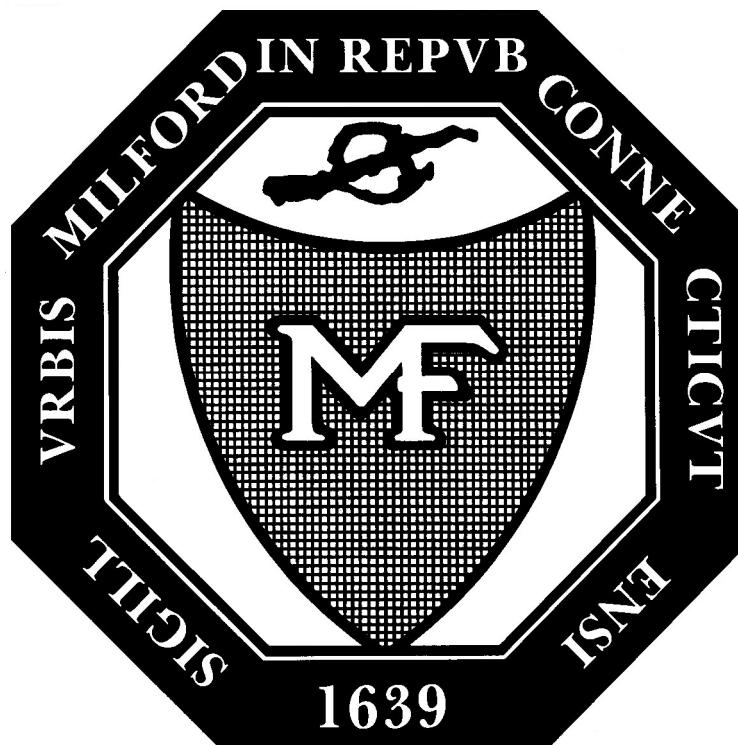


City of Milford Connecticut



Annual Comprehensive Financial Report

Fiscal Year Ended June 30, 2022

City of Milford, Connecticut Connecticut

ANNUAL COMPREHENSIVE Financial Report

FISCAL YEAR ENDED June 30, 2022

Prepared by:
City of Milford Finance Department

**PETER A. ERODICI, JR.
DIRECTOR OF FINANCE**

**ARIANE P. SWIFT
CITY ACCOUNTANT**

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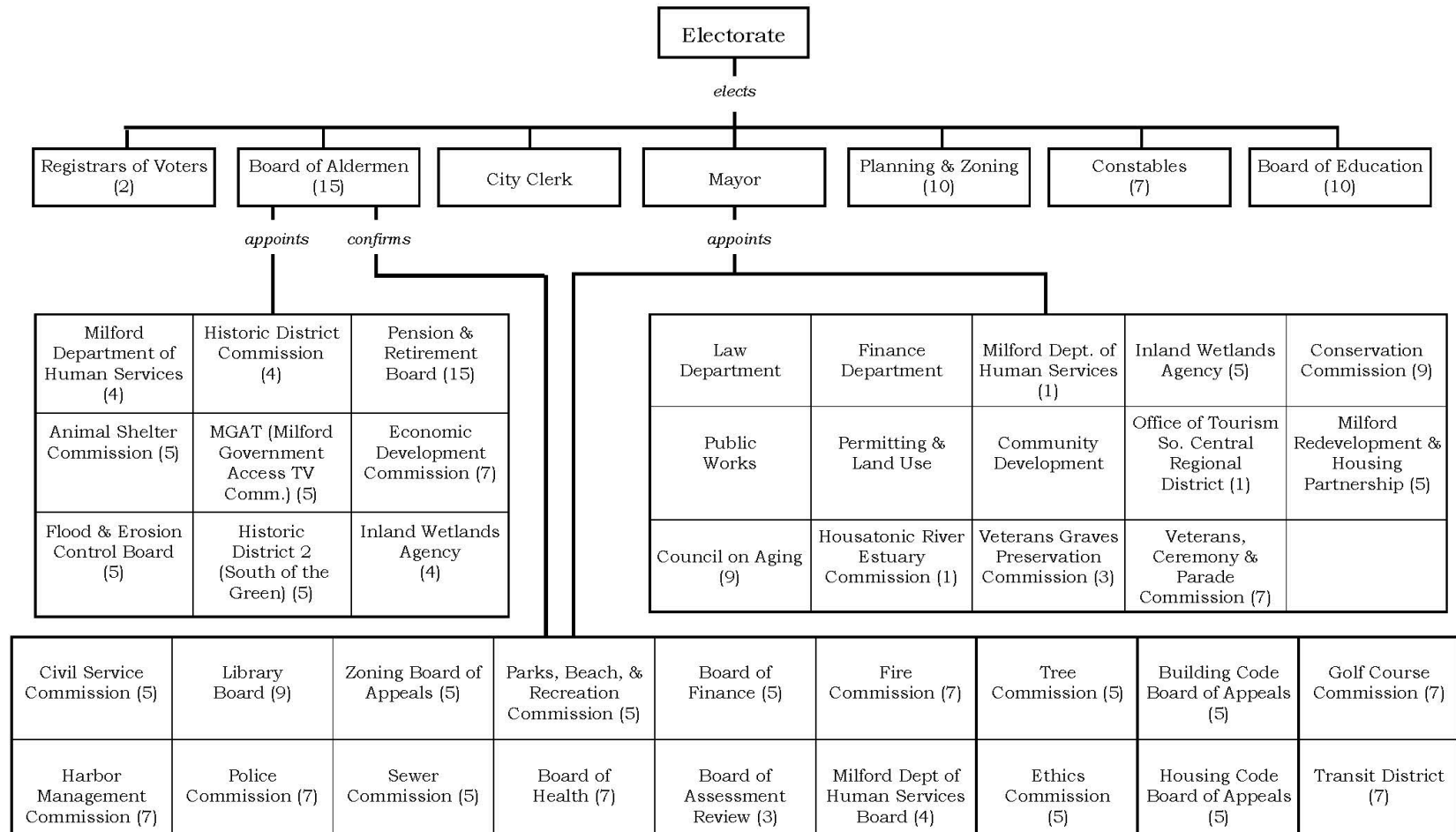
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INTRODUCTORY SECTION

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City of Milford Organizational Chart



PRINCIPAL OFFICIALS

Mayor

Benjamin G. Blake

Board of Aldermen

Phillip J. Vetro, Chair
Matthew Arciuolo, II
Anthony Giannattasio
Michelle Parente
Scott F. Marlow
Robert Pacelli, Jr.
Ward Willis
Brett Broesder
Michael S. Casey
Holly E. Mulrenan
Daniel J. German
John Moffitt
Gregory F. Harla
Ellen Russell Beatty
Raymond G. Vitali

Board of Education

Susan Glennon, Chair
Andy Fowler
Gary Peluchette
Meghan Doyle
Tracy Irby
Una Petroske
Cindy Wolfe Boynton
Adam DeYoung
Emily McDonough Souza

Appointed Officials

Dr. Anna Cutaia, Superintendent of Schools
Jonathan D. Berchem, City Attorney



City of Milford, Connecticut

- Founded 1639 -

70 West River Street - Milford, CT 06460-3317
Tel 203-783-3220 FAX 203-783-3294

Office of the
Director of Finance

February 17, 2023

Citizens of the City of Milford, Connecticut
Honorable Mayor
Members of the Board of Aldermen
Members of the Board of Finance

The Annual Comprehensive Financial Report of the City of Milford for the fiscal year ended June 30, 2022, is hereby submitted. This report was prepared by the City's Department of Finance in conformance with generally accepted accounting principles (GAAP) for governmental units as promulgated by various authoritative bodies through their publications, statements of position, and other pronouncements. These bodies include the Governmental Accounting Standards Board (GASB), the American Institute of Certified Public Accountants, and the State of Connecticut Office of Policy and Management. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. We believe the data, as presented, are accurate in all material respects and are presented in a manner that presents fairly the financial position and results of the operations of the City as measured by the financial activity of its various funds. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The City of Milford is required to undergo an annual federal single audit in compliance with requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Information related to this federal single audit, including the Schedule of Expenditures of Federal Awards and the independent auditors' reports on compliance and internal controls are included in a separately issued federal single audit report.

The City of Milford is also required to undergo an annual state single audit in conformity with the provisions of the State of Connecticut's Single Audit Act (C.G.S. Sections 4-230 to 4-236). Information related to this state single audit, including the schedule of state financial assistance, findings and recommendations, and auditors' reports on the internal control structure and compliance with applicable laws and regulations, is included in a separately issued state single audit report.

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City of Milford's MD&A can be found immediately following the independent auditors' report.

The financial reporting entity (the government) includes all the funds of the City of Milford. The government provides the full range of municipal services as directed by State statute and the Charter of the City of Milford. These include police and fire protection, parks and recreation activities, street construction and maintenance, wastewater treatment, planning and zoning, health and social services, education, and general administrative services.

PROFILE OF THE GOVERNMENT

The City of Milford was founded in 1639 and covers a 23.5 square mile area on Long Island Sound at the mouth of the Housatonic River. The City lies almost equidistant between the cities of New Haven and Bridgeport. Contiguous to the towns of Stratford, Shelton, Orange, and West Haven, Milford is the fifth largest community in population in New Haven County and eighteenth in population size of the State of Connecticut's one hundred and sixty-nine cities and towns. Primarily a residential community, Milford's population is 54,503 (2016-2020 Census Survey). Milford is served by many transportation facilities. Interstate 95 has seven Milford entrances/exits and Connecticut 15 (Merritt/Wilbur Cross Parkway) has two entrances/exits. U.S. 1 plus Connecticut Routes 121, 162, and numerous local roads and streets also serve the City. Inter-city passenger bus service is provided by Connecticut Transit and interstate service is provided by Greyhound. The New Haven Line, Amtrak, and Metro North (Conrail) provide four east/west passenger/freight rails and two north/south freight rails. Passenger trains stop daily going to and coming from New York's Grand Central Station. Two airports serve Milford: Sikorsky Memorial Airport and Tweed-New Haven Airport.

Milford has a Mayor-Board of Aldermen form of government. The Mayor and fifteen Aldermen are elected each odd-numbered year. The City's Charter guarantees representation by more than one political party, with no more than ten (10) aldermen from the same party. The legislative function is performed by the Board of Aldermen. The budgetary process involves sequential recommendations by Department Heads and Boards and Commissions, the Mayor, and the five (5) members Board of Finance, with the final budget set by the Board of Aldermen. The Director of Finance, who is included under Civil Service, administers fiscal matters.

The City provides a full range of services including schools; police and fire protection; maintenance of highways, streets, and other infrastructure; recreational activities and cultural events; sanitation and health services; human services; and General Government, Administrative, and Community Development Services.

ECONOMY AND FACTORS AFFECTING FINANCIAL CONDITION

Milford is in a region with a diverse economic base. Residents' income is derived from education and health services organizations, manufacturing, professional and administrative services, and retail industries. The 2020 American Community Survey shows that Milford's median family income was \$113,143, compared to the State's \$97,310, and the median age of a Milford resident was 44.8 years.

The City's unemployment rate was 3.7% through August 2022 as compared to the State of Connecticut at 4.3%. The decrease in the unemployment rate from 5.7% to 3.7% over the past year is reflective of the current economy.

The City's tax base is stable with moderate growth. The net taxable grand list of October 1, 2021, was \$7.9 billion which represents an increase of \$1.1 billion over the grand list of October 1, 2020. This was primarily due to residential and commercial new construction along with the required revaluation. The top ten taxpayers have been relatively stable over the past two years and represent 6.5% of the grand list.

Milford continues to see signs of growth and progress. The Bayview Beach drainage improvement project was completed. New multi-family residences are being constructed, and new businesses are being added which should help to increase the grand list going forward. Out of 169 municipalities, Milford ranked tenth in the State of Connecticut and first in New Haven County. Grand list growth has allowed Milford to reduce taxes for seven consecutive years furthering small to mid-size business growth.

The ongoing impact of COVID-19 has materially affected local, state, national, and global activity and increased public health emergency costs. Milford has been working closely with the State of Connecticut to mitigate the impact of COVID-19. While a potential risk, the outbreak did not have a materially adverse effect on the City in fiscal year 2022, nor does the City anticipate the outbreak to have a materially adverse financial effect on the City for fiscal year 2023.

On March 16, 2020, the City declared a local state of emergency. This step allows the Mayor to exercise emergency powers as needed to help the community and better positioned the City to access emergency federal aid. Effective March 17, 2020, the Mayor closed City buildings to the public except by appointment only while allowing operations to continue with staff performing essential services and some working remotely. On June 1, 2020, the City returned to full, in-person staffing in its offices and continues to perform all services.

As a result of Governor Lamont's Executive Order 7S and 7W in April 2020, the City elected to implement a short-term tax relief program which allowed taxpayers who demonstrated need due to COVID-19 to defer their July 1, 2020, tax payment by three months. Financial institutions and mortgage servicers that hold property taxes in escrow were required to continue to remit property taxes to the City according to the regular timetable, so long as the borrower remained current on his or her mortgage or is in a forbearance or deferment program. Applications for the "Deferment Program" were due by July 1, 2020. In total, 36 taxpayers were approved for a total of \$160,430 in property taxes that were deferred from a due date of July 1, 2020, to October 1, 2020. This is only 0.1% of the total budgeted current year taxes for the fiscal year and it did not have a material adverse effect on the City.

After the Governor issued Executive Order 9R in December 2020 which renewed the short-term tax relief program for tax payments due on January 1, 2021, the City elected to implement the deferral program. This allowed taxpayers who demonstrated need due to COVID-19 to defer their January 1, 2021, tax payment by three months. Financial institutions and mortgage servicers that hold property taxes in escrow were required to continue to remit property taxes to the City according to the regular timetable, so long as the borrower remained current on his or her mortgage or is in a forbearance or deferment program. In total, 22 applications were approved for a total of \$2.1 million. This was only 1.1% of the total budgeted current year taxes for the fiscal year and it did not have a material adverse effect on the City.

In FY21, the City received \$955,051 in federal aid through the Coronavirus Aid, Relief, and Economic Stabilization Act (the "CARES Act") which was passed through the State under the Connecticut Municipal Coronavirus Relief Fund Program ("CRF"). The City also received \$29.2 million in federal grant funding from the American Rescue Plan Act of 2021 ("ARPA"). The City has developed a plan for the use of the ARPA funds that comply with the program eligibility criteria.

Milford maintained strong business growth in 2021. The businesses range from small home businesses to medical offices and auto dealerships. Building permits increased with a total value of \$81 million for FY22.

The City's downtown had several new businesses open and has several apartments under construction along with a new mixed-use development. Transit-oriented development continues to progress and is bringing increased economic growth to the City.

Walnut Beach continues to attract new businesses and tourists. The Devon section of the City added new restaurants and retail. Its business association remains active and works to enhance economic development in this area.

The Boston Post Road and Cherry Street area welcomed new businesses and office buildings. It remains popular with auto dealerships with a new Genesis facility planned for the former Holiday Inn hotel site. Other dealerships have expanded and renovated their facilities as well.

Milford's office sector has not grown significantly due to a shift in office space needs. However, Stamford-based real estate investment firm, Stone Harbor Capital acquired the former Merritt Crossing office complex at 440 Wheelers Farms Road and planned a major investment for the space along with a fitness center. Moreover, the industrial sectors continue to be well occupied. On Old Gate Lane, Bespoke Dental Technologies and JLD Partners established locations. On Pepe's Farm Road, Upward Human Performance and The Smash HQ joined a busy industrial area. Event Cranium opened at 354 Woodmont Road along with Bodleian Inc. USA Sports Marketing leased over 11,000 sq. ft. of property to distribute sports products and memorabilia. Athletic Brewing Co., the country's largest non-alcoholic beer producer, purchased 75 Cascade Boulevard and made Milford its national headquarters with a 150,000 sq. ft. facility. Valley Tool & Manufacturing LLC acquired 8.1 acres on Shelland Drive for the development of a 100,000 sq. ft. industrial facility which is expected to open by the end of 2022.

The Economic and Community Development department coordinates the efforts of the Economic Development Commission, administers CDBG, and organizes special events and promotional projects. The department collaborates with and/or serves on the Milford Chamber of Commerce Board of Directors, Milford Progress Inc, Downtown Milford Business Association, REX, Connecticut Economic Development Association, Connecticut Main Street, CEDAS, CT Convention and Sports Bureau, SCRCOG, and the Connecticut Conference of Municipalities. In addition, it works with realtors, owners, and developers to fill existing vacant commercial and industrial space or to develop new projects.

Internal Controls

Management of the City is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft, or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. We believe that the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Single Audits. As a recipient of federal and state financial assistance, the City of Milford is also responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management.

As a part of the City's single audits described earlier, tests are made to determine the adequacy of the internal control structure, including that portion related to federal and state financial assistance programs, as well as to determine that the City has complied with applicable laws and regulations. The results of the City's single audits for the fiscal year ended June 30, 2022, can be found in their respective reports.

THE OPERATING BUDGET

Guidelines

Budgetary Control

In addition to internal accounting controls, the City maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budgets for the General Fund as approved by the Board of Aldermen and as may be amended by the Board during the fiscal year. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is the department. The City also maintains project budgets for all capital project funds and special revenue funds.

To aid in budgetary control, the City maintains an encumbrance accounting system to record obligations by line item for the General Fund, all capital project funds and all special revenue funds. Certification of funds availability is required prior to issuance of purchase orders, which are recorded as encumbrances in the budgetary accounting system. Encumbrances for goods and services that have not been received by June 30 of each year are reported as reservations of fund balance. Invoices will be paid in the next fiscal year against these encumbrances. The Mayor can authorize budget transfers within a classification (Personal Services, Operating Expenses, Capital Outlay, etc.) of a department. All transfers between classifications in a department or between departments and all transfers into an account not approved at the budget vote must be justified to and approved by the Board of Finance and the Board of Aldermen.

Debt

The City's long-standing administrative policy is that debt service shall not exceed 10% of the respective year budget. On February 6, 2017, the Board of Aldermen formally adopted this policy. For FY22, debt service represents approximately 8.1% of the budget.

Use of Fund Balance

The City has a long-standing administrative policy of maintaining a minimum of 5% of the current year budget in unassigned fund balance. On February 6, 2017, the Board of Aldermen formally adopted this policy along with a debt management policy and pension funding policy.

Budgetary and Long-Term Financial Planning

The City officials are very mindful of the current economic circumstances, the level of taxes, and the need to balance them with the needs and expectations of the community. Historically, the City has completed bond refundings which have lowered debt service costs. The administration negotiated with its Police, Fire, and other unions and worked with them to implement healthcare plan design changes to their union contracts--making a high deductible, health savings account plan the sole, core plan for new hires. Further, the City and BOE offered retirees the option to convert to a Medicare Advantage Plan. This should help to lower healthcare costs over the long term.

The City tries to conservatively budget revenues, particularly building permit fees, investment income, and conveyance fees. These revenues are highly dependent on the economy and market conditions. The City has also recognized the impacts of the economy on the State budget and is conservative in planning for State grants. For FY21 and FY22, the City planned for adjustments in certain grants and others with level funding. In FY22, state grants were budgeted at \$12.2 million and funded 5.1% of the City's budget. In FY21, state grants were budgeted at \$11.9 million, which was 5.5% of the budget. The Education Cost Sharing Grant, which is a major grant for the City, decreased from \$9.7 million budgeted in FY21 to \$9.5 million budgeted in FY22.

The City aims to keep expenses to the lowest amount possible and still provide adequate services. The City negotiated a 2.25% wage increase for most unions in FY21 and FY22. In FY21 and FY22, the Education Operations (EO) budget increased 2.58% and 0.65% and the City's budget decreased 1.1% and increased 5.2% respectively. The key reason for the City's increase was an increase in the annual pension contribution. The City is in the midst of a five-year phase-in of a reduction of the assumed investment rate of return in its pension valuation from 7.5% to 7.0% (7.3% as of 7/1/21). This change is one of the factors leading to an increase in the actuarially determined employer contribution (ADEC) for the pension fund. Increased utilization of healthcare and higher healthcare claims expense remain a concern as well, with the City looking at ways to control or lower costs whenever possible.

The long-term plan for the City is to continue with a business-friendly environment to encourage development/redevelopment of properties. The City will only have minimal, if any, personnel increases. Labor contracts for most City unions were settled until June 30, 2023. MEA and Nurses expire in FY24 and Police in FY25. The average wage increase from FY23 to FY25 is 2.5%. Negotiations for new contracts are in progress. The existing contracts include a premium cost share on an increasing sliding scale for all employees who contribute to the cost of their health insurance. They also include a Health Savings Account as the sole plan for new hires. The City will have to balance fixed asset and infrastructure maintenance/improvements while keeping debt service at a manageable level. The City plans to continue funding of the pension plans and OPEB. The City will continue compiling a five-year capital plan and a five-year vehicle and equipment replacement schedule.

