF UNDERWRITER], the purchaser of the Bonds.

2. **Purchase Price.** The TOWN OF WINDSOR, CONNECTICUT (the “Issuer”) sold to [SHORT NAME OF UNDERWRITER], for delivery on or about June 27, 2023, the Bonds at a price of par (\$ _____), plus an aggregate net premium of \$ _____ and less an underwriter’s discount of \$ _____, resulting in an aggregate net purchase price of \$ _____.

3. **Reasonably Expected Initial Offering Price.**

(a) As of June 8, 2023 (the “Sale Date”), the reasonably expected initial offering prices of the Bonds to the Public by [SHORT NAME OF UNDERWRITER] are the prices listed in **Schedule A** (the “Expected Offering Prices”). The Expected Offering Prices are the prices for the Maturities of the Bonds used by [SHORT NAME OF UNDERWRITER] in formulating its bid to purchase the Bonds. Attached as **Schedule B** is a true and correct copy of the bid provided by [SHORT NAME OF UNDERWRITER] to purchase the Bonds.

(b) [SHORT NAME OF UNDERWRITER] was not given the opportunity to review other bids prior to submitting its bid.

(c) The bid submitted by [SHORT NAME OF UNDERWRITER] constituted a firm offer to purchase the Bonds.

4. **Defined Terms.**

(a) “Maturity” means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

(b) “Public” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than fifty percent (50%) common ownership, directly or indirectly.

(c) “Underwriter” means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this definition to participate in the initial sale of the Bonds to the Public (including a member of the selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the Public).

5. **Representations and Information.** The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents [SHORT NAME OF UNDERWRITER]'s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder (collectively, the "Code"). The undersigned understands that the foregoing information will be relied upon by the Issuer in making its certification as to issue price of the Bonds under the Code and with respect to compliance with the federal income tax rules affecting the Bonds. Pullman & Comley, LLC, bond counsel, may rely on the foregoing representations in rendering its opinion on the exclusion from federal gross income of the interest on the Bonds, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer relating to the Bonds. Except as set forth above, no third party may rely on the foregoing certifications, and no party may rely hereon for any other purpose.

IN WITNESS WHEREOF, the undersigned has executed this Certificate as of June 8, 2023.

[UNDERWRITER]

By: _____
Name:
Title:

Schedule A to Issue Price Certificate

<u>Maturity, June 15</u>	<u>Principal Amount (\$)</u>	<u>Interest Rate (%)</u>	<u>Price (\$, not Yield)</u>
2024			
2025			
2026			
2027			
2028			
2029			
2030			
2031			
2032			
2033			
2034			
2035			
2036			
2037			
2038			

Schedule B to Issue Price Certificate

Municipal Advisory Services

Provided by