Secondary Market Disclosure

The City has agreed to provide or cause to be provided to the Municipal Securities Rulemaking Board (MSRB), through its [Electronic Municipal Market Access \(EMMA\) website](#) the City's annual financial information and operating data including the City's audited financial statements. The data to be provided shall include the following:

Amounts of the gross and net taxable grand list applicable to the fiscal year (See Statistical Table 7);

Listing of the ten largest taxpayers on the applicable grand list, together with each such taxpayer's taxable valuation thereon (See Statistical Table 8);

Percentage and amount of the annual property tax levy collected and uncollected as of the close of the fiscal year (See Statistical Table 9);

Schedule of the annual debt service on outstanding long-term bonded indebtedness as of the close of the fiscal year (See Note 8);

Calculation of the net direct debt, total direct debt, and total overall net debt (reflecting overlapping and underlying debt) as of the close of the fiscal year (See Statistical Table 13);

Total direct debt, total net direct debt and total overall net debt of the City per capita (See Statistical Table 13);

Ratios of the total direct debt and total overall net debt of the City to the City's net taxable grand list (See Statistical Table 13);

Statement of statutory debt limitations and debt margins as of the close of the fiscal year (See Statistical Table 11); and

Funding status of the City's pension benefit obligations as of the close of the fiscal year (See Note 10 to the General Purpose Financial Statements).

Independent Audit

Connecticut State Statutes require that all municipalities have their accounts audited annually (C.G.S. Section 7-392) by an independent accountant. The City Charter requires an annual of all financial records of the City, its departments, bureaus, agencies, boards, and offices. The firm of CliftonLarsonAllen LLP, was selected to be the City's independent auditors. In addition to meeting the State Statute and City Charter requirements, the audit was also designed to meet the requirements of Management and Budget's Uniform Guidance. In addition, State requirements for single audit were also met by the audit. The auditors' report on the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information (the basic financial statements) is included in the financial section of this report. The combining and individual nonmajor fund financial statements and schedules have been subject to the auditing procedures applied in the audit of the basic financial statements and have an auditor's opinion in relation to the basic financial statements taken as a whole. The auditors' report on internal controls and compliance with applicable laws and regulation for both federal and state single audits will be found in separately issued single audit reports.

Certificate of Achievement for Excellence in Financial Reporting

The government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in financial Reporting to the City of Milford for its annual comprehensive financial report for the fiscal year ended June 30, 2021. This was the eighteenth consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgments

The preparation of this report on a timely basis was made possible by the efficient and dedicated service of the Finance Department staff. I would like to express my particular appreciation to Ariane Swift and Vernelle Bethel for their assistance and contributions. In addition, the accounting firm of CliftonLarsonAllen LLP made substantial contributions by way of design, proofing, and interpretation of recent guidelines.

Appreciation is also expressed to the Mayor, the Board of Aldermen, the Board of Finance and the Department Heads for their cooperation and assistance throughout the year in matters pertaining to the City of Milford's finances.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Peter A. Erodici, Jr.", is positioned above the printed name.

Peter A. Erodici, Jr., CPA, CGMA
Director of Finance



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Milford
Connecticut**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Christopher P. Morill

Executive Director/CEO

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FINANCIAL SECTION

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INDEPENDENT AUDITORS' REPORT

Board of Finance
City of Milford, Connecticut

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Milford, 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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Milford, Connecticut and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter - Change in Accounting Principle

As discussed in Note 1 to the financial statements, effective July 1, 2021, the City of Milford, Connecticut adopted new accounting guidance for leases. The guidance requires lessees to recognize a right-to-use lease asset and corresponding lease liability and lessors to recognize a lease receivable and corresponding deferred inflow of resources for all leases with lease terms greater than twelve months. 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 City of Milford, Connecticut's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

Our audit for the year ended June 30, 2022 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Milford, Connecticut's basic financial statements. The combining and individual nonmajor fund financial statements and schedules for the year ended June 30, 2022 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 for the year ended June 30, 2022 and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended June 30, 2022.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of City of Milford, Connecticut as of and for the year ended June 30, 2021 (not presented herein), and have issued our report thereon, dated December 29, 2021, which contained unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information. The accompanying financial statements for the General Fund, as of and for the year ended June 30, 2021 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 related directly to the underlying accounting and other records used to prepare the 2021 financial statements. The accompanying 2021 financial statements for the General Fund have been subjected to the auditing procedures applied in the audit of the 2021 basic financial statements and certain additional procedures including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the financial statements for the General Fund were fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2021.

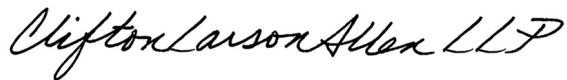
Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 17, 2023, on our consideration of the City of Milford, Connecticut's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Milford, Connecticut's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Milford, Connecticut's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

West Hartford, Connecticut
February 17, 2023

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**CITY OF MILFORD, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022**

This discussion and analysis of the City of Milford, Connecticut's (the City) financial performance is provided by management to provide an overview of the City's financial activities for the fiscal year ended June 30, 2022. This is the nineteenth year of reporting in accordance with Statement No. 34 of the Governmental Accounting Standards Board. Please read this MD&A in conjunction with the transmittal letter and the City's financial statements, Exhibits I to IX.

Financial Highlights

- The City's net position increased \$2.8 million as a result of this year's operations. The operating net position increase was attributable to a combination of better than expected service revenues and an increase in capital grants and contributions primarily related to federal or state aid.
- During the year, the City generated revenues that were \$2.8 million more than the \$270 million in expenses for governmental programs.
- Total cost of all the City's programs was \$270 million with no new programs added this year.
- The General Fund reported a total fund balance this year of \$33 million and unassigned fund balance of \$24.5 million.
- The general fund ended the year with a budgetary surplus of approximately \$8.5 million. This was attributable to actual expenditures lower than the budgeted amount and higher than expected tax collections and other revenues.

Overview of the Financial Statements

This annual report consists of a series of financial statements. The statement of net position and the statement of activities (Exhibits I and II, respectively) provide information about the activities of the City as a whole and present a long-term view of the City's finances. Fund financial statements are presented in Exhibits III to IX. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds. The remaining statements provide financial information about activities for which the City acts solely as a trustee or agent for the benefit of those outside of the government.

Government-Wide Financial Statements

The analysis of the City as a whole begins on Exhibits I and II. The statement of net position and the statement of activities report information about the City as a whole and about its activities for the current period. These statements include all assets, deferred outflows of resources, liabilities and deferred inflows of resources using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

**CITY OF MILFORD, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022**

These two statements report the City's net position, along with the changes in net position. The City's net position, the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources, is one way to measure the City's financial health, or financial position. Over time, increases or decreases in the City's net position are one indicator of whether its financial health is improving or deteriorating. The reader needs to consider other nonfinancial factors, however, such as changes in the City's property tax base and the condition of the City's capital assets, to assess the overall health of the City.

In the statement of net position and the statement of activities, we divide the City into two types of activities:

- **Governmental activities** - Most of the City's basic services are reported here, including education, public safety, public services, health and welfare, and general administration. Property taxes, charges for services, and state and federal grants finance most of these activities.
- **Business-type activities** - The City charges a fee to customers to help it cover all or most of the cost of certain services it provides. The City's Golf Course and Harbor Management Fund are reported here.

Fund Financial Statements

The fund financial statements begin with Exhibit III and provide detailed information about the most significant funds - not the City as a whole. Some funds are required to be established by Charter. However, the City Board of Aldermen establishes many other funds to help control and manage financial activities for particular purposes (like the Capital Project Funds) or to show that it is meeting legal responsibilities for using grants and other money (like grants received from the State Department of Education). The City's funds are divided into three categories: governmental, proprietary, and fiduciary.

- ***Governmental funds (Exhibits III and IV)*** – Most of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. The relationship (or differences) between governmental activities (reported in the statement of net position and the statement of activities) and governmental funds is described in a reconciliation included with the fund financial statements.
- ***Proprietary funds (Exhibits V, VI and VII)*** – When the City charges customers for the services it provides, whether to outside customers or to other units of the City, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the statement of net position and the statement of activities. In fact, the City's enterprise funds (a component of proprietary funds) are the same as the business-type activities reported in the government-wide statements, but provide more detail and additional information, such as cash flows, for proprietary funds. Internal service funds (the other component of proprietary funds) are used to report activities that provide supplies and services for the City's other programs and activities - such as the City's Health, Workers' Compensation, and Property and Casualty Internal Service Funds.

**CITY OF MILFORD, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022**

- Fiduciary funds (Exhibits VIII and IX) - The City is the trustee, or fiduciary, for its employees' pension and other postemployment benefit plans. It is also responsible for other assets that, because of a trust arrangement, can be used only for the trust beneficiaries. All of the City's fiduciary activities are reported in separate statements of fiduciary net position and changes in fiduciary net position. These activities are excluded from the City's other financial statements because the City cannot use these assets to finance its operations. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

Government-Wide Financial Analysis

The City's combined net position increased from \$(212) million to \$(209) million. The analysis below focuses on the net position (Table 1) and changes in net position (Table 2) of the City's governmental and business-type activities.

**Table 1
Net Position
(In Thousands)**

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
ASSETS						
Current and Other Assets	\$ 133,277	\$ 125,526	\$ 745	\$ 636	\$ 134,022	\$ 126,162
Capital Assets	365,962	370,312	2,533	2,584	368,495	372,896
Total Assets	499,239	495,838	3,278	3,220	502,517	499,058
DEFERRED OUTFLOWS OF RESOURCES	66,514	52,708	-	-	66,514	52,708
LIABILITIES						
Long-Term Debt Outstanding	623,067	577,135	-	-	623,067	577,135
Other Liabilities	57,429	67,115	17	25	57,446	67,140
Total Liabilities	680,496	644,250	17	25	680,513	644,275
DEFERRED INFLOWS OF RESOURCES	97,173	118,996	7	-	97,180	118,996
NET POSITION						
Net Investments in Capital Assets	156,220	163,570	2,533	2,584	158,753	166,154
Restricted	944	7,941	-	-	944	7,941
Unrestricted	(369,080)	(386,211)	721	611	(368,359)	(385,600)
Total Net Position	<u>\$ (211,916)</u>	<u>\$ (214,700)</u>	<u>\$ 3,254</u>	<u>\$ 3,195</u>	<u>\$ (208,662)</u>	<u>\$ (211,505)</u>

Net position of the City's governmental activities increased 1.3% (\$(212) million compared to \$(215) million). Unrestricted net position - the part of net position that can be used to finance daily operations without constraints established by debt covenants, enabling legislation, or other legal requirements - decreased to a deficit of \$369 million at the end of this year. Key reasons for this change in net position were the reduction in the OPEB obligation for the City and Board of Education as well as pension obligations for the City.

There was a 1.8% increase in the net position of business-type activities from 3.2 million 2021 to \$3.3 million 2022.

**CITY OF MILFORD, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022**

**Table 2
Changes in Net Position
(In Thousands)**

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
REVENUES						
Program Revenues:						
Charges for Services	\$ 13,960	\$ 10,709	\$ 422	\$ 397	\$ 14,382	\$ 11,106
Operating Grants and Contributions	33,750	53,939	-	-	33,750	53,939
Capital Grants and Contributions	18,613	9,640	13	420	18,626	10,060
General Revenues:						
Property Taxes	194,731	193,055	-	-	194,731	193,055
Grants and Contributions not Restricted to Specific Purposes	2,609	2,198	-	-	2,609	2,198
Unrestricted Investment Earnings	254	115	1	-	255	115
Other General Revenues	8,353	8,061	-	-	8,353	8,061
Total Revenues	272,270	277,717	436	817	272,706	278,534
PROGRAM EXPENSES						
General Government	11,690	8,776	-	-	11,690	8,776
Administration	5,459	3,608	-	-	5,459	3,608
Public Safety	37,828	31,462	-	-	37,828	31,462
Public Services	25,488	26,699	-	-	25,488	26,699
Education	173,657	144,696	-	-	173,657	144,696
Health and Welfare	5,248	4,265	-	-	5,248	4,265
Sewer	7,127	8,528	-	-	7,127	8,528
Interest on Long-Term Debt	2,998	2,160	-	-	2,998	2,160
Milford Golf Course	-	-	71	56	71	56
Harbor Management	-	-	297	297	297	297
Total Program Expenses	269,495	230,194	368	353	269,863	230,547
CHANGE IN NET POSITION BEFORE TRANSFERS	2,775	47,523	68	464	2,843	47,987
TRANSFERS IN (OUT)	9	30	(9)	(30)	-	-
CHANGE IN NET POSITION	2,784	47,553	59	434	2,843	47,987
Net Position - Beginning of Year	(214,700)	(262,253)	3,195	2,761	(211,505)	(259,492)
NET POSITION - END OF YEAR	<u>\$ (211,916)</u>	<u>\$ (214,700)</u>	<u>\$ 3,254</u>	<u>\$ 3,195</u>	<u>\$ (208,662)</u>	<u>\$ (211,505)</u>

The City's total revenues were \$273 million. The total cost of all programs and services was \$270 million. Our analysis below separately considers the operations of governmental and business-type activities.

Governmental Activities

The City's revenues decreased by \$5 million from 2021. Most of the decrease is attributable to lower operating grants and contributions. In particular, the City received less in State COVID-19 aid compared to last year.

**CITY OF MILFORD, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022**

Table 3 presents the cost of each of the City's three largest programs - public safety, public services, and education - as well as each program's net cost (total cost less revenues generated by the activities). The net cost shows the financial burden that was placed on the City's taxpayers by each of these functions.

**Table 3
Governmental Activities
(In Thousands)**

	Total Cost of Services		Net Cost of Services	
	2022	2021	2022	2021
Public Safety	\$ 37,828	\$ 31,462	\$ 29,531	\$ 23,896
Public Services	25,488	26,699	21,122	23,045
Education	173,657	144,696	130,962	89,931
All Others	32,522	27,337	21,557	19,034
Total	<u>\$ 269,495</u>	<u>\$ 230,194</u>	<u>\$ 203,172</u>	<u>\$ 155,906</u>

Business-Type Activities

Revenues of the City's business-type activities (see Table 2) decreased by \$381,000 because of reduced capital contributions to the golf course and marina. Operating revenue for the Golf Course and Marina increased by \$25,000 or 6%.

City Funds Financial Analysis

Governmental Funds

As the City completed the year, its major governmental funds (as presented in the balance sheet - Exhibit III) reported a combined fund balance of \$57.5 million, which is an increase of \$23.8 million compared to last year's major fund balance of \$33.7 million. The general fund's fund balance decreased by \$3 million compared to the prior year since the City used \$11 million of fund balance, offset by a budgetary surplus of \$8.5 million, to maintain a stable and slightly lower mill rate. The City kept expenses at a moderate level which led to savings; and building inspection fee, conveyance fee, and EMS fee revenue continued to grow reflecting the City's growing economy and grand list. Further, the City issued \$3.1 million more in bonds in FY22 compared to FY21 as progress on capital projects continued. Expenses were \$3.5 million less in the capital nonrecurring fund. The nonmajor governmental funds ended the year with a total fund balance of \$17.6 million as the City continues to earn sufficient special revenues primarily in the form of grants and program revenues to cover expenditures in those funds.

Proprietary Funds

The Internal Service Funds' net position decreased by \$7.7 million primarily due to higher health insurance and workers compensation costs. The Enterprise Funds' net position increased from last year by \$59,000 mainly due to capital contributions of \$13,000 to the Marina for improvements along with \$9,000 for maintenance at the Golf Course.

**CITY OF MILFORD, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022**

General Fund Budgetary Highlights

- General Property Taxes and Assessments - property tax and assessment revenue was greater than budgeted by \$2.7 million due to a higher collection rate than was used in the budget and collection of delinquent taxes.
- State and federal aid revenue exceeded the budget by \$218,000. This was mainly due to Education Cost Sharing grant revenue coming in more than budgeted. Investment income - revenues from the investment of idle funds were more than budgeted by \$74,000 due to higher rates.
- Other Revenue was \$273,000 greater than budget due to an increase in miscellaneous other revenues.
- Licenses, Permits and Other Charges were \$1.9 million above budget mainly due to recording, conveyance, and building inspection fees. These income categories are directly related to the economy and population and can fluctuate.
- Department Expenditures - Expenditure controls were put into place throughout the fiscal year, including continued monitoring of new hiring, overtime, and purchase requisitions, which resulted in an overall budget surplus of \$2.2million on the expenditure side.

Capital Asset and Debt Administration

Capital Assets

At June 30, 2022, the City's governmental activities had \$366 million invested in a broad range of capital assets, including land, buildings, park and recreation facilities, vehicles and equipment, right-to-use leased assets, roads, and water and sewer lines - Table 4. This amount represents a net decrease (including additions and deductions) of \$4.3 million over last year.

**Table 4
Capital Assets at Year-End (Net of Depreciation/Amortization)
(In Millions)**

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Land	\$ 48.3	\$ 48.4	\$ 1.7	\$ 1.7	\$ 50.0	\$ 50.1
Construction in Progress	15.8	31.2	-	-	15.8	31.2
Buildings and Improvements	206.3	203.6	0.8	0.9	207.1	204.5
Machinery and Equipment	15.0	14.0	-	-	15.0	14.0
Infrastructure	80.2	73.1	-	-	80.2	73.1
Right-to-Use - Leased Asset	0.3	-	-	-	0.3	-
Total	<u>\$ 366.0</u>	<u>\$ 370.3</u>	<u>\$ 2.5</u>	<u>\$ 2.6</u>	<u>\$ 368.5</u>	<u>\$ 372.9</u>

**CITY OF MILFORD, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022**

This year's major additions included (in thousands):

Police Department Equipment and Vehicles	\$ 1,192
Fire Department Equipment and Vehicles	508
Public Works Department Equipment and Vehicles	712
Municipal Remote Work Capabilities	484
Various Recreational Site Improvements	752
Parsons Auditorium Improvements	542
Jonathan Law High School Ventilators/Dehumidification - CIP	488
Kelly Martin Tighe Athletic Field (French Drive) - CIP	537
Various School Security Upgrades - CIP	1,280
Morningside Revetment - CIP	1,640
Police Department Boiler Replacement - CIP	304
French Drive Recreational Facilities Upgrade - CIP	175
Taylor Building Improvements - CIP	217
Total	<u>\$ 8,831</u>

The City's fiscal-year 2022-2023 capital plan has \$55 million of capital projects planned. School building renovations are estimated at \$19 million, public service projects at \$36 million, and Sewer projects at \$280,000. However, an estimated \$30 million new police station is still in the planning stages and will not be completed in FY23. Of the total estimated \$55 million, it is expected to finance \$45 million with bonds and \$6.5 million with grants. It is likely that not all projects will be implemented – resulting in a lower level of cost. More detailed information about the City's capital assets is presented in Note 6 to the financial statements.

Long-Term Debt

At June 30, 2022, the City had \$200 million in bonds and notes outstanding versus \$198 million last year an increase of 1% - as shown in Table 5. Additional detail on the City's long-term debt can be found in Note 8.

**Table 5
Outstanding Debt
(In Thousands)**

	Governmental Activities	
	2022	2021
General Obligation Bonds (Backed by the City)	\$ 183,485	\$ 170,255
Bond Anticipation Notes (Backed by the City)	15,300	25,525
Long-Term Notes Payable	1,402	1,484
Lease Payable	291	714
Total	<u>\$ 200,478</u>	<u>\$ 197,978</u>

**CITY OF MILFORD, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022**

Economic Factors and Next Year's Budgets and Rates

The City's elected and appointed officials considered many factors when setting the fiscal year 2022 budget tax rates and fees that will be charged for the business-type activities. One of those factors is the economy. The City's unemployment rate has decreased from 5.7% to 3.7%. In comparison, the figures for the State of Connecticut have decreased from 6.1% to 4.3%.

These indicators were considered when adopting the General Fund budget for 2022-2023. The adopted budget for FY20223 is \$238 million, an increase of 7.4% over the final 2022 budget of \$221.9 million. No new programs or initiatives were added to the 2022 budget. State grants were assumed to fund 5% of the 2023 budget compared to 5% of the 2022 budget.

If estimates are realized, the City's June 30, 2023, budgetary General Fund balance is expected to be \$5 million lower than the June 30, 2022, budgetary General Fund balance because of the use of that amount to balance the budget. An expected budgetary surplus will offset this decrease. As for the City's business-type activities, we expect that the 2022-2023 results will improve due to increased usage of the golf course and marina.

Contacting the City's Financial Management

This financial report is designed to provide citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Finance Department, City of Milford, 70 West River Street, Milford, Connecticut 06460.

BASIC FINANCIAL STATEMENTS

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CITY OF MILFORD, CONNECTICUT
STATEMENT OF NET POSITION
JUNE 30, 2022
(IN THOUSANDS)

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 123,468	\$ 738	\$ 124,206
Investments	31	-	31
Receivables, Net	9,692	7	9,699
Inventory	65	-	65
Prepaid Items	21	-	21
Capital Assets:			
Capital Assets Not Being Depreciated	64,123	1,681	65,804
Capital Assets Being Depreciated/Amortized, Net	301,839	852	302,691
Total Assets	<u>499,239</u>	<u>3,278</u>	<u>502,517</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows on Refunding	2,384	-	2,384
Deferred Outflows Related to Pensions	26,745	-	26,745
Deferred Outflows Related to OPEB	37,385	-	37,385
Total Deferred Outflows of Resources	<u>66,514</u>	<u>-</u>	<u>66,514</u>
LIABILITIES			
Accounts and Other Payables	21,338	17	21,355
Unearned Revenue	20,256	-	20,256
Due to Other Governments	535	-	535
Bond Anticipation Notes Payable	15,300	-	15,300
Noncurrent Liabilities:			
Due Within One Year	21,473	-	21,473
Due in More Than One Year	601,594	-	601,594
Total Liabilities	<u>680,496</u>	<u>17</u>	<u>680,513</u>
DEFERRED INFLOWS OF RESOURCES			
Advance Property Tax Collection	447	-	447
Advance Payment in Lieu of Taxes Collection	2,400	-	2,400
Advance Sewer Collections	9	-	9
Deferred Inflows Related to Leases	800	7	807
Deferred Inflows Related to Pensions	4,072	-	4,072
Deferred Inflows Related to OPEB	88,887	-	88,887
Deferred Inflows on Refunding	558	-	558
Total Deferred Inflows of Resources	<u>97,173</u>	<u>7</u>	<u>97,180</u>
NET POSITION			
Net Investments in Capital Assets	156,220	2,533	158,753
Restricted:			
Capital Projects	-	-	-
Grants	328	-	328
Student Activities	616	-	616
Unrestricted	<u>(369,080)</u>	<u>721</u>	<u>(368,359)</u>
Total Net Position	<u>\$ (211,916)</u>	<u>\$ 3,254</u>	<u>\$ (208,662)</u>

See accompanying Notes to Financial Statements.

CITY OF MILFORD, CONNECTICUT
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2022
(IN THOUSANDS)

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
GOVERNMENTAL ACTIVITIES							
General Government	\$ 11,690	\$ 3,357	\$ -	\$ 5,858	\$ (2,475)	\$ -	\$ (2,475)
Administration	5,459	-	-	-	(5,459)	-	(5,459)
Public Safety	37,828	6,252	53	1,992	(29,531)	-	(29,531)
Public Services	25,488	880	-	3,486	(21,122)	-	(21,122)
Education	173,657	2,297	33,121	7,277	(130,962)	-	(130,962)
Health and Welfare	5,248	1,044	520	-	(3,684)	-	(3,684)
Sewer	7,127	130	56	-	(6,941)	-	(6,941)
Interest on Long-Term Debt	2,998	-	-	-	(2,998)	-	(2,998)
Total Governmental Activities	269,495	13,960	33,750	18,613	(203,172)	-	(203,172)
BUSINESS-TYPE ACTIVITIES							
Nonmajor Enterprise Funds:							
Milford Golf Course	71	79	-	-	-	8	8
Harbor Management	297	343	-	13	-	59	59
Total Business-Type Activities	368	422	-	13	-	67	67
Total	<u>\$ 269,863</u>	<u>\$ 14,382</u>	<u>\$ 33,750</u>	<u>\$ 18,626</u>	(203,172)	67	(203,105)
GENERAL REVENUES							
Property Taxes					194,731	-	194,731
Grants and Contributions Not Restricted to Specific Programs					2,609	-	2,609
Unrestricted Investment Earnings					254	1	255
Other General Revenues					8,353	-	8,353
Total General Revenues					205,947	1	205,948
TRANSFERS					9	(9)	-
Total General Revenues and Transfers					205,956	(8)	205,948
CHANGE IN NET POSITION					2,784	59	2,843
Net Position - Beginning of Year					(214,700)	3,195	(211,505)
NET POSITION - END OF YEAR					<u>\$ (211,916)</u>	<u>\$ 3,254</u>	<u>\$ (208,662)</u>

See accompanying Notes to Financial Statements.

**CITY OF MILFORD, CONNECTICUT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2022
(IN THOUSANDS)**

	General	Capital Nonrecurring Fund	School Facilities Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and Cash Equivalents	\$ 48,265	\$ 29,087	\$ 13,486	\$ 22,869	\$ 113,707
Investments	-	-	-	31	31
Receivables, Net	6,560	1,736	-	1,213	9,509
Inventories	-	-	-	65	65
Prepaid Items	21	-	-	-	21
Total Assets	<u>\$ 54,846</u>	<u>\$ 30,823</u>	<u>\$ 13,486</u>	<u>\$ 24,178</u>	<u>\$ 123,333</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES					
Accounts and Other Payables	\$ 12,269	\$ 4,184	\$ 422	\$ 2,796	\$ 19,671
Other Liabilities	-	231	146	16	393
Due to Other Governments	517	18	-	-	535
Unearned Revenue	-	20,017	-	239	20,256
Bond Anticipation Notes Payable	-	4,000	8,179	3,121	15,300
Total Liabilities	<u>12,786</u>	<u>28,450</u>	<u>8,747</u>	<u>6,172</u>	<u>56,155</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue - Property Taxes	3,345	-	-	-	3,345
Unavailable Revenue - Property Taxes Interest	2,253	-	-	-	2,253
Unavailable Revenue - Special Assessments	19	-	-	127	146
Unavailable Revenue - Grant Receivables	-	243	-	-	243
Deferred Inflows Related to Leases	464	24	-	312	800
Advance Payment in Lieu of Taxes Collections	2,400	-	-	-	2,400
Advance Sewer Collections	-	-	-	9	9
Advance Property Tax Collections	447	-	-	-	447
Total Deferred Inflows of Resources	<u>8,928</u>	<u>267</u>	<u>-</u>	<u>448</u>	<u>9,643</u>
FUND BALANCES					
Nonspendable	21	-	-	65	86
Restricted	-	668	5,361	1,905	7,934
Committed	1,600	2,309	439	18,854	23,202
Assigned	6,967	-	-	-	6,967
Unassigned	24,544	(871)	(1,061)	(3,266)	19,346
Total Fund Balances	<u>33,132</u>	<u>2,106</u>	<u>4,739</u>	<u>17,558</u>	<u>57,535</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 54,846</u>	<u>\$ 30,823</u>	<u>\$ 13,486</u>	<u>\$ 24,178</u>	<u>\$ 123,333</u>

See accompanying Notes to Financial Statements.

**CITY OF MILFORD, CONNECTICUT
BALANCE SHEET
GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2022
(IN THOUSANDS)**

RECONCILIATION TO THE STATEMENT OF NET POSITION

Fund Balances - Total Governmental Funds (Exhibit III) \$ 57,535

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:

Governmental Capital Assets	613,740
Less Accumulated Depreciation/Amortization	(247,778)
Net Capital Assets	365,962

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

Property Tax Receivables Greater than 60 Days	3,345
Interest Receivable on Property Taxes	2,253
Grant Receivables Greater than 120 Days	243
Assessments Receivable	146
Interest Receivable on Assessments	129
Deferred Outflows Related to Pensions	26,745
Deferred Outflows Related to OPEB	37,385
Deferred Outflows - Refunding	2,384

Internal service funds are used by management to charge the costs of risk management to individual funds. The assets and liabilities of the internal service funds are reported with governmental activities in the statement of net position.

1,052

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

Bonds and Notes Payable	(184,887)
Lease Payable	(291)
Accrued Interest Payable	(1,169)
Compensated Absences	(17,244)
Bond Premium	(12,865)
Net Pension Liability	(88,654)
Total/Net OPEB Liability	(310,468)
Deferred Inflows Related to Pensions	(4,072)
Deferred Inflows Related to OPEB	(88,887)
Deferred Inflows - Refunding	(558)

Net Position of Governmental Activities (Exhibit I) \$ (211,916)

CITY OF MILFORD, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2022
(IN THOUSANDS)

	General	Capital Nonrecurring Fund	School Facilities Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Property Taxes and Assessments	\$ 187,069	\$ -	\$ -	\$ 7,259	\$ 194,328
Fines, Forfeitures, Penalties and Interest	919	-	-	33	952
Intergovernmental	29,149	11,356	6,907	13,289	60,701
Charges for Services	6,947	440	-	6,487	13,874
Investment Income	146	75	-	33	254
Other	7,558	-	-	850	8,408
Total Revenues	231,788	11,871	6,907	27,951	278,517
EXPENDITURES					
Current:					
General Government	8,693	-	-	119	8,812
Administration	3,393	-	-	-	3,393
Public Safety	34,090	-	-	2,759	36,849
Public Services	13,499	-	-	425	13,924
Education	156,076	-	-	12,763	168,839
Health and Welfare	1,912	-	-	2,030	3,942
Sewer	-	-	-	7,128	7,128
Capital Outlay	-	16,947	1,971	1,750	20,668
Debt Service	17,764	-	-	959	18,723
Total Expenditures	235,427	16,947	1,971	27,933	282,278
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(3,639)	(5,076)	4,936	18	(3,761)
OTHER FINANCING SOURCES (USES)					
Issuance of Bonds	-	11,200	12,205	2,295	25,700
Premium on Bond Issuance	1,793	-	-	-	1,793
Refunding Bond Issuance	3,715	-	-	-	3,715
Premium on Refunding Bonds	1,065	-	-	-	1,065
Payment to Refunded Bond Escrow Agent	(4,690)	-	-	-	(4,690)
Transfers In	-	742	-	428	1,170
Transfers Out	(1,161)	-	-	-	(1,161)
Total Other Financing Sources (Uses)	722	11,942	12,205	2,723	27,592
NET CHANGE IN FUND BALANCES	(2,917)	6,866	17,141	2,741	23,831
Fund Balances - Beginning of Year	36,049	(4,760)	(12,402)	14,817	33,704
FUND BALANCES - END OF YEAR	<u>\$ 33,132</u>	<u>\$ 2,106</u>	<u>\$ 4,739</u>	<u>\$ 17,558</u>	<u>\$ 57,535</u>

See accompanying Notes to Financial Statements.

CITY OF MILFORD, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED JUNE 30, 2022
(IN THOUSANDS)

RECONCILIATION TO THE STATEMENT OF ACTIVITIES

Net Change in Fund Balances - Total Governmental Funds (Exhibit IV) \$ 23,831

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

Governmental funds report capital outlays as expenditures. In the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation/amortization expense:

Capital Outlay	10,205
Depreciation/Amortization Expense	(14,753)

The statement of activities reports losses arising from the trade-in of existing capital assets to acquire new capital assets. Conversely, governmental funds do not report any gain or loss on a trade-in of capital assets. (516)

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

Property Tax Receivable - Accrual Basis Change	(170)
Property Tax Interest and Lien Revenue - Accrual Basis Change	(379)
Grant Receivables - Accrual Basis Change	(1,029)
Sewer Assessment Receivable - Accrual Basis Change	(5)
Sewer Assessment Interest Receivable - Accrual Change	7
Deferred Outflows Related to Pension	78,116
Deferred Outflows Related to OPEB	(7,879)
Deferred Outflows on Refunding	(365)

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

Issuance of Bonds and Notes	(25,700)
Premium on Bonds Issued	(1,793)
Bond and Note Principal Payments	11,577
Refunding Bonds Issued	(3,715)
Premium on Refunding Bonds	(1,065)
Payments to Bond Refunding Agent	4,690
Lease Principal Payment	423

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 the governmental funds:

Compensated Absences	(165)
Accrued Interest	63
Amortization of Bond Premium	4,097
Total/Net OPEB Liability	44,263
Net Pension Liability	(75,873)
Deferred Inflows Related to Pension	878
Deferred Inflows Related to OPEB	(34,245)
Deferred Inflows on Refunding	12

Internal service funds are used by management to charge costs to individual funds. The net revenue of certain activities of internal services funds is reported with governmental activities.

(7,726)

Change in Net Position of Governmental Activities (Exhibit II)

\$ 2,784

See accompanying Notes to Financial Statements.

CITY OF MILFORD, CONNECTICUT
STATEMENT OF NET POSITION
PROPRIETARY FUND
JUNE 30, 2022
(IN THOUSANDS)

	Business-Type Activities Nonmajor Enterprise Funds	Governmental Activities Internal Service
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 738	\$ 9,761
Receivables, Net	7	54
Total Current Assets	<u>745</u>	<u>9,815</u>
Noncurrent Assets:		
Capital Assets:		
Not being Depreciated	1,681	-
Being Depreciated, Net	852	-
Total Noncurrent Assets	<u>2,533</u>	<u>-</u>
Total Assets	3,278	9,815
LIABILITIES		
Current Liabilities:		
Accounts Payable and Accrued Liabilities	17	105
Risk Management Claims	-	468
Total Current Liabilities	<u>17</u>	<u>573</u>
Noncurrent Liabilities:		
Risk Management Claims	-	8,190
Total Liabilities	17	8,763
DEFERRED INFLOWS OF RESOURCES		
Related to Leases	<u>7</u>	<u>-</u>
NET POSITION		
Investment in Capital Assets	2,533	-
Unrestricted	<u>721</u>	<u>1,052</u>
Total Net Position	<u>\$ 3,254</u>	<u>\$ 1,052</u>

See accompanying Notes to Financial Statements.

CITY OF MILFORD, CONNECTICUT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUND
YEAR ENDED JUNE 30, 2022
(IN THOUSANDS)

	Business-Type Activities Nonmajor Enterprise Funds	Governmental Activities Internal Service
OPERATING REVENUES		
Employer Contributions	\$ -	\$ 31,122
Charges for Services	422	5,874
Other	-	2,335
Total Operating Revenues	<u>422</u>	<u>39,331</u>
OPERATING EXPENSES		
Salaries	125	-
Operations and Supplies	94	-
Insurance	85	-
Depreciation	64	-
Insurance Premiums and Claims Expense	-	47,057
Total Operating Expenses	<u>368</u>	<u>47,057</u>
OPERATING INCOME (LOSS)	54	(7,726)
NONOPERATING REVENUE		
Interest Income	<u>1</u>	<u>-</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	55	(7,726)
CAPITAL CONTRIBUTIONS AND TRANSFERS		
Capital Contributions	13	-
Transfers Out	(9)	-
Total Capital Contributions and Transfers	<u>4</u>	<u>-</u>
CHANGE IN NET POSITION	59	(7,726)
Total Net Position - Beginning of Year	<u>3,195</u>	<u>8,778</u>
TOTAL NET POSITION - END OF YEAR	<u>\$ 3,254</u>	<u>\$ 1,052</u>

See accompanying Notes to Financial Statements.

**CITY OF MILFORD, CONNECTICUT
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
YEAR ENDED JUNE 30, 2022
(IN THOUSANDS)**

	Business-Type Activities Nonmajor Enterprise Funds	Governmental Activities Internal Service
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received From Contributions and Charges for Services	\$ 442	\$ 39,785
Cash Paid to Employees	(125)	-
Cash Paid to Vendors	(187)	-
Cash Payments for Claims Paid	-	(45,101)
Net Cash Provided (Used) by Operating Activities	<u>130</u>	<u>(5,316)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Transfers To/From Other Funds	(9)	-
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest and Dividends Received	<u>1</u>	<u>-</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	122	(5,316)
Cash and Cash Equivalents - Beginning of Year	<u>616</u>	<u>15,077</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u><u>\$ 738</u></u>	<u><u>\$ 9,761</u></u>

See accompanying Notes to Financial Statements.

**CITY OF MILFORD, CONNECTICUT
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
YEAR ENDED JUNE 30, 2022
(IN THOUSANDS)**

	Business-Type Activities Nonmajor Enterprise Funds	Governmental Activities Internal Service
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating Income (Loss)	\$ 54	\$ (7,726)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Depreciation Expense	64	-
(Increase) Decrease in Accounts Receivable	20	454
Increase (Decrease) in Accounts Payable and Accrued Liabilities	(8)	1,956
Net Cash Provided (Used) by Operating Activities	<u>\$ 130</u>	<u>\$ (5,316)</u>
SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING ACTIVITIES		
Capital Asset Transfer	<u>\$ 13</u>	<u>\$ -</u>

See accompanying Notes to Financial Statements.

CITY OF MILFORD, CONNECTICUT
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2022
(IN THOUSANDS)

	Pension and Other Employee Benefit Trust Funds
ASSETS	
Cash and Cash Equivalents	\$ 9,281
Investments:	
Corporate Bonds	10,347
U.S. Government Securities	4,624
Marketable Equity Securities	100,588
Alternative Investments	180,823
Mutual Funds	78,439
Total Investments	374,821
Due From Other Funds:	
Receivables	4
Total Assets	384,106
LIABILITIES	
Accounts and Other Payables	65
NET POSITION	
Restricted for Pension Benefits	373,936
Restricted for OPEB Benefits	10,105
Total Net Position	\$ 384,041

See accompanying Notes to Financial Statements.

CITY OF MILFORD, CONNECTICUT
STATEMENT OF CHANGES IN PLAN NET POSITION
FIDUCIARY FUNDS
YEAR ENDED JUNE 30, 2022
(IN THOUSANDS)

	Pension and Other Employee Benefit Trust Funds
ADDITIONS	
CONTRIBUTIONS	
Plan Members	\$ 3,047
Employer	18,154
Total Contributions	<u>21,201</u>
INVESTMENT INCOME	
Net Change in Fair Value of Investments	(67,901)
Interest and Dividends	24,056
Total Investment Income (Loss)	<u>(43,845)</u>
Less Investment Expense	3,554
Net Investment Income (Loss)	<u>(47,399)</u>
Total Additions	(26,198)
DEDUCTIONS	
Benefit Payments and Withdrawals	36,160
Administration	50
Total Deductions	<u>36,210</u>
CHANGE IN NET POSITION	(62,408)
Net Position - Beginning of Year	<u>446,449</u>
NET POSITION - END OF YEAR	<u><u>\$ 384,041</u></u>

See accompanying Notes to Financial Statements.

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**CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The government is a municipal corporation governed by an elected mayor and 15-member Board of Aldermen. A 10-member Board of Education oversees all education activities. As required by GAAP, these financial statements present all of the governmental functions for which it is financially accountable.

Accounting principles generally accepted in the United State of America require that the reporting entity include the primary government, organizations for which the primary government is financially accountable, and 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. A government is financially accountable for a legally separate organization if it appoints a voting majority of the organization's governing body and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the government. These criteria have been considered and have resulted in the inclusion of the fiduciary component units as detailed below.

Fiduciary Component Unit

The City has established a single-employer Pension Trust Fund and City OPEB Trust Fund to provide retirement benefits to employees and their beneficiaries. The Pension and Retirement Board governs these plans and the City is required to make contributions to each.

The financial statements of the fiduciary component units are reported as the Pension and Other Employee Benefits Trust Funds in the fiduciary fund financial statements. Separate financial statements have not been prepared for the fiduciary component units.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the City. 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.

**CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, period, with the exception of grant revenues which are considered available if they are collected 120 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, including lease liabilities, as well as expenditures related to compensated absences and claims and judgments, postemployment benefits are recorded only when payment is due.

Property taxes, charges for services, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received. If expenditures are the prime factor for determining eligibility, revenues from federal and state grants are accrued when the expenditure is made.

**CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service principal and interest expenditures on general long-term debt, including lease liabilities, as well as expenditures related to compensated absences, and claims and judgments, postemployment benefits and asset retirement obligations are recognized based on specific accounting rules applicable to each, generally when payment is due. General capital asset acquisitions, including entering into contracts giving the City the right to use lease assets, are reported as expenditures in governmental funds. Issuance of long-term debt and financing through leases are reported as other financing sources.

The City reports the following major governmental funds:

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

The Capital Nonrecurring Fund is used to account for those projects of the City, except for those of the school buildings or sewers, which are capital nonrecurring in nature. The major sources of revenue for this fund are intergovernmental revenues and bond proceeds.

The School Facilities Fund is used to account for construction of school buildings and additions. The major sources of revenue for this fund are State revenues and proceeds from the sale of bonds.

Additionally, the City reports the following fund types:

The Enterprise Funds account for the operations that are financed through user charges. The nonmajor Enterprise Funds include the Milford Golf Course and the Harbor Management.

The Internal Service Funds account for the City's and Board of Education's health insurance, the City's workers' compensation insurance and the City's and Board of Education's property and casualty insurance.

The Pension and Other Employee Benefit Trust Funds account for the fiduciary activities of the Milford Retirement System, which accumulates resources for pension benefit payments to qualified City employees, and account for and accumulate resources for other postemployment benefits due to City's retirees.

The pension and other employee benefit trust funds use the economic resources measurement focus and the accrual basis of accounting.

CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Municipal Golf Course enterprise fund, the Harbor Management enterprise fund, and the City's internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service fund include the cost of sales and services, administrative expenses, and depreciation/amortization on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

D. Deposits and Investments

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

State statutes authorize the City to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, repurchase agreements and certain other investments as described in Note 3.

Investments for the City are reported at fair value.

E. Receivables and Payables

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

CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Receivables and Payables (Continued)

Property taxes are levied each June on the assessed value listed on the prior October 1 grand list for all taxable property located in the City. Although taxes are levied in June, the legal right to attach the property does not exist until July 1, and, as such, taxes are due and payable in equal installments on July 1 and January 1 following the date of the grand list. Taxes become overdue one month after the installment date. Interest accrues at the rate of 1.5% per month. Additional property taxes are assessed for motor vehicles registered subsequent to the grand list date and are payable in one installment due January 1.

In accordance with State law, the oldest outstanding tax is collected first. Prior to June 30 of each year, liens are automatically placed on outstanding real estate tax accounts, with legal demands and alias tax warrants used in the collection of personal property and motor vehicle tax bills.

Real estate, motor vehicle and personal property accounts are no longer collectible 15 years after the due date in accordance with State Statutes. A total of \$342 has been established as an allowance for uncollectible taxes and interest.

F. Material, Supplies, and Prepaid Items

All materials and supplies are valued at cost using the first-in/first-out (FIFO) method. Materials and supplies of governmental funds are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items using the consumption method in both government-wide and fund financial statements.

G. 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. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 (amount not rounded) 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, except for intangible right-to use lease assets, the measurement of which is discussed in Note 1.K. Donated capital assets are recorded at estimated acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Capital Assets (Continued)

Land and construction in progress are not depreciated. The other tangible and intangible property, plant and equipment, the right-to-use assets of the primary government are depreciated/amortized using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	40
Infrastructure	15-50
Motor Vehicles	5-15
Office and Other Equipment	5-10
Right-to-Use-Lease Equipment	3-5

H. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets or fund balance that applies to a future period or periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City 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 and OPEB expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension and OPEB plans (active employees and inactive employees).

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets or fund balance that applies to a future period or periods and so will not be recognized as an inflow of resources (revenue) until that time. The City reports advance property tax collections, sewer collections and deferred inflows related to leases in the government-wide statement of net position and in the governmental funds balance sheet as deferred inflows of resources. Advance property tax and sewer collections represent tax and sewer fees inherently associated with a future period. This amount is recognized during the period in which the revenue is associated. A deferred inflow of resources related to leases is recognized at the commencement of the lease term (lessor) and subsequently is recognized as revenue in a systematic and rational manner over the term of the lease.

CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Deferred Outflows/Inflows of Resources (Continued)

In addition, the City reports a deferred inflow of resources related to deferred charge on refunding and deferred inflows related to pensions and OPEB in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. A deferred inflow of resources related to pension and OPEB results from differences between expected and actual experience, changes in assumptions or other inputs or the net difference between projected and actual earnings on pension and OPEB plan investments.

These amounts are deferred and included in pension and OPEB expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension and OPEB plans (active employees and inactive employees) or in the case of the difference in projected and actual earnings on pension and OPEB plan investments, over a systematic and rational method over a closed five-year period. Also, for governmental funds, the City reports unavailable revenue, which arises only under the modified accrual basis of accounting. The governmental funds report unavailable revenues from property taxes, special assessments, and grants. These amounts are deferred and recognized as an inflow of resources (revenue) in the period in which the amounts become available.

I. Compensated Absences

Under the terms of its various union contracts, City and Board of Education employees are granted vacation in varying amounts based on length of service. Certain employees may carry over a limited number of unused vacation days to subsequent years and, in the event of termination, these employees are reimbursed for accumulated vacation.

Under the terms of its various contracts, City and Board of Education employees are granted sick leave in varying amounts. Certain employees may carry over a limited number of unused sick days to subsequent years and, in the event of termination, these employees are reimbursed for accumulated sick time. Accumulated vacation and sick time are recognized as a liability of the City in the government-wide statement of net position.

J. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, 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 are reported net of any significant applicable bond premium or discount. Bond issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Long-Term Obligations (Continued)

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

K. Leases

Lessee

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

At the commencement of a lease, the City 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 City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City 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 the purchase option price that the City is reasonably certain to exercise.

The City 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. The City determines if an arrangement is a lease at inception. Leases are included in lease assets and lease liabilities in the statements of net position.

**CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Leases (Continued)

Lessor

The City is a lessor for a noncancellable lease of land, building and infrastructure. The City recognizes a lease receivable and a deferred inflow of resources in the applicable governmental activities or business-type activities in the government-wide and in the governmental and proprietary fund financial statements.

At the commencement of a lease, the City 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 City determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The City 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 City 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.

L. 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.

CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

N. Net OPEB Liability

The net OPEB liability is measured as the portion of the present value of projected benefit payments to be provided to current active and inactive employees that is attributed to those employees' past periods of service (total OPEB liability), less the amount 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.

O. Fund Equity

Equity in the government-wide financial statements, proprietary funds and fiduciary fund financial statements is defined as "net position" and is classified in the following categories:

Net Investments in Capital Assets

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

Restricted Net Position

Net position is restricted when there are externally imposed restrictions by creditors (such as through debt covenants), grantors, contributors or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position

This component of net position includes anything that does not meet the definition of "restricted" or "net investments in capital assets."

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed. Unrestricted resources are used in the following order: committed, assigned then unassigned.

**CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

O. Fund Equity (Continued)

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

Nonspendable Fund Balance

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

Restricted Fund Balance

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

Committed Fund Balance

This represents amounts constrained for a specific purpose by a government using its highest level of decision-making authority. The Board of Aldermen has the highest level of decision-making authority for the City of Milford. In order for the City to establish, modify or rescind a fund balance commitment, the Mayor must make a recommendation to the Board of Aldermen, which has final authority. The Board of Aldermen is required to vote upon and approve a resolution to establish, modify or rescind a fund balance commitment.

Assigned Fund Balance

This balance represents amounts constrained for the intent to be used for a specific purpose by a governing board (Board of Alderman) or a body or official (Director of Finance) that has been delegated authority to assign amounts by the City Charter.

Unassigned Fund Balance

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

P. Accounting Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, including disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

**CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Q. Adoption of New Accounting Standards

GASB Statement No. 87, *Leases*

In June 2017, the GASB issued GASB Statement No. 87, *Leases*. This standard requires the recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and as inflows of resources or outflows of resources recognized based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this standard, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

The City adopted the requirements of the guidance effective July 1, 2021, and has applied the provisions of this standard to the beginning of the period of adoption. The implementation of this standard resulted in the City reporting a right-to-use asset and a lease liability as well as lease receivable and deferred inflow of resources disclosed in Note 5 and Note 8.

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

Prior to February 1, the Mayor and the Board of Education submit proposed budgets for their respective shares of the General Fund to the Board of Finance. Prior to April 1, the Board of Finance submits to the Board of Aldermen the proposed fiscal budget. The Board of Aldermen then holds hearings on the Board of Finance's proposed budget. The Board of Aldermen may reduce or delete any item contained in the Board of Finance's budget by a simple majority. The Board of Aldermen may increase or add to any item in the Board of Finance budget by a two-thirds vote. The Board of Aldermen adopts the budget for the following fiscal year and sets the mill rate. This budget, at the department level, becomes the legal level of control. For management purposes, the Mayor is authorized to transfer budgeted amounts between like categories of line items within individual budgeted departments. All other transfers, as well as additional appropriations, must first be approved by the Board of Finance and then by the Board of Aldermen. Additional appropriations of \$570 were approved during the fiscal year.

All unencumbered appropriations lapse at year-end, except those for Capital Projects and Special Revenue Funds. Appropriations for these funds are continued until completion of applicable projects, which generally extend more than one fiscal year. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded as assigned or committed fund balance, in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in all governmental fund types. For GAAP purposes, encumbrances outstanding at the year-end are reported as an assignment or commitment of fund balance since they do not constitute expenditures or liabilities.

**CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

A. Budgetary Information (Continued)

The major difference between the budgetary and GAAP basis of accounting is:

- Encumbrances are recognized as a valid and proper charge against a budget appropriation in the year in which the purchase order is issued and, accordingly, encumbrances outstanding at year-end are reflected in budgetary reports as expenditures in the current year whereas they are shown as an assigned fund balance on a GAAP basis of accounting.
- The City reports on-behalf contributions made by the State of Connecticut to the Connecticut State Teachers' Retirement System and OPEB system as revenue and expenditures for GAAP purposes.
- At the end of each fiscal year, the Board of Education's summer payroll is charged to the subsequent year's budget. As these expenditures should be accrued, this adjustment is necessary to properly record expenditures on a GAAP basis.
- Nonbudgetary items and eliminations related to the Compensated Absences Fund.
- Activities related to refunding debt that were not budgeted.

B. Deficit Fund Equity

The following funds had a deficit fund balance at June 30, 2022:

Nonmajor:		
School Renovations Fund	\$	1,959
Sanitary Sewer Fund		346
Internal Service Funds:		
Workers' Compensation Fund		1,834

These deficits will be reduced or eliminated through the receipt of grant funds, permanent financing, or future transfers from the General Fund.

**CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)**

NOTE 3 CASH, CASH EQUIVALENTS, AND INVESTMENTS

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

The Connecticut General Statutes (Section 7-400) permit municipalities to invest in: 1) obligations of the United States and its agencies, 2) highly rated obligations of any state of the United States or of any political subdivision, authority or agency thereof, and 3) shares or other interests in custodial arrangements or pools maintaining constant net asset values and in highly rated no-load open-end money market and mutual funds (with constant or fluctuating net asset values) whose portfolios are limited to obligations of the United States and its agencies, and repurchase agreements fully collateralized by such obligations. Other provisions of the Statutes cover specific municipal funds with particular investment authority.

The provisions of the Statutes regarding the investment of municipal pension funds does not specify permitted investments. Therefore, investment of such funds is generally controlled by the laws applicable to fiduciaries and the provisions of the applicable plan.

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

Deposits

Deposit Custodial Credit Risk

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

CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)

NOTE 3 CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

Deposits (Continued)

Deposit Custodial Credit Risk (Continued)

Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, \$27,374 of the City's bank balance of \$28,904 was exposed to custodial credit risk as follows:

Uninsured and Uncollateralized	\$ 24,509
Uninsured and Collateral Held by the Pledging Bank's Trust Department, not in the City's Name	2,865
Total Amount Subject to Custodial Credit Risk	<u>\$ 27,374</u>

Cash Equivalents

At June 30, 2022, the City's cash equivalents amounted to \$105,066. These cash equivalents are investment pools of high-quality, short-term money market instruments with an average maturity of less than 60 days. There were no limitations or restrictions on any withdrawals due to redemption notice periods, liquidity fees, or redemption gates.

Credit Risk – Cash Equivalents

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The following chart summarizes year-end ratings for the City as rated by Standard & Poor's:

	<u>Standard & Poor</u>
State Short-Term Investment Fund (STIF)	AAA/m
Money Market Mutual Funds	Note Rated

Investments

As of June 30, 2022, the City had the following investments:

Investment Type	Fair Value	Investment Maturities (Years)		
		Less Than 1	1 - 10	More Than 10
Interest-Bearing Investments:				
U.S. Government Securities	\$ 4,624	\$ 531	\$ 1,935	\$ 2,158
Corporate Bonds	10,347	1,466	3,795	5,086
Certificates of Deposit	31	31	-	-
Total	<u>15,002</u>	<u>\$ 2,028</u>	<u>\$ 5,730</u>	<u>\$ 7,244</u>
Other Investments:				
Equities	100,586			
Alternative Investments	180,823			
Mutual Funds	78,441			
Total Investments	<u>\$ 374,852</u>			

* Subject to coverage by Federal Depository Insurance and collateralization.

CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
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(IN THOUSANDS)

NOTE 3 CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

Investments (Continued)

Interest Rate Risk

The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The City limits their maximum final stated maturities to 15 years, unless specific authority is given to exceed. To the extent possible, the City will attempt to match its investments with anticipated cash flow requirements.

Credit Risk - Investments

As indicated above, State Statutes limit the investment options of cities and towns. The City has no formal investment policy that would further limit its investment choices. Presented below is the average rating of investments in debt securities.

Average Rating	Corporate Bonds	U.S. Government Securities	Certificate of Deposit	Mutual Funds
Aaa	\$ -	\$ 4,624	\$ -	\$ -
Aa3	316	-	-	-
A1	124	-	-	-
A2	571	-	-	-
A3	619	-	-	-
Baa1	1,052	-	-	-
Baa2	703	-	-	-
Baa3	991	-	-	-
Ba1	166	-	-	-
Ba3	112	-	-	-
B1	121	-	-	-
B2	18	-	-	-
Unrated	5,554	-	31	78,441
Total	<u>\$ 10,347</u>	<u>\$ 4,624</u>	<u>\$ 31</u>	<u>\$ 78,441</u>

Concentration of Credit Risk

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

Custodial Credit Risk

Custodial credit risk for an investment is the risk that, in the event of the failure of the counterparty (the institution that pledges collateral or repurchase agreement securities to the City or that sells investments to or buys them for the City), the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City does not have a policy for custodial credit risk. At June 30, 2022, the City did not have any uninsured and unregistered securities held by the counterparty, or by its trust department or agent that were not in the City's name.

**CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
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NOTE 3 CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

Investments (Continued)

Fair Value

The City categorizes its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements); followed by quoted prices in inactive markets or for similar assets or with observable inputs (Level 2 measurements); and the lowest priority to unobservable inputs (Level 3 measurements). The City has the following recurring fair value measurements as of June 30, 2022:

	June 30, 2022	Fair Value Measurement		
		Level 1	Level 2	Level 3
Investments by Fair Value Level:				
U.S. Government Securities	\$ 4,624	\$ 4,624	\$ -	\$ -
Corporate Bonds	10,347	10,347	-	-
Equity Securities	100,586	100,586	-	-
Alternative Investments	87,925	-	87,925	-
Mutual Funds	78,441	78,441	-	-
Total Investments by Fair Value Level	281,923	<u>\$ 193,998</u>	<u>\$ 87,925</u>	<u>\$ -</u>
Investments Measured at Net Asset Value (NAV):				
Alternative Investments	92,898			
Subtotal	374,821			
Certificates of Deposit	31			
Total Investments	<u>\$ 374,852</u>			

Debt and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Alternative investments classified in Level 2 do not have prices quoted in active markets, however a fair value can be determined based on other data values or market prices. Alternative investments primarily represent investments in Limited Partnerships.

The following is a summary of the investment strategies, their liquidity and redemption notice periods and any restrictions on the liquidity provisions of the investments in Investment Funds held by the City as of June 30, 2022 and measured at fair value using the NAV per share practical expedient. Investment Funds with no current redemption restrictions may be subject to future gates, lock-up provisions, or other restrictions, in accordance with their offering documents which would be considered in fair value measurement and disclosure.

**CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
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NOTE 3 CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

Investments (Continued)

Equity Hedge Funds

This type includes investments in hedge funds that invest both long and short primarily in U.S. common stock. Management of each hedge fund has the ability to shift investments from value to growth strategies, from small to large capitalization stocks, and from a net long position to a net short position. The fair values of the investments in this type have been determined using the NAV per share of the investments.

Multi-Strategy Hedge Funds

This type invests in various hedge funds that pursue multiple strategies to diversify risks and reduce volatility. The hedge funds' composite portfolio for this type includes a broad range of investments. The fair values of the investments in this type have been determined using the NAV per share (or its equivalent) of the investments.

Real Estate Funds

This type includes real estate funds that invest primarily in U.S. commercial real estate. The fair values of the investments in this type have been determined using the NAV per share (or its equivalent) of the plan's ownership interest in partners' capital. These investments can never be redeemed with the funds. Distributions from each fund will be received as the underlying investments of the funds are liquidated.

NOTE 4 RECEIVABLES

Receivables as of year-end for the City's individual major funds and nonmajor, internal service and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General	Capital Nonrecurring Fund	Nonmajor and Aggregate Remaining Funds	Total
Receivables:				
Taxes and Interest	\$ 6,344	\$ -	\$ -	\$ 6,344
Accounts	100	-	346	446
Leases	438	-	328	766
Special Assessments	20	-	-	20
Intergovernmental	-	1,736	600	2,336
Pension - Accrued Income	-	-	4	4
Gross Receivables	6,902	1,736	1,278	9,916
Less Allowance for Uncollectibles	(342)	-	-	(342)
Net Total Receivables	<u>\$ 6,560</u>	<u>\$ 1,736</u>	<u>\$ 1,278</u>	<u>\$ 9,574</u>

The above table does not include interest on sewer assessments of \$129.

CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)

NOTE 5 LEASES RECEIVABLE

The City, acting as lessor, leases land, infrastructure, and buildings under long-term, noncancelable lease agreements. The leases expire at various dates through 2066 and provide for renewal options ranging from three months to six years. During the year ended June 30, 2022, the City recognized \$87 and \$16 in lease revenue and interest revenue, respectively, pursuant to these contracts.

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

Year Ending June 30,	Governmental Activities		Business-Type Activities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$ 52	\$ 15	\$ 7	\$ -	\$ 59	\$ 15
2024	52	14	-	-	52	14
2025	52	13	-	-	52	13
2026	52	12	-	-	52	12
2027	52	11	-	-	52	11
2028-2032	196	43	-	-	196	43
2033-2037	111	26	-	-	111	26
2038-2042	34	20	-	-	34	20
2043-2047	34	17	-	-	34	17
2048-2052	34	13	-	-	34	13
2053-2057	34	9	-	-	34	9
2058-2062	34	5	-	-	34	5
2062-2066	22	1	-	-	22	1
Total Minimum Lease Payments	<u>\$ 759</u>	<u>\$ 199</u>	<u>\$ 7</u>	<u>\$ -</u>	<u>\$ 766</u>	<u>\$ 199</u>

The City restated beginning balance of accounts receivable and deferred inflows related to leases due to the implementation of GASB Statement No. 87. See Note 1.

CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
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NOTE 6 CAPITAL ASSETS

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

	Beginning Balance (1)	Increases	Decreases	Transfers	Ending Balance
Governmental Activities:					
Capital Assets not Being Depreciated:					
Land	\$ 48,377	\$ 136	\$ (173)	\$ -	\$ 48,340
Construction in Progress	31,240	5,395	(3)	(20,849)	15,783
Total Capital Assets not Being Depreciated	79,617	5,531	(176)	(20,849)	64,123
Capital Assets Being Depreciated/Amortized:					
Buildings and Improvements	309,084	252	(181)	3,076	312,231
Improvements Other than Buildings	16,570	821	-	7,908	25,299
Machinery and Equipment	48,834	3,609	(1,494)	444	51,393
Infrastructure	150,573	5	-	9,408	159,986
Right-to-Use - Leased Asset	714	-	(6)	-	708
Total Capital Assets Being Depreciated/ Amortized	525,775	4,687	(1,681)	20,836	549,617
Less Accumulated Depreciation /Amortization for:					
Buildings and Improvements	(114,323)	(7,593)	12	-	(121,904)
Improvements Other than Buildings	(7,739)	(1,627)	-	-	(9,366)
Machinery and Equipment	(34,815)	(2,863)	1,323	-	(36,355)
Infrastructure	(77,489)	(2,254)	-	-	(79,743)
Right-to-Use - Leased Asset	-	(416)	6	-	(410)
Total Accumulated Depreciation/Amortization	(234,366)	(14,753)	1,341	-	(247,778)
Total Capital Assets Being Depreciated/ Amortized, Net	291,409	(10,066)	(340)	20,836	301,839
Governmental Activities Capital Assets, Net	<u>\$ 371,026</u>	<u>\$ (4,535)</u>	<u>\$ (516)</u>	<u>\$ (13)</u>	<u>\$ 365,962</u>
	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Business-Type Activities:					
Capital Assets not Being Depreciated:					
Land	\$ 1,681	\$ -	\$ -	\$ -	\$ 1,681
Capital Assets Being Depreciated:					
Buildings and System	865	-	-	-	865
Improvements Other than Buildings	1,629	-	-	13	1,642
Machinery and Equipment	675	-	-	-	675
Total Capital Assets Being Depreciated	3,169	-	-	13	3,182
Less Accumulated Depreciation for:					
Buildings and System	(347)	(18)	-	-	(365)
Improvements Other than Buildings	(1,252)	(45)	-	-	(1,297)
Machinery and Equipment	(667)	(1)	-	-	(668)
Total Accumulated Depreciation	(2,266)	(64)	-	-	(2,330)
Total Capital Assets Being Depreciated, Net	903	(64)	-	13	852
Business-Type Activities Capital Assets, Net	<u>\$ 2,584</u>	<u>\$ (64)</u>	<u>\$ -</u>	<u>\$ 13</u>	<u>\$ 2,533</u>

(1) The City restated beginning balance of capital assets related to leases due to the implementation of GASB Statement No. 87. See Note 1.

CITY OF MILFORD, CONNECTICUT
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NOTE 6 CAPITAL ASSETS (CONTINUED)

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

Governmental Activities:

General Government	\$ 768
Public Safety	1,619
Public Service	5,507
Education	5,702
Health and Welfare	1,157
Total Depreciation and Amortization Expense - Governmental Activities	<u>\$ 14,753</u>

Business-Type Activities:

Milford Golf Course	\$ 21
Harbor Management	43
Total Depreciation Expense - Business-Type Activities	<u>\$ 64</u>

Construction Commitments

The City has active construction projects as of June 30, 2022. At year-end, the projects' unexpended authorization available to fund commitments with contractors is as follows:

Program	Project Authorization	Cumulative Expenditures	Encumbered	Balance June 30, 2022
General Capital Improvement	\$ 156,582	\$ 127,321	\$ 2,309	\$ 26,952
Education Capital Improvement	142,307	115,499	439	26,369
Sanitary Sewers and Wastewater Facilities	142,573	129,434	24	13,115
Total	<u>\$ 441,462</u>	<u>\$ 372,254</u>	<u>\$ 2,772</u>	<u>\$ 66,436</u>

NOTE 7 INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

During the course of operations, transactions are processed through a fund on behalf of another fund. Additionally, revenues received in one fund are transferred to another fund. Interfund receivables and payables generally represent temporary balances arising from reimbursement type transactions. There were no interfund receivables and payables as of June 30, 2022. Interfund transfers as of June 30, 2022 are as follows:

	Capital Nonrecurring	Nonmajor Governmental	Total Transfers Out
Transfers Out:			
General Fund	\$ 733	\$ 428	\$ 1,161
Nonmajor Enterprise	9	-	9
Total	<u>\$ 742</u>	<u>\$ 428</u>	<u>\$ 1,170</u>

CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)

NOTE 7 INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (CONTINUED)

General Fund transfers are made in accordance with budget appropriations and authorized allocation transfers. The General Fund transfers to other funds are primarily for the purpose of establishing local funding for capital projects to reduce bonding. Transfers are used to move unrestricted general fund revenues to fund various programs that must be accounted for separately in accordance with budgetary authorizations.

NOTE 8 LONG-TERM DEBT

A summary of the long-term indebtedness transactions for the current fiscal year follows:

	Beginning Balance (1)	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Bonds Payable:					
General Obligation Bonds	\$ 170,255	\$ 29,415	\$ 16,185	\$ 183,485	\$ 14,835
Bond Premium	14,104	2,858	4,097	12,865	-
Total Bonds Payable	184,359	32,273	20,282	196,350	14,835
Lease Payable	714	-	423	291	120
Notes Payable - direct borrowing	1,484	-	82	1,402	85
Claims and Judgments	6,701	47,057	45,100	8,658	468
Compensated Absences	17,079	1,275	1,110	17,244	1,121
Net Pension Liability	12,781	75,873	-	88,654	-
Net OPEB Liability - City	183,049	-	16,095	166,954	-
Total OPEB Liability - BOE	171,682	-	28,168	143,514	4,844
Total Governmental Activities					
Long-Term Liabilities	<u>\$ 577,849</u>	<u>\$ 156,478</u>	<u>\$ 111,260</u>	<u>\$ 623,067</u>	<u>\$ 21,473</u>

(1) The beginning balance was restated due to the implementation of GASB Statement No. 87. See lease payable section of Note 8.

For the governmental activities, compensated absences, net pension liability, OPEB liabilities are generally liquidated by the General Fund.

CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
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NOTE 8 LONG-TERM DEBT (CONTINUED)

General Obligation Bonds

Bonds payable at June 30, 2022 amounted to \$183,485 with interest rates ranging from 2.0% to 5.0% on bonds maturing at various dates through the year 2041. A schedule of government bonds outstanding at June 30, 2022 is presented below:

Description	Date of Issue	Interest Rate (%)	Original Issue	Outstanding June 30, 2022
General purpose:				
2014 - General Purpose	11/10/14	2.13-5.00	3,740	\$ 2,410
2014 - Refunding - General Purpose	12/17/14	4.00-5.00	3,416	1,975
2015 - General Purpose	11/09/15	2.00-5.00	2,555	1,770
2016 - Refunding - General Purpose	03/03/16	3.00-5.00	3,822	2,451
2016 - General Purpose	11/07/16	2.00-5.00	6,497	4,875
2017 - General Purpose	11/06/17	3.00-5.00	9,345	7,465
2017 - Refunding - General Purpose	12/22/17	3.00-5.00	3,186	3,186
2018 - General Purpose	11/05/18	3.00-5.00	13,065	11,100
2019 - General Purpose	11/04/19	2.00-5.00	6,690	6,030
2020 - Refunding - General Purpose	11/02/20	3.00-5.00	7,884	7,609
2020 - General Purpose	11/03/20	2.00-5.00	9,755	9,270
2021A - Refunding - General Purpose	11/02/21	2.00-5.00	17,010	17,010
2021B Refunding of 2013 - General Purpose	11/02/21	5.00	719	719
Total General Purpose				75,870,000
School:				
2014 - Schools	11/10/14	2.13-5.00	6,475	4,220
2014 - Refunding - Schools	12/17/14	4.00-5.00	6,083	3,382
2015 - Schools	11/09/15	2.00-5.00	1,725	1,190
2016 - Refunding - Schools	03/03/16	3.00-5.00	4,847	3,442
2016 - Schools	11/07/16	2.00-5.00	6,788	5,090
2017 - Schools	11/06/17	3.00-5.00	6,285	5,025
2017 - Refunding - Schools	12/22/17	3.00-5.00	4,533	4,533
2018 - Schools	11/05/18	3.00-5.00	4,600	3,910
2019 - Schools	11/04/19	2.00-5.00	650	594
2020 - Refunding - Schools	11/02/20	3.00-5.00	3,084	2,916
2020 - Schools	11/03/20	2.00-5.00	9,690	9,205
2021A - Refunding - Schools	11/02/21	2.00-5.00	7,230	7,230
2021B -Refunding of 2013 - Schools	11/02/21	5.00	1,486	1,486
Total Schools				52,223,000
Sewer:				
2014 - Sewer	11/10/14	2.13-5.00	3,980	2,600
2014 - Refunding - Sewer	12/17/14	4.00-5.00	5,436	2,918
2015 - Sewer	11/09/15	2.00-5.00	4,070	2,870
2016 - Refunding - Sewer	03/03/16	3.00-5.00	7,346	4,672
2016 - Sewer	11/07/16	2.00-5.00	3,155	2,355
2017 - Sewer	11/06/17	3.00-5.00	3,105	2,480
2017 - Refunding - Sewer	12/22/17	3.00-5.00	5,411	5,411
2018 - Sewer	11/05/18	3.00-5.00	3,380	2,885
2019 - Sewer	11/04/19	2.00-5.00	2,340	2,106
2020 -Refunding - Sewer	11/02/20	3.00-5.00	5,492	5,465
2020 - Sewer	11/03/20	2.00-5.00	3,115	2,955
2020 - Refunding - Sewer - Single Purpose	12/11/20	5.00	17,560	15,705
2021A - Refunding - Sewer	11/02/21	2.00-5.00	1,460	1,460
2021B - Refunding of 2013 - Sewer	11/02/21	5.00	1,510	1,510
Total Sewer				55,392,000
Total				\$ 183,485

CITY OF MILFORD, CONNECTICUT
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(IN THOUSANDS)

NOTE 8 LONG-TERM DEBT (CONTINUED)

General Obligation Bonds (Continued)

Principal and interest payments for bonds payable are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 14,835	\$ 6,653	\$ 21,488
2024	15,215	5,924	21,139
2025	14,985	5,203	20,188
2026	14,820	4,528	19,348
2027	14,550	3,900	18,450
2028-2032	58,555	11,696	70,251
2033-2037	35,085	4,161	39,246
2038-2042	15,440	710	16,150
Total	<u>\$ 183,485</u>	<u>\$ 42,775</u>	<u>\$ 226,260</u>

General Obligation Refunding Bonds

On November 1, 2021, the City issued \$3,715 of general obligation refunding bonds with an interest rate of 5%. The bonds were issued to refund \$4,690 aggregate outstanding principal amounts of 2013 general obligation bonds. The net proceeds of \$4,780 (after an original issue premium of \$1,065 and payment of \$90 in underwriter's fees and other issuance costs) were deposited in an irrevocable trust fund under an escrow agreement dated November 1, 2021, between the Escrow Agent and the City. The Escrow Agent will use such proceeds to purchase a portfolio of the United States Treasury State and Local Government Securities. All investment income on and the maturing principal of the escrow securities held in the escrow deposit fund will be irrevocably deposited by the City for payment of the refunded bonds. The City refunded the above bonds to reduce total debt service payments over the next 10 years by \$674 and to obtain an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$642. As of June 30, 2022, the bonds were called and there was no defeased debt related to this refunding.

Notes Payable – Direct Borrowing

Minimum annual principal and interest payments required to retire notes payable – direct borrowing are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 85	\$ 50	\$ 135
2024	88	47	135
2025	101	44	145
2026	104	41	145
2027	108	37	145
2028-2032	627	122	749
2033-2034	289	15	304
Total	<u>\$ 1,402</u>	<u>\$ 356</u>	<u>\$ 1,758</u>

CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
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NOTE 8 LONG-TERM DEBT (CONTINUED)

Bond Anticipation Notes

Bond anticipation notes, which serve as temporary financing for certain capital projects, were outstanding at June 30, 2022.

Notes Payable, July 1, 2021	\$ 25,525
Notes Issued	15,300
Notes Retired	(25,525)
Notes Payable, June 30, 2022	<u>\$ 15,300</u>

During the year, the City issued \$15,300 in notes dated November 2, 2021, which mature on November 1, 2022. The notes carry an interest rate of 1.00%. These notes serve as temporary financing for various school, public improvements, and sewer projects.

Leases Payable

The City 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 2027 and provide for renewal options ranging from three months to six years.

Total future minimum lease payments under lease agreements are as follows:

<u>Year Ending June 30,</u>	<u>Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 121	\$ 4	\$ 125
2024	72	3	75
2025	53	1	54
2026	36	1	37
2027	9	-	9
Total Minimum Lease Payments	<u>\$ 291</u>	<u>\$ 9</u>	<u>\$ 300</u>

Right-to-use assets acquired through outstanding leases are shown below, by underlying asset class.

	<u>Governmental Activities</u>
Equipment	\$ 710
Less: Accumulated Amortization	(410)
Total	<u>\$ 300</u>

Other Obligations

At June 30, 2022, the dollar value of City employees' and Board of Education employees' accumulated vacation and sick time has been valued using the vesting methods outlined in GASB Statement No. 16. These obligations are typically funded by the General Fund.

**CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)**

NOTE 8 LONG-TERM DEBT (CONTINUED)

Debt Limitation

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

Category	Debt Limit	Net Indebtedness	Balance
General Purpose	\$ 418,520	\$ 108,146	\$ 310,374
Schools	837,041	83,644	753,397
Sewers	697,531	68,321	629,210
Urban Renewal	604,529	-	604,529
Pension Deficit	558,027	-	558,027

The total overall statutory debt limit for the City is equal to seven times annual receipts from taxation (\$1,302,063). The authorized/unissued debt has been reduced by grant proceeds of \$33,151 relative to general purpose and school construction projects.

The indebtedness reflected above includes long-term debt outstanding in addition to the amount of bonds authorized and unissued of \$74,933 against which bond anticipation notes are issued and outstanding.

NOTE 9 RISK MANAGEMENT (AMOUNTS NOT ROUNDED UNLESS NOTED)

The City and the Board of Education are exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and others; and natural disasters. For FY2022, the City and the Board of Education Property, General Liability, Auto Liability, Public Officials' Liability, Police Professional Liability and Educators' Liability were insured by CIRMA with deductibles of \$1,000 for auto physical damage and \$- for other liability coverage. Law Enforcement/Public Officials/School Leaders has a \$25,000 deductible and Employee Benefits has a deductible of \$1,000. The Board of Education insures its Workers' Compensation with CIRMA.

The Property/Inland Marine Insurance and Boiler and Machinery Insurance are with CIRMA Insurance. The policy has a deductible of \$50,000. There is \$20,000,000 of coverage for flood damage under this policy. Flood Zones A and V have a deductible of \$1,000,000. The City has purchased coverage from the National Flood Program to cover this deductible. The National Flood Program has a maximum deductible of \$25,000.

All City deductibles and premiums for the City portion of insurance are paid from the City's Property and Casualty Self Insurance Fund. The Board of Education pays for its premiums and deductibles from its operations budget.

**CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
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NOTE 9 RISK MANAGEMENT (AMOUNTS NOT ROUNDED UNLESS NOTED) (CONTINUED)

The Property and Casualty Self Insurance Fund is an internal service fund that was established by the Board of Aldermen in April 2003 along with a self-insurance program for property and casualty insurance. This fund pays for claims that occurred between April 23, 2003, and June 30, 2008. The General Liability, Auto Liability, Public Officials' Liability, Police Professional Liability and Educator's Liability were self-insured for the first \$250 thousand dollars of each claim. There is still one claim open from this period. The City and Board of Education did not have any claims that exceeded insurance coverage in the past three years.

The claims liability reported in the Internal Service Fund at June 30, 2022 is based on GASB Statement No. 10, which requires that a liability for estimated claims incurred but not reported be recorded.

<i>In thousands</i>	Liability July 1,	Current Year Claims	Claim Payments	Liability June 30,
6/30/2021	\$ 62	\$ 1,358	\$ 1,358	\$ 62
6/30/2022	62	1,426	1,426	62

The Workers' Compensation Internal Service Fund is used to account for and finance workers' compensation costs for City employees and City Grant Agency employees. Contributions to the Workers' Compensation Fund from the General Fund are made based upon actuarial calculations. Payments are made by Grant Agencies and the Sewer Fund based upon NCCI rates based on payroll.

The City carries an Excess Workers' Compensation Policy with Safety National Casualty Corporation with a self-insured retention per occurrence of \$600,000 (\$750,000 – Police/Fire). The City and Board of Education did not have any claims that exceeded insurance coverage in the past three years.

The General Fund and/or the Property and Casualty Self Insurance Fund will be used to cover any uninsured risks of loss.

Changes in the claims liability for the years ended June 30, 2022 and 2021 were as follows:

<i>In thousands</i>	Liability July 1,	Current Year Claims	Claim Payments	Liability June 30,
6/30/2021	\$ 4,231	\$ 1,854	\$ 1,628	\$ 4,457
6/30/2022	4,457	2,452	1,804	5,105

The Health Insurance Service Fund is used to account for and finance indemnity medical coverage for eligible City, Board of Education and City Grant Agency employees and dependents, and prior employees and dependents entitled to continue participation in the City's plan under the provisions of COBRA. For the year ended June 30, 2022, the annual limit on individual medical claims chargeable to the Fund is \$200,000. Payments to the Health Insurance Fund are made by the Grant Agencies, the Sewer Use Fund, the Special Education Grants Fund, the Special Grants Fund, the Harbor Management Enterprise Fund, and persons continuing coverage under COBRA in an amount equal to the premium an individual would pay for continuation coverage under the group program.

**CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
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NOTE 9 RISK MANAGEMENT (AMOUNTS NOT ROUNDED UNLESS NOTED) (CONTINUED)

The City makes General Fund contributions to the Health Insurance Fund based on budgeted amounts, which, in conjunction with estimated Grant contributions, total the year's estimated expected losses. Employee and applicable retirees under age 65 also make contributions to the fund through premium cost share. The City and Board of Education did not have any claims that exceeded insurance coverage in the past three years.

Changes in the claims liability for the years ended June 30, 2022 and 2021 were as follows:

<i>In thousands</i>	Liability July 1,	Current Year Claims	Claim Payments	Liability June 30,
6/30/2021	\$ 2,096	\$ 39,672	\$ 39,586	\$ 2,182
6/30/2022	2,182	43,179	41,870	3,491

NOTE 10 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS

City of Milford Retirement System

The City is the administrator of a single-employer public employee retirement system (PERS) established and administered by the City to provide pension benefits for its full-time employees other than teachers who are covered by the Retirement System - State Teachers Retirement Board. The Retirement System is considered to be part of the City of Milford's financial reporting entity and is included in the City's financial reports as a pension trust fund. The City does not issue stand-alone financial statements for the Pension Trust Fund.

Management of the Retirement System rests with the Pension and Retirement Board, which consists of 24 members, who are appointed by the Board of Aldermen.

A. Plan Descriptions and Benefits Provided

Benefits vest after 10 years for General City members (5 years for Public Works, Supervisors, Custodians and Cafeteria Workers); there is no vesting for Police and Fire members. Except for Police and Fire, members who retire after age 60 with 10 years of service (5 years for Public Works, Supervisors, Custodians and Cafeteria Workers) or the age at which the sum of age and service equal 80 (79 for nonrepresented members and Board of Education Contract Secretaries) are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 2% or 2-1/4% of their final average salary for each year of credited service. Police and Fire members who retire after 20 years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 45% times average annual pay plus 2% times average annual pay times credited service over 20 years. Supplemental benefits for Police members who were hired prior to April 6, 1989, and Fire members are based on 1/2 of salary increases given to members in the grade that the member was in at the time of retirement.

Final average salary is the average of the 2 or 3 highest fiscal years compensation. General city members with 10 years of service (5 years for Public Works, Custodians and Cafeteria Workers) may retire at or after age 50 and receive a reduced benefit. If a member leaves covered employment or dies before meeting the vesting requirements, accumulated employee contributions with interest thereon are refunded. Benefits and employee contributions are fixed by contract and may be amended by union negotiation.

**CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
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NOTE 10 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

City of Milford Retirement System (Continued)

A. Plan Descriptions and Benefits Provided (Continued)

The surviving spouse of a Fire active member or retiree who retired after November 1, 1988, receives a fixed pension supplement equal to 50% of average annual pay at death or retirement, payable monthly for life. The surviving spouse of a Police active member or retiree who retired after June 29, 2001, receives a fixed pension supplement equal to 50% of average annual pay at death or retirement, payable monthly for life.

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

	City of Milford Retirement System
Retirees and Beneficiaries Receiving Benefits	835
Terminated Employees Entitled to Benefits but not Yet Receiving Them	39
Active Plan Members	661
Total	<u>1,535</u>

B. Summary of Significant Accounting Policies and Plan Asset Matters

Basis of Accounting

The PERS financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized when due, pursuant to formal commitments, as well as per statutory or contractual requirements. Benefit payments and refunds are payable when due and payable in accordance with the terms of the PERS. All administrative costs are financed through investment earnings.

Method Used to Value Investments

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

Plan Changes

The City benefits reflect the 2012 ad-hoc COLA that was approved effective May 1, 2013. The change increased the City cost about \$140,000 (not rounded).

C. Funding Policy

General City members are required to contribute 2.25% of annual compensation up to \$4,200 (not rounded) plus 5% of compensation in excess of \$4,200 (not rounded) (4% of compensation in excess of \$4,200 (not rounded) for MEA and MSA members and nonrepresented members with 15 or more years of service). Fire employees hired on or before January 31, 2015, shall contribute 8% of annual salary; upon reaching 15 years of service, the contribution requirement is 7% and at the 25-year contribution is 6%. Fire employees hired on or after February 1, 2015, shall contribute 10%.

CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
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NOTE 10 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

City of Milford Retirement System (Continued)

C. Funding Policy (Continued)

Police employees hired prior to February 2, 1995, are required to contribute 5% of annual salary; at 20 years of service contribution is 4.5%. Police employees hired on or after February 2, 1995, but prior to November 22, 2014, are required to contribute 8%. Police employees hired on or after November 22, 2014, are required to contribute 10%.

The contributions by employees are determined by collective bargaining. The City is required by ordinance to contribute the remaining amounts necessary to provide benefits for the members.

D. Investments

Investment Policy

The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the Pension Board by a majority vote of its members. It is the policy of the Pension Board to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The pension plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. The following was the Board's adopted asset allocation policy as of June 30, 2022:

<u>Asset Class</u>	<u>Target Allocation</u>
U.S. Large Cap Equity	25.00 %
U.S. Mid/Small Cap Equity	15.00
International Developed Equity	10.00
International Emerging Market Equity	5.00
Core Fixed Income	25.00
High Yield Fixed Income	2.50
International Fixed Income	2.50
REITs	5.00
Other (Hedge Fund, Etc.)	10.00
Total	<u><u>100.00 %</u></u>

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 -10.58%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)**

NOTE 10 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

City of Milford Retirement System (Continued)

D. Investments (Continued)

Net Pension Liability

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

Total Pension Liability	\$ 462,590
Plan Fiduciary Net Position	373,936
Net Pension Liability	<u>\$ 88,654</u>

Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	80.84%
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E. Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of July 1, 2021, and measurement date of June 30, 2022, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40 %
Salary Increases	Age Related Table
Investment Rate of Return	7.30 %

Mortality rates were based on PUB-2010 Public Retirement Plans projected to the valuation date with scale MP-2020. The actuarial method used for calculating the total pension liability was the Entry Age Normal cost method.

The actuarial assumptions used in the valuation were based on the results of an actuarial experience study for the period July 1, 2011, to June 30, 2019.

**CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
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(IN THOUSANDS)**

NOTE 10 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

City of Milford Retirement System (Continued)

E. Actuarial Assumptions (Continued)

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

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Large Cap Equity	5.25 %
U.S. Mid/Small Cap Equity	5.75
International Developed Equity	5.75
International Emerging Market Equity	7.75
Core Fixed Income	1.75
High Yield Fixed Income	4.00
International Fixed Income	0.75
REITs	5.75
Other (Hedge Fund, Etc.)	5.75

F. Discount Rate

The discount rate used to measure the total pension liability was 7.30%, a change from 7.4% in the prior year. 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 City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)**

NOTE 10 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

City of Milford Retirement System (Continued)

G. Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a)-(b)
Balances as of July 1, 2021	\$ 448,053	\$ 435,272	\$ 12,781
Changes for the Year:			
Service Cost	8,617	-	8,617
Interest on Total Pension Liability	32,708	-	32,708
Differences Between Expected and Actual Experience	(1,600)	-	(1,600)
Changes in Assumptions	4,684	-	4,684
Employer Contributions	-	11,366	(11,366)
Member Contributions	-	3,047	(3,047)
Net Investment Income	-	(45,827)	45,827
Benefit Payments, Including Refund to Employee Contributions	(29,872)	(29,872)	-
Administrative Expenses	-	(50)	50
Net Changes	14,537	(61,336)	75,873
Balances as of June 30, 2022	<u>\$ 462,590</u>	<u>\$ 373,936</u>	<u>\$ 88,654</u>

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

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

	1% Decrease (6.30%)	Current Discount Rate (7.30%)	1% Increase (8.30%)
City Net Pension Liability (Asset)	<u>\$ 140,300</u>	<u>\$ 88,655</u>	<u>\$ 45,201</u>

**CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
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(IN THOUSANDS)**

NOTE 10 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

City of Milford Retirement System (Continued)

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

For the year ended June 30, 2022, the City recognized pension expense (revenue) of \$8,245. At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 1,341	\$ 3,448
Changes of Assumptions	4,468	624
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	20,936	-
Total	<u>\$ 26,745</u>	<u>\$ 4,072</u>

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

<u>Year Ending June 30</u>	<u>Amount</u>
2023	\$ 4,081
2024	2,816
2025	(120)
2026	15,896
Total	<u>\$ 22,673</u>

State of Connecticut Police and Fire Survivors' Plan

The City makes monthly contributions to the State Survivors' Plan based upon an amount invoiced by the State. The State Survivors' Plan makes monthly payments to the surviving spouses of police and fire retirees. The City has no information concerning payments made by or the funding status of this plan. City contributions for the year ended June 30, 2022 were \$576,149.

Connecticut State Teachers' Retirement System – Pension

A. Plan Description

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

**CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
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NOTE 10 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Connecticut State Teachers' Retirement System – Pension (Continued)

B. Benefit Provisions

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

C. Normal Retirement

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

D. Early Retirement

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

E. Disability Retirement

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

F. Contributions

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

Employer (School Districts)

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

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

For the year ended June 30, 2022, the amount of "on-behalf" contributions made by the State was \$15,531 and is recognized in the General Fund as intergovernmental revenues and education expenditures.

**CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)**

NOTE 10 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Connecticut State Teachers' Retirement System – Pension (Continued)

G. Contributions

Employees

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

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

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

At June 30, 2022, the City reports no amounts for its proportionate share of the net pension liability, and related deferred outflows and inflows, due to the statutory requirement that the State pay 100% of the required contribution. The amount recognized by the City as its proportionate share of the net pension liability, the related state support, and the total portion of the net pension liability that was associated with the City were as follows:

City's Proportionate Share of the Net Pension Liability	\$ -
State's Proportionate Share of the Net Pension Liability Associated with the City	185,480
Total	<u>\$ 185,480</u>

The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020. At June 30, 2022, the City has no proportionate share of the net pension liability.

For the year ended June 30, 2022, the City recognized pension expense and revenue of \$11,973 in Exhibit II.

I. Actuarial Assumptions

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

Inflation	2.50 %
Salary Increase	3.25-6.50%, including inflation
Investment Rate of Return	6.90%, net of pension plan investment expense, including inflation

Mortality rates were based on the 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.

**CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
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(IN THOUSANDS)**

NOTE 10 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Connecticut State Teachers' Retirement System – Pension (Continued)

I. Actuarial Assumptions (Continued)

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.

Cost-of-Living Allowance

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

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

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

Long-Term Rate of Return

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

Asset Class	Expected Return	Target Allocation
Domestic Equity Fund	5.60 %	20.00%
Developed Market Intl. Stock Fund	6.00	11.00
Emerging Market Intl. Stock Fund	7.90	9.00
Core Fixed Income Fund	2.10	16.00
Inflation Linked Bond Fund	1.10	5.00
Emerging Market Debt Fund	2.70	5.00
High Yield Bond Fund	4.00	6.00
Real Estate Fund	4.50	10.00
Private Equity	7.30	10.00
Alternative Investments	2.90	7.00
Liquidity Fund	0.40	1.00
Total		<u>100.00%</u>

**CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)**

NOTE 10 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Connecticut State Teachers' Retirement System – Pension (Continued)

J. Discount Rate

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

Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

The City'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.

L. 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 City has no obligation to contribute to the plan.

**CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
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(IN THOUSANDS)**

NOTE 11 OTHER POSTEMPLOYMENT BENEFITS

Plan Description and Benefits Provided

City Plan

In addition to the pension benefits, all City employees retiring under the City of Milford Retirement Plan are provided postemployment benefits, through OPEB benefit plan, a single employer defined benefit plan. Effective July 1, 2011, the City established the OPEB Trust Fund, which converted the existing balance in the OPEB fund to the Trust. The City continues to make annual contributions to the OPEB Trust Fund. This trust fund was opened for the purpose of segregating balances for postemployment benefits. All related activity is now shown in the newly established OPEB Trust Fund. Individual stand-alone statements are not issued. The level of these benefits is determined by contract for all union employees and by a City ordinance for all nonrepresented employees. Per contracts and ordinances, the City will pay a portion of the cost of these benefits. Benefits provided are as follows: 1) for retirees under 65, the City must currently provide Blue Cross/Blue Shield hospitalization, medical/surgical, prescription drug and major medical coverage's (varying deductibles) with coverages provided to both the retired employee and eligible dependents; 2) for retired employees and their eligible dependents, the City must provide Blue Cross/Blue Shield 65 coverage and also reimburse the Medicare Part B premium for each eligible retiree and retiree spouse eligible for Medicare; 3) the City also provides life insurance coverage based on union contracts. Health care costs are as follows (amounts not rounded):

Pre-65:

General City	\$14,636 Per Year
Fire	\$15,056 Per Year
Police	\$15,524 Per Year

Post-65:

BC 65 Low Option	\$1,684 Per Year
Plan 82	\$2,940 Per Year

Medicare Part B:

Actives	\$2,041 Per Year
Retirees	\$2,041 Per Year

Medicare Advantage Plan - Low Option	\$3,532 Per Year
Medicare Advantage Plan - High Option	\$4,090 Per Year

Board of Education Plan

The Board of Education provides certain postretirement benefits to retirees through negotiated contracts. The Board of Education does not have a trust fund for the OPEB plan. Eligibility for benefits is as follows:

Teachers

Prior to age 65 retiree and spouse pay full premium minus the Teachers' Retirement Board subsidy (eligible if receiving a retirement allowance from the Teacher's Retirement Board). Post 65, Board of Education pays premium in full for participant only, spouse pays premium minus subsidy. Effective September 1, 2014, Board of Education pays the premium for insurance obtained through the Teachers' Retirement Board (either plan choice) for the participant only. No coverage is offered to spouses. Coverage may be obtained through the Teachers' Retirement Board or other sources.

**CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
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NOTE 11 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Plan Description and Benefits Provided (Continued)

Board of Education Plan (Continued)

Para-professionals

Retiree and spouse pay 50% of premium at age 60 with 15 years of service. Employees hired on or after September 1, 2020, can purchase single coverage only until age 65. No benefits after age 65.

Custodians

No cost to retiree or spouse until age 65 if employee is at least age 60 with 10 years of service or age plus service equals 79 at retirement. For those retiring after June 30, 2022, retiree pays cost of retiree medical insurance at the same percentage contributed at the time of retirement. Employees hired on or after January 22, 2020, are eligible for single coverage postretirement. At age 65, retiree and spouse must pay for prescription and dental coverage if elected.

Secretaries

No cost to retiree or spouse if employee is at least 60 with 10 years of service or age plus service equals 79 at retirement. (Note: Rule of 79 also applies to custodians and cafeteria workers.) If employee was hired after June 30, 2002, retiree and spouse pay same cost share as active employees until age 65. If employee was hired on or after December 31, 2011, retiree and spouse pay full premium until age 65. If hired on or after September 1, 2015, post-65 coverage is for retired employees only.

Cafeteria Workers

No cost to retiree or spouse until age 65 if employee is at least age 60 with 10 years of service or age plus service equals 79 at retirement. Employees hired on or after October 11, 2006, are eligible for single coverage only postretirement.

Administrators

If retired before age 65, must be receiving retirement allowance from the Teachers' Retirement Board to qualify for benefits. No cost to retiree or spouse if the percentage of premium that the employee pays prior to retirement is less than the Teachers' Retirement Board subsidy. If cost is greater than the subsidy, retiree pays the difference. If subsidy is eliminated, retiree pays percentage of cost in effect at time of retirement. For administrators hired on or after July 1, 2010, who retire before age 65 with ten or more years of service, retiree and spouse pay the full premium minus the Teachers' Retirement Board subsidy until age 65. At age 65, there is no cost to the retiree or spouse for medical insurance. Effective July 1, 2016, the Board of Education pays the premium for insurance obtained through the Teachers' Retirement Board (either plan choice) for the retiree and spouse. Effective July 1, 2019, Board of Education pays for Medicare Advantage Plan coverage obtained through the Teachers' Retirement Board. Employees hired as administrators on or after July 1, 2010, receive retiree only benefit post age 65. If the retirement date is on or after July 1, 2010, retiree and spouse must pay for dental coverage, regardless of age. Effective July 1, 2016, dental coverage is provided under the Teachers' Retirement Board's plan.

CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
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NOTE 11 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Plan Description and Benefits Provided (Continued)

Board of Education Plan (Continued)

The Board provides Medicare Part A and B supplemental coverage and life insurance for certain retirees over 65. The State Teachers' Retirement Board provides a \$110 (single) and/or \$220 (two-person) per month per employee (figures not rounded) as a subsidy to offset the postemployment costs until age 65. Life insurance is provided to Union employees as follows: Administrators 100% of salary if hired on or before July 1, 2019; new hires after July 1, 2019, receive \$50,000 to age 65, \$25,000 to age 70, and coverage ends at age 70; teachers 50% of salary; support or noncertified staff is \$15,000 or less. The Life Insurance Amount is fixed and does not get adjusted for inflation, cost of living, or any other index.

Health care costs are as follows (amounts not rounded):

Pre-65 (for Current Active Members who Retire):	<u>As of July, 2021</u>
Board of Ed-Café	\$15,880 per year
Board of Ed-Cust	\$11,436 per year
Board of Ed-Sec	\$11,611 per year
Board of Ed-Para	\$11,331 per year
Administrators	\$11,331 per year
Teachers	\$11,331 per year
Pre-65 (for Current Retirees who are Under 65):	
Based on Plan Selected	-
	<u>As of January 1, 2022</u>
Post-65 (for Current Active Members who Retire and Current Retirees who are Over 65):	
Hi Option with Plan 82 and No Rx	\$2,477 per year
Medicare Part B: Retirees	\$2,041 per year
Medicare Advantage Plan	\$4,888 per year
Post-65 (for Current Retirees who are Under 65):	
Based on Plan Selected - Dental Plan	\$480 per year

Membership

Membership in the plan consisted of the following at July 1, 2020:

	Board of Education Retiree Medical Benefit Plan	City of Milford Retiree Medical Benefit Plan	Total
Number of Retirees and Eligible Surviving Spouses	768	922	1,690
Number of Active Participants	1,023	489	1,512
Total Participants	<u>1,791</u>	<u>1,411</u>	<u>3,202</u>

**CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
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(IN THOUSANDS)**

NOTE 11 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Plan Description and Benefits Provided (Continued)

Investments

Investment Policy

The City's Retiree Healthcare Trust's (OPEB Trust) policy in regard to the allocation of invested assets is established and may be amended by the Retiree Healthcare Trust by a majority vote of its members. It is the policy of the Board of Trustees for the Retiree Healthcare Trust to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of asset classes or mutual funds. The Retiree Healthcare Trust's investment policy aims to refrain from dramatically shifting asset class allocations over short time spans. The following was the Board's adopted asset allocation policy as of June 30, 2022:

<u>Asset Class</u>	<u>Target Allocation</u>
U.S. Large Cap Equity	25.00 %
U.S. Mid/Small Cap Equity	17.00
International Developed Equity	10.00
International Emerging Market Equity	8.00
Core Fixed Income	10.00
High Yield Fixed Income	5.00
International Fixed Income	5.00
Inflation Adjusted Fixed Income	5.00
Cash	3.00
Commodities	2.00
Other (REITs, Alternative Assets, etc.)	10.00
Total	<u>100.00 %</u>

Rate of Return

For the year ended June 30, 2022, the annual money-weighted rate of return on investments, net of investment expense, was -13.51%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
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(IN THOUSANDS)**

NOTE 11 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Plan Description and Benefits Provided (Continued)

Net OPEB Liability of the City - City Plan

The City's net OPEB liability was measured as of June 30, 2022. The components of the net OPEB liability of the Town at June 30, 2022 were as follows:

	City of Milford Retiree Medical Benefit Plan
Total OPEB Liability	\$ 177,059
Plan Fiduciary Net Position	10,105
Net OPEB Liability	<u>\$ 166,954</u>

Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	5.71%
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Total OPEB Liability of the City - Board of Education Plan

The City's total OPEB liability of \$143,514 was measured as of June 30, 2022 and was determined by an actuarial valuation as of July 1, 2020.

Actuarial Assumptions - City Plan

The total OPEB liability at June 30, 2022 was determined by an actuarial valuation as of July 1, 2020, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.40 %
Salary Increases	Age related table
Investment Rate of Return	4.39 %
Healthcare Cost Trend Rates	6.50% initial, decreasing 0.2% per year to an ultimate rate of 4.40%

Mortality rates were based on PUB-2010 Public Retirement Plans projected to the valuation date with scale MP-2020. The actuarial method used for calculating the total pension liability was the Entry Age Normal cost method.

The actuarial assumptions used in the July 1, 2020, valuation were based on the results of an actuarial experience study for the period July 1, 2011 - June 30, 2019.

Retirement Assumptions

City Plan

General City: Age 62 or completion of 10 years of service if later, minimum age on valuation date plus one year.

Fire: 20 years of service, minimum age 53, maximum age 60, minimum age on valuation date plus one year.

Police: 20 years of service, minimum age 45, maximum age 60, minimum age on valuation date plus one year.

**CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
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(IN THOUSANDS)**

NOTE 11 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Plan Description and Benefits Provided (Continued)

Actuarial Assumptions and Other Inputs – Board of Education Plan

The total OPEB liability in the July 1, 2020, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

Inflation	2.40 %
Salary Increases	Age related table
Discount Rate	4.39 %
Healthcare Cost Trend Rates	6.50% decreasing 0.2% per year to an ultimate rate of 4.40% for 2031 and later years
Retirees' Share of Benefit-Related Costs	Varies based on union and hire date - ranges from 50% to 100%

Actuarial Assumptions and Other Inputs – Board of Education Plan (Continued)

The discount rate was based on the 20-year AA municipal bond index fund. The discount rate in the prior year was 2.21%.

Mortality rates were based on PUB-2010 Public Retirement Plans projected to the valuation date with scale MP-2020.

A full actuarial experience study has not been completed.

Board of Education

Cafeteria Workers, Custodians, Secretaries: age 50 with 10 years of service, minimum age on valuation date plus one year.

Teachers and Administrators: age 60 with 10 years of service or age 55 with 20 years of service, minimum age on valuation date plus one year.

Para-professionals: age 60 with 15 years of service, minimum age on valuation date plus one year.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of 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 allocation and best estimates of arithmetic real rates of return for each major asset as of June 30, 2022 are summarized in the following table:

CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)

NOTE 11 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Plan Description and Benefits Provided (Continued)

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Large Cap Equity	5.25 %
U.S. Mid/Small Cap Equity	5.75
International Developed Equity	5.75
International Emerging Market Equity	7.75
Core Fixed Income	1.75
High Yield Fixed Income	4.00
International Fixed Income	0.75
Inflation Adjusted Fixed Income	-
Cash	-
Commodities	3.75
Other (REITs, Alternative Assets, etc.)	5.75

Discount Rate - City Plan

The discount rate used to measure the total OPEB liability was 3.38%, up from 3.13% in the prior year. The projection of cash flows used to determine the discount rate assumed that City contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Change in the Net OPEB Liability – City Plan

	<u>Increase (Decrease)</u>		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
	(a)	(b)	(a)-(b)
Balances as of July 1, 2021	\$ 194,226	\$ 11,177	\$ 183,049
Changes for the Year:			
Service Cost	7,323	-	7,323
Interest on Total OPEB Liability	6,707	-	6,707
Differences Between Expected and Actual Experience	(3,076)	-	(3,076)
Changes in Assumptions	(21,833)	-	(21,833)
Employer Contributions	-	6,788	(6,788)
Net Investment Income (Loss)	-	(1,572)	1,572
Benefit Payments, Including Refund to Employee Contributions	(6,288)	(6,288)	-
Net Changes	(17,167)	(1,072)	(16,095)
Balances as of June 30, 2022	<u>\$ 177,059</u>	<u>\$ 10,105</u>	<u>\$ 166,954</u>

**CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)**

NOTE 11 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Plan Description and Benefits Provided (Continued)

Change in the Total OPEB Liability - Board of Education Plan

	Total OPEB Liability (a)
Balances as of July 1, 2021	\$ 171,682
Changes for the Year:	
Service Cost	4,724
Interest on Total OPEB Liability	3,763
Differences Between Expected and Actual Experience	(942)
Changes in Assumptions	(31,309)
Benefit Payments, Including Refund of Employee Contributions	(4,404)
Net Changes	(28,168)
Balances as of June 30, 2022	\$ 143,514

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

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

	1% Decrease (3.39%)	Current Discount Rate (4.39%)	1% Increase (5.39%)
City Plan - Net OPEB Liability	\$ 188,550	\$ 166,954	\$ 148,999

	1% Decrease (3.39%)	Current Discount Rate (4.39%)	1% Increase (5.39%)
BOE Plan - Total OPEB Liability	\$ 165,249	\$ 143,514	\$ 125,872

CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)

NOTE 11 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Plan Description and Benefits Provided (Continued)

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

The following presents the net OPEB liability of the City, as well as what the City'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% Decrease (5.50% Decreasing to 3.40%)	Healthcare Cost Trend Rates (6.50% Decreasing to 4.40%)	1% Increase (7.50% Decreasing to 5.40%)
City Plan - Net OPEB Liability	<u>\$ 144,135</u>	<u>\$ 166,954</u>	<u>\$ 195,222</u>
	1% Decrease (5.50% Decreasing to 3.40%)	Healthcare Cost Trend Rates (6.50% Decreasing to 4.40%)	1% Increase (7.50% Decreasing to 5.40%)
BOE Plan - Total OPEB Liability	<u>\$ 124,544</u>	<u>\$ 143,514</u>	<u>\$ 167,412</u>

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

For the year ended June 30, 2022, the City recognized OPEB expense (revenue) of \$8,514, of which \$5,510 was reported for the City plan and \$3,004 was reported for the BOE plan. At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	BOE		City		Total	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 49	\$ 8,528	\$ -	\$ 11,149	\$ 49	\$ 19,677
Changes of Assumptions	24,433	42,651	12,397	26,559	36,830	69,210
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	-	506	-	506	-
Total	<u>\$ 24,482</u>	<u>\$ 51,179</u>	<u>\$ 12,903</u>	<u>\$ 37,708</u>	<u>\$ 37,385</u>	<u>\$ 88,887</u>

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

<u>Year Ending June 30</u>	BOE	City	Total
2023	\$ (4,944)	\$ (8,088)	\$ (13,032)
2024	(4,944)	(5,345)	(10,289)
2025	(4,944)	(4,302)	(9,246)
2026	(3,466)	(5,224)	(8,690)
2027	(635)	(1,846)	(2,481)
Thereafter	(7,764)	-	(7,764)
Total	<u>\$ (26,697)</u>	<u>\$ (24,805)</u>	<u>\$ (51,502)</u>

**CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)**

**NOTE 12 OTHER POSTEMPLOYMENT BENEFITS - CONNECTICUT STATE TEACHERS
RETIREMENT PLAN**

Plan Description

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

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

Benefit Provisions (Amounts Not Rounded)

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

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

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

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

**CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)**

**NOTE 12 OTHER POSTEMPLOYMENT BENEFITS - CONNECTICUT STATE TEACHERS
RETIREMENT PLAN (CONTINUED)**

Survivor Health Care Coverage (Amounts Not Rounded)

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

Eligibility

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

Credited Service

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

Normal Retirement

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

Early Retirement

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

Proratable Retirement

Age 60 with 10 years of Credited Service.

Disability Retirement

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

Termination of Employment

Ten or more years of Credited Service.

Contributions (Amounts Not Rounded)

State of Connecticut

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

CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)

**NOTE 12 OTHER POSTEMPLOYMENT BENEFITS - CONNECTICUT STATE TEACHERS
RETIREMENT PLAN (CONTINUED)**

Contributions (Amounts Not Rounded) (Continued)

Employer (School Districts)

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

For the year ended June 30, 2022, the amount of "on-behalf" contributions made by the State was \$365 and is recognized in the General Fund as intergovernmental revenues and education expenditures.

Employees/Retirees

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

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

At June 30, 2022, the City 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 City 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 City was as follows:

City's Proportionate Share of the Net OPEB Liability	\$ -
State's Proportionate Share of the Net OPEB	
Liability Associated with the City	20,208
Total	<u>\$ 20,208</u>

The net OPEB liability was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2020. At June 30, 2022, the City has no proportionate share of the net OPEB liability.

For the year ended June 30, 2022, the City recognized OPEB expense and revenue of (\$746) in Exhibit II.

**CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)**

**NOTE 12 OTHER POSTEMPLOYMENT BENEFITS - CONNECTICUT STATE TEACHERS
RETIREMENT PLAN (CONTINUED)**

Actuarial Assumptions

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

Inflation	2.50 %
Health Care Costs Trend Rate	5.125% for 2020, decreasing to an ultimate rate of 4.50% by 2023
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	2023

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

The actuarial assumptions used in the June 30, 2020, valuation were based on the results of an actuarial experience study for the period July 1, 2014 - June 30, 2019.

The long-term expected rate of return on plan assets is reviewed as part of the GASB 75 valuation process. Several factors are considered in evaluating the long-term rate of return assumption, including the plan's current asset allocations and a log-normal distribution analysis using the best-estimate ranges of expected future real rates of return (expected return, net investment expense and inflation) for each major asset class. The long-term expected rate of return was determined by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The assumption is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years. The plan is 100% invested in U.S. Treasuries (Cash Equivalents) for which the expected 10-Year Geometric Real Rate of Return is (0.42%).

Discount Rate

The discount rate used to measure the total OPEB liability was 2.21%, down from a prior year rate of 3.50%. The projection of cash flows used to determine the discount rate assumed that total payroll for the initial projection year consists of the payroll of the active membership present on the valuation date. In subsequent projection years, total payroll was assumed to increase annually at a rate of 3.00%; employee contributions 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. Annual State contributions were assumed to be equal to the most recent five-year average of State contributions to the fund. Based on those assumptions, the OPEB 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.

**CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)**

**NOTE 12 OTHER POSTEMPLOYMENT BENEFITS - CONNECTICUT STATE TEACHERS
RETIREMENT PLAN (CONTINUED)**

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

The City's proportionate share of the net OPEB liability is \$20,208 and, therefore, the change in the health care cost trend rate or the discount rate would only impact the amount recorded by the state of Connecticut.

Other Information

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

NOTE 13 PENSION AND OPEB TRUST FUNDS COMBINING SCHEDULES

Combining Schedule of Net Position - Trust Funds

	Pension Trust Funds	City OPEB Trust Fund	Total
Assets:			
Cash and Cash Equivalents	\$ 9,032	\$ 249	\$ 9,281
Investments:			
Corporate Bonds	10,347	-	10,347
U.S. Government Securities	4,624	-	4,624
Marketable Equity Securities	99,614	974	100,588
Alternative Investments	180,823	-	180,823
Mutual Funds	69,557	8,882	78,439
Total Investments	364,965	9,856	374,821
Receivables	4	-	4
Total Assets	374,001	10,105	384,106
Liabilities:			
Accounts and Other Payables	65	-	65
Net Position:			
Restricted for Retirement Benefits	<u>\$ 373,936</u>	<u>\$ 10,105</u>	<u>\$ 384,041</u>

CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)

NOTE 13 PENSION AND OPEB TRUST FUNDS COMBINING SCHEDULES (CONTINUED)

Combining Schedules of Changes in Net Position - Trust Funds

	Pension Trust Funds	City OPEB Trust Fund	Total
Additions:			
Contributions:			
Plan Members	\$ 3,047	\$ -	\$ 3,047
Employer-Current Year	11,366	6,788	18,154
Total Contributions	<u>14,413</u>	<u>6,788</u>	<u>21,201</u>
Investment Income:			
Net Change in Fair Value of Investments	(65,764)	(2,137)	(67,901)
Interest and Dividends	23,457	599	24,056
Total Investment Income	<u>(42,307)</u>	<u>(1,538)</u>	<u>(43,845)</u>
Less Investment Expense	3,520	34	3,554
Net Investment Income	<u>(45,827)</u>	<u>(1,572)</u>	<u>(47,399)</u>
Total Additions	(31,414)	5,216	(26,198)
Deductions:			
Benefit Payments and Withdrawals	29,872	6,288	36,160
Administration	50	-	50
Total Deductions	<u>29,922</u>	<u>6,288</u>	<u>36,210</u>
Net Change	(61,336)	(1,072)	(62,408)
Net Position - Beginning of Year	<u>435,272</u>	<u>11,177</u>	<u>446,449</u>
Net Position - End of Year	<u>\$ 373,936</u>	<u>\$ 10,105</u>	<u>\$ 384,041</u>

**CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)**

NOTE 14 FUND BALANCE

Significant encumbrances at June 30, 2022, are contained in the table below in both the assigned and committed categories of the General Fund.

	General Fund	Capital Nonrecurring Fund	School Facilities Fund	Nonmajor Governmental Funds	Total
Fund Balances:					
Nonspendable:					
Inventory	\$ -	\$ -	\$ -	\$ 65	\$ 65
Prepays	21	-	-	-	21
Restricted for:					
Grants	-	-	-	328	328
Capital Projects	-	668	5,361	961	6,990
Student Activities	-	-	-	616	616
Committed to:					
Compensated Absences	1,600	-	-	-	1,600
Sewer Operations	-	-	-	6,126	6,126
General Government	-	-	-	8,240	8,240
Capital Projects	-	2,309	439	-	2,748
Education	-	-	-	2,166	2,166
Debt Service	-	-	-	2,281	2,281
Sanity Sewer	-	-	-	-	-
Community Development	-	-	-	41	41
Assigned to:					
Subsequent Year's Budget	5,000	-	-	-	5,000
General Government Expenditures	254	-	-	-	254
Public Safety Expenditures	191	-	-	-	191
Public Services Expenditures	188	-	-	-	188
Health and Welfare Expenditures	21	-	-	-	21
Education Expenditures	1,313	-	-	-	1,313
Unassigned	24,544	(871)	(1,061)	(3,266)	19,346
Total Fund Balances	<u>\$ 33,132</u>	<u>\$ 2,106</u>	<u>\$ 4,739</u>	<u>\$ 17,558</u>	<u>\$ 57,535</u>

Major encumbrances are reported in the assigned fund balance of the General Fund of \$2,045.

NOTE 15 COMMITMENTS AND CONTINGENCIES (AMOUNTS NOT ROUNDED)

On December 2, 2014, the City of Milford and Milford Power Company, LLC (the MPC) agreed to extend their existing Property Tax Payment Agreement for a term of 10 years. The initial agreement was the result of an assessment appeal of the Grand Lists of 2001, 2002, 2003 and 2004. Originally, the assessment had been \$183,073,530 generating over \$5,000,000 in taxes. (The assessment and the taxes would have significantly decreased in future years due to depreciation of the personal property.) In return, the City accepted scheduled payments in lieu of taxes for the Fiscal Years of 2006 through 2015. The original agreement called for payments to be made in July and January of each fiscal year.

CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(IN THOUSANDS)

NOTE 15 COMMITMENTS AND CONTINGENCIES (AMOUNTS NOT ROUNDED) (CONTINUED)

The payment schedule was \$1,687,500 for each six-month period from July 2005 through January 2009. Payments were \$1,875,000 for each six-month period from July 2009 through January 2011 and were \$1,750,000 for each six-month period from July 2011 through January 2015.

The new agreement calls for annual payments of \$4,700,000. Payments of \$2,350,000 are to be made in January and July of each year starting on July of 2015 and running through January of 2025. The payments are based on an assessment of \$172,667,000 and a stabilized mill rate of 27.22mills. MPC is up to date with all of its payments.

On June 28, 2010, the City entered into a Property Tax Payment Agreement with GenConn Devon LLC. The City accepted a 30-year payment schedule calling for annual payments in lieu of taxes to be made to the City through May 1, 2040. Payment amounts are as follows: June 30, 2010 - \$ 500,000; May 1, 2011 - \$2,500,000; May 1, 2012 - \$3,000,000; May 1, 2013, through May 1, 2040 - \$2,025,000. GenConn is up to date with all their payments.

There are various lawsuits and claims pending against the City's various Boards and Departments, none of which, individually or in the aggregate, is believed by counsel to be likely to result in a judgment or judgments which would seriously affect the City's financial position.

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

NOTE 16 SUBSEQUENT EVENTS

On October 20, 2022, the City issued \$8,060 in general obligation bonds (Series A) with interest rates varying from 4.00% to 5.00% and a maturity date of November 2041. In addition, the City issued \$17,355 of bond anticipation notes dated November 1, 2022, maturing October 30, 2023. The bond anticipation notes carry an interest rate of 4.25%.

REQUIRED SUPPLEMENTARY INFORMATION

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**CITY OF MILFORD, CONNECTICUT
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2022
(NON-GAAP BUDGETARY BASIS)
(IN THOUSANDS)**

	Budgeted Amounts		Actual	Variance - Favorable (Unfavorable)
	Original	Final		
General Property Taxes and Assessments:				
Current Taxes	\$ 181,768	\$ 181,768	\$ 185,752	\$ 3,984
Prior Year's Levies	2,500	2,500	1,222	(1,278)
Suspense Collections	100	100	96	(4)
Total General Property Taxes and Assessments	184,368	184,368	187,070	2,702
Fines, Forfeitures Penalties and Interest:				
Interest and Liens	1,900	1,900	919	(981)
Federal, State, and Local Governments:				
Education Cost Sharing	9,485	9,485	9,657	172
Special Education	-	-	917	917
State Realty in Lieu of Tax	453	453	453	-
Pequot State Aid	237	237	237	-
Miscellaneous State Revenue	1,130	1,130	1,130	-
Total Disability Exemptions	-	-	6	6
PILOT - Private Exemptions	453	453	453	-
Veteran Grants	105	105	94	(11)
Telephone Access Grant	90	90	82	(8)
Shellfish Taxes	2	2	4	2
State Aid for Health	72	72	70	(2)
OTB Wagering Share	90	90	112	22
Public Welfare	-	-	37	37
Total Federal, State, and Local Government	12,117	12,117	13,252	1,135
Investment Income:				
Investments in Idle Funds	20	20	94	74
Rental of Other Property	50	50	48	(2)
Total Investment Income	70	70	142	72
Other Revenue:				
Rental of School Property	-	-	3	3
PILOT - Water Authority	502	502	502	-
Power Plant Settlement	4,700	4,700	4,700	-
Genconn PT	2,025	2,025	2,025	-
Miscellaneous Other Revenues	20	20	287	267
Inland Wetland Fees	3	3	6	3
Total Other Revenue	7,250	7,250	7,523	273

**CITY OF MILFORD, CONNECTICUT
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED JUNE 30, 2022
(NON-GAAP BUDGETARY BASIS)
(IN THOUSANDS)**

	Budgeted Amounts		Actual	Variance - Favorable (Unfavorable)
	Original	Final		
Licenses, Permits and Other Charges:				
Devices and Amusements	\$ 12	\$ 12	\$ 27	\$ 15
Vending Permits	10	10	21	11
Disposal Area Licenses	58	58	72	14
Recording Documents	400	400	498	98
Conveyance Tax	1,400	1,400	1,856	456
General Copying Fees	70	70	79	9
Fire Department Fees	69	69	209	140
Paramedic Fees	1,100	1,100	1,304	204
Building Inspection Fees	1,400	1,400	2,012	612
Fingerprinting	5	5	4	(1)
Police Fines and Forfeits	60	60	35	(25)
False Alarm Fees	25	25	22	(3)
Street Opening Permits	28	28	33	5
Engineering Fees	9	9	9	-
Residential Waste Fees	135	135	214	79
Health Inspection Fees	91	91	90	(1)
Planning and Zoning Fees	30	30	43	13
Zoning Appeals Fees	16	16	14	(2)
Recreation Fees	42	42	67	25
Walnut Beach Parking	150	150	195	45
Parking Fines Judicial	4	4	2	(2)
Vehicle Violations Judicial	10	10	25	15
Mobile Fee	2	2	2	-
Sewer Assessments	11	11	19	8
Animal Shelter Redemption	3	3	16	13
Dog Fund - City Share	8	8	10	2
Sale of Real Property	10	10	190	180
Sale of Other Property	-	-	37	37
Recycling Revenues	35	35	68	33
Sticker Fees	1	1	1	-
Total Licenses, Permits and Other Charges	5,195	5,195	7,175	1,980
Total Revenues	210,900	210,900	216,081	5,181
Other Financing Sources:				
Use of Fund Balance	11,000	11,570	-	(11,570)
Total Other Financing Sources	11,000	11,570	-	(11,570)

**CITY OF MILFORD, CONNECTICUT
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED JUNE 30, 2022
(NON-GAAP BUDGETARY BASIS)
(IN THOUSANDS)**

	Budgeted Amounts		Actual	Variance - Favorable (Unfavorable)
	Original	Final		
Total Budgeted Revenues and Other Financing Sources	<u>\$ 221,900</u>	<u>\$ 222,470</u>	\$ 216,081	<u>\$ (6,389)</u>

Budgetary revenues are different than GAAP revenues because:

State of Connecticut "on-behalf" contributions to the Connecticut State Teachers'
Retirement System for City teachers are not budgeted:

Pension	15,531
OPEB	365
Premium on Refunding Bonds	1,065
Proceeds From Issuance of Refunding Bonds	3,715
Premium on Bonds Issued	1,793
Nonbudgetary items and eliminations related to the Compensated Absences Fund	4
Nonbudgetary items related to lease revenue	(24)
Encumbrances for purchases and commitments that were subsequently cancelled in the next fiscal year	<u>(169)</u>

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

\$ 238,361

CITY OF MILFORD, CONNECTICUT
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2022
(NON-GAAP BUDGETARY BASIS)
(IN THOUSANDS)

	Budgeted Amounts		Expenditures and Encumbrances	Uncommitted Balance
	Original	Amended		
General Government:				
Board of Aldermen	\$ 6	\$ 6	\$ 4	\$ 2
Elections	105	105	102	3
Registrar of Voters	173	173	167	6
Milford Govt Access Television	27	27	26	1
Mayor's Office	327	347	346	1
General Expenses	386	375	325	50
Community Development Department	127	136	127	9
City Clerk	393	393	393	-
Law Department	634	635	572	63
Ethics Commission	1	1	-	1
Probate Court	18	18	17	1
Board of Finance	1	1	1	-
Permitting and Land Use	1,082	1,115	978	137
Board of Tax Review	4	4	3	1
Board of Zoning Appeals	1	1	-	1
Pension Board	4	4	4	-
Flood and Erosion Board	1	1	-	1
Tree Commission	2	2	-	2
Park and Recreation Commission	1	1	1	-
Conservation Commission	1	1	-	1
Veterans Ceremony and Parade Commission	6	6	5	1
Open Space	59	64	64	-
Public Library	1,172	1,191	1,177	14
Total General Government	4,531	4,607	4,312	295
Administration:				
Finance Department	2,083	2,154	2,055	99
IT Department	1,031	1,056	1,052	4
Human Resources Department	304	313	304	9
Total Administration	3,418	3,523	3,411	112
Public Safety:				
Police Department	13,908	13,249	12,860	389
Fire Department	12,384	14,347	14,295	52
Emergency Management	93	93	88	5
Animal Control	314	322	304	18
Lighting Hydrant Water	1,986	1,980	1,793	187
Total Public Safety	28,685	29,991	29,340	651

**CITY OF MILFORD, CONNECTICUT
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED JUNE 30, 2022
(NON-GAAP BUDGETARY BASIS)
(IN THOUSANDS)**

	Budgeted Amounts		Expenditures and	Uncommitted
	Original	Amended	Encumbrances	Balance
Public Services:				
Public Works Office	\$ 478	\$ 501	\$ 487	\$ 14
Highway-Parks Division	2,587	2,443	2,333	110
Building Maintenance Division	3,113	3,116	3,078	38
Engineering Division	348	368	334	34
General Garage Division	1,291	1,260	1,217	43
Solid Waste Operations	4,137	4,201	4,172	29
Total Public Services	11,954	11,889	11,621	268
Board of Education:				
Private School Textbooks	20	20	-	20
Educational Audit Fees	23	23	23	-
Employee Benefits	1,207	1,207	1,161	46
Educational Operations	99,734	99,734	99,734	-
Educational Contribution Health Insurance Fund	16,408	16,408	16,408	-
Educational School Nurses	1,418	1,278	1,247	31
Total Board of Education	118,810	118,670	118,573	97
Health and Welfare:				
Health Department	1,011	992	909	83
Recreation Department	894	770	727	43
Total Health and Welfare	1,905	1,762	1,636	126
General Charges:				
Employee Benefits - General	27,964	27,902	27,529	373
Insurance and Bonds	2,267	2,267	2,230	37
Claims and Refunds	434	334	314	20
Benefits and Salary Reserve	904	(335)	(335)	-
Unallocated Contingency	5	5	-	5
Total General Charges	31,574	30,173	29,738	435
Grants to Agencies:				
Milford Council on Aging	1,368	1,366	1,366	-
Milford Fine Arts Council	70	70	70	-
CMED	67	67	67	-
Regional Mental Health Board	3	3	3	-
Borough of Woodmont	238	238	238	-
Milford Transit District	350	350	350	-
Milford Mental Health	380	380	380	-
Veterans' Graves	3	3	3	-
U.S. Coast Guard Auxiliary	9	9	9	-

**CITY OF MILFORD, CONNECTICUT
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED JUNE 30, 2022
(NON-GAAP BUDGETARY BASIS)
(IN THOUSANDS)**

	Budgeted Amounts		Expenditures and	Uncommitted
	Original	Amended	Encumbrances	Balance
Grants to Agencies (Continued):				
Milford Historical District Commission	\$ 1	\$ 1	\$ 1	\$ -
Milford Progress Inc	7	7	-	7
Milford Historic #2	1	1	1	-
Historic Preservation	1	1	-	-
Health Services	5	5	-	5
Cemetery Association	9	9	9	-
Boys and Girls Club	90	90	90	-
Homeless Shelter/CPAC	90	90	90	-
Literacy Volunteers	6	6	6	-
Milford Preservation Commission	-	-	-	-
Total Grants to Agencies	2,698	2,696	2,683	12
Debt Service:				
Public Debt Service	12,401	12,401	12,277	124
School Debt	5,489	5,489	5,400	89
Total Debt Service	17,890	17,890	17,677	213
Other Financing Uses:				
Transfers Out	435	1,269	1,269	-
Total	<u>\$ 221,900</u>	<u>\$ 222,470</u>	220,260	<u>\$ 2,209</u>
Budgetary expenditures are different than GAAP expenditures because:				
State of Connecticut "on-behalf" contributions to the Connecticut State				
Teachers' Retirement System for City teachers are not budgeted:				
Pension			15,531	
OPEB			365	
Payment to Refunded Bond Escrow Agent			4,690	
Refunding Bond Issuance Costs			87	
Encumbrances for purchases and commitments ordered but not received are				
reported in the year the order is placed for budgetary purposes, but in the				
year received for financial reporting purposes.			(1,708)	
Prior year encumbrances reported in the current year for financial				
reporting purposes			2,454	
Change in Board of Education's Summer Payroll originally charged to				
subsequent years budget for budgetary purposes			(293)	
Nonbudgetary items and eliminations related to the Compensated				
Absences Fund			(108)	
Total Expenditures and Other Financing Uses as Reported on the Statement of				
Revenues, Expenditures and Changes in Fund Balances -				
Governmental Funds - Exhibit IV			<u>\$ 241,278</u>	

CITY OF MILFORD, CONNECTICUT
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
LAST NINE FISCAL YEARS
(IN THOUSANDS)

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability:									
Service Cost	\$ 8,617	\$ 8,262	\$ 8,233	\$ 8,322	\$ 8,023	\$ 7,979	\$ 7,809	\$ 7,299	\$ 7,087
Interest	32,708	32,434	31,387	30,582	29,952	29,924	28,604	27,998	27,046
Changes of Benefits Terms	-	-	-	509		-	-	(1,759)	-
Differences Between Expected and Actual Experience	(1,600)	(3,845)	3,708	(136)	(1,654)	14	(2,281)	(908)	-
Changes of Assumptions	4,684	1,420	(1,230)	(1,071)	(2,253)	248	7,100	9,513	-
Benefit Payments, Including Refunds of Member Contributions	(29,872)	(28,309)	(28,033)	(26,749)	(25,217)	(24,717)	(24,025)	(23,057)	(21,862)
Net Change in Total Pension Liability	14,537	9,962	14,065	11,457	8,851	13,448	17,207	19,086	12,271
Total Pension Liability - Beginning	448,053	438,091	424,026	412,569	403,718	390,270	373,063	353,977	341,706
Total Pension Liability - Ending	462,590	448,053	438,091	424,026	412,569	403,718	390,270	373,063	353,977
Plan Fiduciary Net Position:									
Contributions - Employer	11,366	9,101	7,914	6,881	5,984	5,203	4,525	3,925	2,225
Contributions - Member	3,047	2,888	2,923	2,893	2,788	2,736	2,672	2,332	2,169
Net Investment Income (Loss)	(45,827)	105,223	11,869	19,037	32,666	35,184	(3,210)	(2,192)	44,193
Benefit Payments, Including Refunds of Member Contributions	(29,872)	(28,309)	(28,033)	(26,749)	(25,217)	(24,717)	(24,025)	(23,057)	(21,862)
Administrative Expense	(50)	(85)	(82)	(57)	(56)	(47)	(143)	(76)	(48)
Other	-	-	-	32	167	23	47	20	11
Net Change in Plan Fiduciary Net Position	(61,336)	88,818	(5,409)	2,037	16,332	18,382	(20,134)	(19,048)	26,688
Plan Fiduciary Net Position - Beginning	435,272	346,454	351,863	349,826	333,494	315,112	335,246	354,294	327,606
Plan Fiduciary Net Position - Ending	373,936	435,272	346,454	351,863	349,826	333,494	315,112	335,246	354,294
Net Pension Liability (Asset) - Ending	\$ 88,654	\$ 12,781	\$ 91,637	\$ 72,163	\$ 62,743	\$ 70,224	\$ 75,158	\$ 37,817	\$ (317)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	80.84 %	97.15 %	79.08 %	82.98 %	84.79 %	82.61 %	80.74 %	89.86 %	100.09 %
Covered Payroll	\$ 47,932	\$ 46,396	\$ 49,563	\$ 49,449	\$ 47,748	\$ 45,923	\$ 43,811	\$ 43,811	\$ 42,773
Net Pension (Asset) Liability as a Percentage of Covered Payroll	184.96 %	27.55 %	184.89 %	145.93 %	131.40 %	152.92 %	171.55 %	86.32 %	(0.74)%

*Note - This schedule is intended to show information for ten years. Additional information will be added as it becomes available.

**CITY OF MILFORD, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
PENSION
LAST TEN FISCAL YEARS
(IN THOUSANDS)**

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Actuarially Determined Contribution	\$ 13,961	\$ 12,787	\$ 11,395	\$ 10,554	\$ 9,519	\$ 7,351	\$ 6,348	\$ 5,871	\$ 2,225	\$ 324
Contributions in Relation to the Actuarially Determined Contribution	11,366	9,101	7,914	6,881	5,984	5,203	4,525	3,925	2,225	324
Contribution Deficiency	\$ 2,595	\$ 3,686	\$ 3,481	\$ 3,673	\$ 3,535	\$ 2,148	\$ 1,823	\$ 1,946	\$ -	\$ -
Covered Payroll	\$ 47,932	\$ 46,396	\$ 49,563	\$ 49,449	\$ 47,748	\$ 45,923	\$ 44,587	\$ 43,811	\$ 42,773	\$ 43,010
Contributions as a Percentage of Covered Payroll	23.71 %	19.62 %	15.97 %	13.92 %	12.53 %	11.33 %	10.15 %	8.96 %	5.20 %	0.75 %

Notes to Schedule

Valuation Date: July 1, 2020
Measurement Date: June 30, 2022

Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Method, level percentage of salary
Amortization Method	None
Remaining Amortization Period	N/A
Asset Valuation Method	5-year smoothed market
Inflation	2.40%
Salary Increases	Age related table
Investment Rate of Return	7.30%
Retirement Age	Age related table
Mortality	City Non-Disabled: PUB-2010 Public Retirement Plans for General Employees, projected to the valuation date with Scale MP-2021. City Disabled: PUB-2010 Public Retirement Plans for General Disabled Retirees, projected to the valuation date with Scale MP-2021.

**CITY OF MILFORD, CONNECTICUT
SCHEDULE OF INVESTMENT RETURNS
PENSION
LAST NINE FISCAL YEARS***

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Annual Money-Weighted Rate of Return, Net of Investment Expense	(10.58)%	30.63 %	3.43 %	5.53 %	10.00 %	11.37 %	(0.99)%	(0.62)%	13.78 %

*Note - This schedule is intended to show information for ten years. Additional information will be added as it becomes available.

CITY OF MILFORD, CONNECTICUT
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHERS RETIREMENT PLAN
LAST EIGHT FISCAL YEARS*
(IN THOUSANDS)

	2022	2021	2020	2019	2018	2017	2016	2015
City's Proportion of the Net Pension Liability	- %	- %	- %	- %	- %	- %	- %	- %
City's Proportionate Share of the Net Pension Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of the Net Pension Liability Associated with the City	185,480	234,189	213,972	164,985	171,408	180,837	142,361	131,584
Total	<u>\$ 185,480</u>	<u>\$ 234,189</u>	<u>\$ 213,972</u>	<u>\$ 164,985</u>	<u>\$ 171,408</u>	<u>\$ 180,837</u>	<u>\$ 142,361</u>	<u>\$ 131,584</u>
City's Covered Payroll	\$ 56,284	\$ 53,992	\$ 50,980	\$ 49,972	\$ 49,316	\$ 49,376	\$ 49,287	\$ 49,466
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	- %	- %	- %	- %	- %	- %	- %	- %
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	60.77 %	49.24 %	52.00 %	57.69 %	55.93 %	52.26 %	59.50 %	61.51 %

Notes to Schedule

Changes in Benefit Terms	None
Changes of Assumptions	None
Actuarial Cost Method	Entry age
Amortization Method	Level percent of pay, closed, grading to a level dollar amortization method for the June 30, 2024 valuation
Single Equivalent Amortization Period	30 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

Notes:

- This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.
- The measurement date is one year earlier than the employer's reporting date.

CITY OF MILFORD, CONNECTICUT
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
CITY OPEB PLAN
LAST SIX FISCAL YEARS*
(IN THOUSANDS)

	2022	2021	2020	2019	2018	2017
Total OPEB Liability:						
Service Cost	\$ 7,323	\$ 8,285	\$ 6,111	\$ 6,430	\$ 6,568	\$ 5,653
Interest	6,707	6,405	7,371	7,707	7,150	7,351
Changes of Benefit Terms	-	-	-	-	-	-
Differences Between Expected and Actual Experience	(3,076)	(9,524)	(460)	(8,085)	(596)	(1,017)
Changes of Assumptions	(21,833)	(4,017)	26,701	(15,516)	(8,754)	11,890
Benefit Payments	(6,288)	(6,481)	(8,491)	(7,419)	(7,468)	(6,664)
Net Change in Total OPEB Liability	(17,167)	(5,332)	31,232	(16,883)	(3,100)	17,213
Total OPEB Liability - Beginning	194,226	199,558	168,326	185,209	188,309	171,096
Total OPEB Liability - Ending	177,059	194,226	199,558	168,326	185,209	188,309
Plan Fiduciary Net Position:						
Contributions - Employer	6,788	6,981	8,991	7,919	7,968	7,164
Contributions - Member	-	-	-	-	-	-
Net Investment Income (Loss)	(1,572)	2,198	70	389	463	564
Benefit Payments	(6,288)	(6,481)	(8,491)	(7,419)	(7,468)	(6,664)
Other	-	-	-	-	1	-
Net Change in Plan Fiduciary Net Position	(1,072)	2,698	570	889	964	1,064
Plan Fiduciary Net Position - Beginning	11,177	8,479	7,909	7,020	6,056	4,992
Plan Fiduciary Net Position - Ending	10,105	11,177	8,479	7,909	7,020	6,056
Net OPEB Liability - Ending	<u>\$ 166,954</u>	<u>\$ 183,049</u>	<u>\$ 191,079</u>	<u>\$ 160,417</u>	<u>\$ 178,189</u>	<u>\$ 182,253</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	5.71 %	5.75 %	4.25 %	4.70 %	3.79 %	3.22 %
Covered Payroll	\$ 39,972	\$ 39,035	\$ 40,303	\$ 39,225	\$ 39,335	\$ 38,282
Net OPEB Liability as a Percentage of Covered Payroll	417.68 %	468.94 %	474.11 %	408.97 %	453.00 %	476.08 %

*Note - This schedule is intended to show information for ten years. Additional information will be added as it becomes available.

**CITY OF MILFORD, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
CITY OPEB PLAN
LAST TEN FISCAL YEARS
(IN THOUSANDS)**

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Actuarially Determined Contribution (1)	\$ 12,860	\$ 12,577	\$ 12,419	\$ 16,033	\$ 15,745	\$ 12,321	\$ 12,103	\$ 12,455	\$ 12,248	\$ 14,785
Contributions in Relation to the Actuarially Determined Contribution	6,788	6,981	8,991	7,919	7,968	7,164	7,086	6,498	6,407	6,424
Contribution Deficiency	<u>\$ 6,072</u>	<u>\$ 5,596</u>	<u>\$ 3,428</u>	<u>\$ 8,114</u>	<u>\$ 7,777</u>	<u>\$ 5,157</u>	<u>\$ 5,017</u>	<u>\$ 5,957</u>	<u>\$ 5,841</u>	<u>\$ 8,361</u>
Covered Payroll	\$ 39,972	\$ 39,035	\$ 40,303	\$ 39,225	\$ 39,335	\$ 38,282	\$ 37,258	\$ 36,506	\$ 35,442	\$ 35,901
Contributions as a Percentage of Covered Payroll	16.98 %	17.88 %	22.31 %	20.19 %	20.26 %	18.71 %	19.02 %	17.80 %	18.08 %	17.89 %

(1) Actuarially Determined Contributions prior to fiscal year ending June 30, 2017 is based on the Annual Required Contribution (ARC) calculated in accordance with GASB No. 45.

Notes to Schedule

Valuation Date: July 1, 2020
Measurement Date: June 30, 2022

Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine

Contribution Rates:

Actuarial Cost Method	Entry age normal
Amortization Method	None
Amortization Period	N/A
Asset Valuation Method	Plan assets equal the market value of assets
Inflation	2.40%
Healthcare Cost Trend Rates	6.50% initial, decreasing 0.2% per year to an ultimate rate of 4.40%
Salary Increases	Age related table
Investment Rate of Return	4.39%
Retirement Age	In the 2020 actuarial valuation, expected retirement ages of general employees were adjusted to more closely reflect actual experience.
Mortality	City: PUB-2010 Public Retirement Plans for General Employees, projected to the valuation date with Scale MP-2020.

**CITY OF MILFORD, CONNECTICUT
SCHEDULE OF INVESTMENT RETURNS
CITY OPEB PLAN
LAST SIX FISCAL YEARS***

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Annual Money-Weighted Rate of Return, Net of Investment Expense	(13.51)%	24.61 %	0.86 %	5.23 %	7.16 %	10.44 %

*Note - This schedule is intended to show information for ten years. Additional information will be added as it becomes available.

CITY OF MILFORD, CONNECTICUT
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
BOE OPEB PLAN
LAST FIVE FISCAL YEARS*
(IN THOUSANDS)

	2022	2021	2020	2019	2018
Total OPEB Liability:					
Service Cost	\$ 4,724	\$ 6,324	\$ 4,121	\$ 5,849	\$ 5,946
Interest	3,763	4,909	6,238	7,930	7,395
Changes of Benefit Terms	-	(49,281)	-	-	-
Differences Between Expected and Actual Experience	(942)	(4,433)	(91)	(8,936)	120
Changes of Assumptions	(31,309)	1,293	38,142	(24,067)	(8,972)
Benefit Payments	(4,404)	(5,834)	(6,562)	(5,884)	(6,223)
Net Change in Total OPEB Liability	(28,168)	(47,022)	41,848	(25,108)	(1,734)
Total OPEB Liability - Beginning	171,682	218,704	176,856	201,964	203,698
Total OPEB Liability - Ending	<u>\$ 143,514</u>	<u>\$ 171,682</u>	<u>\$ 218,704</u>	<u>\$ 176,856</u>	<u>\$ 201,964</u>
Covered Payroll	\$ 70,604	\$ 68,949	\$ 66,394	\$ 64,617	\$ 65,131
Net OPEB Liability as a Percentage of Covered Payroll	203.27 %	249.00 %	329.40 %	273.70 %	310.09 %

*Notes - This schedule is intended to show information for ten years. Additional information will be added as it becomes available.

- There are no assets accumulated in a trust available to pay OPEB benefits.

CITY OF MILFORD, CONNECTICUT
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
TEACHERS RETIREMENT PLAN
LAST FIVE FISCAL YEARS*
(IN THOUSANDS)

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
City's Proportion of the Net OPEB Liability	-	-	-	-	-
City's Proportionate Share of the Net OPEB Liability	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of the Net OPEB Liability Associated with the City	<u>20,208</u>	<u>34,929</u>	<u>33,370</u>	<u>32,982</u>	<u>44,119</u>
Total	<u>\$ 20,208</u>	<u>\$ 34,929</u>	<u>\$ 33,370</u>	<u>\$ 32,982</u>	<u>\$ 44,119</u>
City's Covered Payroll	\$ 56,284	\$ 53,992	\$ 50,980	\$ 49,972	\$ 49,316
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	-	-	-	-	-
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	6.11 %	2.50 %	2.08 %	1.49 %	1.79 %

Notes to Schedule

Changes in Benefit Terms	None
Changes of Assumptions	Based on the procedure described in GASB 75, the discount rate used to measure plan obligations for financial accounting purposes as of June 30, 2021 was updated to equal the Municipal Bond Index Rate as of June 30, 2021; Expected annual per capita claims costs were updated to better reflect anticipated medical and prescription drug claim experience based on scheduled premium increases through calendar year 2024
Actuarial Cost Method	Entry age
Amortization Method	Level percent of pay over an open period
Remaining Amortization Period	30 years
Asset Valuation Method	Market value of assets
Investment Rate of Return	3.00%, net of investment related expense including price inflation
Price Inflation	2.50%

Notes:

- This schedule is intended to show
- The measurement date is one year earlier than the employer's reporting date

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SUPPLEMENTAL, COMBINING, AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

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GENERAL FUND

GENERAL FUND

The General Fund is the operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

**CITY OF MILFORD, CONNECTICUT
COMPARATIVE BALANCE SHEET
GENERAL FUND
JUNE 30, 2022 AND 2021
(IN THOUSANDS)**

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and Cash Equivalents	\$ 48,265	\$ 52,426
Property Taxes Receivable, Net of Allowance for Doubtful Accounts of \$92 in 2022 and \$458 in 2021	3,749	3,854
Property Taxes Interest Receivable, Net of Allowance for Doubtful Accounts of \$250 in 2022 and \$292 in 2021	2,253	2,632
Assessments Receivable	20	20
Accounts Receivable	538	118
Prepaid Item	21	21
	<u>21</u>	<u>21</u>
Total Assets	<u>\$ 54,846</u>	<u>\$ 59,071</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES		
LIABILITIES		
Accounts Payable and Accrued Liabilities	\$ 12,269	\$ 13,020
Due to Other Governments	517	1,103
Unearned Revenue	-	50
Total Liabilities	<u>12,786</u>	<u>14,173</u>
DEFERRED INFLOWS OF RESOURCES		
Unavailable Revenue - Property Taxes	3,345	3,515
Unavailable Revenue - Property Taxes Interest	2,253	2,632
Unavailable Revenue - Special Assessments	19	17
Deferred Inflow Related to Leases	464	-
Advance Payment in Lieu of Taxes Collections	2,400	-
Advance Property Tax Collections	447	2,685
Total Deferred Inflows of Resources	<u>8,928</u>	<u>8,849</u>
FUND BALANCES		
Nonspendable	21	21
Committed	1,600	1,487
Assigned for Encumbrances	1,967	2,882
Assigned for Subsequent Year's Budget	5,000	11,000
Unassigned	24,544	20,659
Total Fund Balances	<u>33,132</u>	<u>36,049</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 54,846</u>	<u>\$ 59,071</u>

**CITY OF MILFORD, CONNECTICUT
REPORT OF TAX COLLECTOR
GENERAL FUND
YEAR ENDED JUNE 30, 2022
(IN THOUSANDS)**

Grand List	Uncollected Taxes	Current Levy	Lawful Corrections		Transfers to Suspense	Adjusted Taxes Collectible	Collections			Uncollected Taxes
	June 30, 2021		Additions	Deductions			Tax	Interest Liens	Total	June 30, 2022
2006	\$ 102	\$ -	\$ -	\$ -	\$ (16)	\$ 86	\$ -	\$ 17	\$ 17	\$ 86
2007	100	-	-	-	(19)	81	-	-	-	81
2008	95	-	-	-	(19)	76	-	-	-	76
2009	114	-	-	-	(21)	93	3	4	7	90
2010	121	-	-	-	(21)	100	2	5	7	98
2011	153	-	-	-	(27)	126	5	8	13	121
2012	156	-	-	-	(26)	130	3	4	7	127
2013	166	-	-	-	(22)	144	3	4	7	141
2014	174	-	-	-	(23)	151	3	4	7	148
2015	165	-	-	-	(46)	119	13	10	23	106
2016	249	-	1	-	(96)	154	16	12	28	138
2017	395	-	1	(2)	(160)	234	26	19	45	208
2018	557	-	2	(8)	(156)	395	98	31	129	297
2019	1,682	-	41	(59)	(77)	1,587	1,089	196	1,285	498
2020	-	187,581	215	(479)	(53)	187,264	185,638	486	186,124	1,626
Total	<u>\$ 4,229</u>	<u>\$ 187,581</u>	<u>\$ 260</u>	<u>\$ (548)</u>	<u>\$ (782)</u>	<u>\$ 190,740</u>	186,899	800	187,699	<u>\$ 3,841</u>
Suspense Collections							105	119	224	
Total Collections							187,004	<u>\$ 919</u>	<u>\$ 187,923</u>	
Property Taxes Receivable Considered Available:										
June 30, 2021							(339)			
June 30, 2022							404			
Total Property Tax Revenue							<u>\$ 187,069</u>			

CITY OF MILFORD, CONNECTICUT
BOARD OF EDUCATION SCHEDULE OF EXPENDITURES AND
ENCUMBRANCES COMPARED WITH APPROPRIATIONS
BOARD OF EDUCATION
YEAR ENDED JUNE 30, 2022
(IN THOUSANDS)

	Final Appropriations	Expenditures and Encumbrances	Unexpended Balance
Certified Administrative Salaries	\$ 5,327	\$ 5,327	\$ -
Certified Teachers Salaries	48,163	48,163	-
Homebound Tutor	239	239	-
Administrative Substitute	90	90	-
Summer School	340	340	-
Substitutes - Certified Salaries	1,033	1,033	-
Curriculum Work	215	215	-
Coaches/Advisors	758	758	-
Non-Certified Supervisor Salaries	854	854	-
Non-Certified Staff Salaries	2,204	2,204	-
Custodian/Maintenance	4,310	4,310	-
Teacher Aides Hourly	415	415	-
Paraprofessionals	3,150	3,150	-
General Aide Salaries	277	277	-
Overtime Salaries	696	696	-
Non-Certified Clerical	113	113	-
Non-Certified Professional	2,124	2,124	-
Retirements	811	811	-
Life Insurance	730	730	-
Worker's Compensation Insurance	765	765	-
Social Security	856	856	-
Unemployment Compensation	12	12	-
Blue Cross/Blue Shield	2,970	2,970	-
Para Pension	160	160	-
Education Reimbursement	48	48	-
Adult Education Services	60	60	-
Substitute Teaching Services	140	140	-
Mental health services	53	53	-
Professional Evaluation	26	26	-
Other Pupil Personnel Services	248	248	-
Special Education Work Study	26	26	-
Consultation Services	8	8	-
Audit Services	3	3	-
Legal Services	256	256	-
Arch/Eng Services	47	47	-

CITY OF MILFORD, CONNECTICUT
SCHEDULE OF EXPENDITURES AND ENCUMBRANCES
COMPARED WITH APPROPRIATIONS (CONTINUED)
BOARD OF EDUCATION
YEAR ENDED JUNE 30, 2022
(IN THOUSANDS)

	Final Appropriations	Expenditures and Encumbrances	Unexpended Balance
Security Services	\$ 477	\$ 477	\$ -
Contracted Services	750	750	-
Management Information Systems	68	68	-
Electricity	754	754	-
Heat Energy - Gas	1,151	1,151	-
Water/Sewage	119	119	-
Contracted Maintenance	798	798	-
Repairs to Grounds	141	141	-
Repairs to Buildings	138	138	-
Repairs to Equipment	290	290	-
Preventative Maintenance	91	91	-
Building Projects	178	178	-
Grounds Projects	96	96	-
Gasoline Maintenance	65	65	-
Maintenance Supplies	344	344	-
Custodial Supplies	168	168	-
Transportation Regular	2,248	2,248	-
Transportation Special Education	1,240	1,240	-
Transportation Special Education - Public	205	205	-
Transportation Special Education - Private	736	736	-
Transportation - Athletics	228	228	-
Transportation - TAG/ECA/AQUA	87	87	-
Transportation - Field Trips	25	25	-
Gasoline - Buses	199	199	-
Transportation - Non-Public	330	330	-
Transportation - Special Education Aide	226	226	-
Transportation - Supplies	1	1	-
Van Driver	176	176	-
Property Liability Insurance	478	478	-
Athletic Insurance	39	39	-
Uninsured Coverage	112	112	-
Postage	27	27	-
Telephone	224	224	-
Advertising	2	2	-
Printing Expense	7	7	-

CITY OF MILFORD, CONNECTICUT
SCHEDULE OF EXPENDITURES AND ENCUMBRANCES
COMPARED WITH APPROPRIATIONS (CONTINUED)
BOARD OF EDUCATION
YEAR ENDED JUNE 30, 2022
(IN THOUSANDS)

	Final Appropriations	Expenditures and Encumbrances	Unexpended Balance
Tuition - Public	\$ 911	\$ 911	\$ -
Tuition - Non-Public	5,222	5,222	-
Tuition - ECA Program	148	148	-
Tuition - AQUA	85	85	-
Tuition - Vo-Ag	130	130	-
Tuition - Other	35	35	-
Tuition - Bridgeport	72	72	-
Travel Mileage	42	42	-
Non-Instructional Supplies	146	146	-
Instructional Supplies	449	449	-
Health and Medical	22	22	-
Graduation Expense	32	32	-
Textbooks	8	8	-
Text Adoptions	108	108	-
Library Books	46	46	-
Periodicals	8	8	-
Testing Expense	159	159	-
A/V Materials	3	3	-
Other Educational Supplies	5	5	-
Computer Software	415	415	-
Equipment	424	424	-
Furniture and Fixtures	185	185	-
Computers	418	418	-
Lease/Purchase	18	18	-
Capital Equipment	49	49	-
Dues and Fees	88	88	-
Professional Development	383	383	-
Student Activities	68	68	-
Student Athletics	45	45	-
Athletics - Equipment Repair	14	14	-
Athletics - Supplies	60	60	-
Athletics - Equipment	28	28	-
Athletics - Uniforms	57	57	-
Athletics - Miscellaneous - Misc Other	8	8	-
Athletics - Game Operations	98	98	-
	<u>98</u>	<u>98</u>	<u>-</u>
Total	<u>\$ 99,734</u>	<u>\$ 99,734</u>	<u>\$ -</u>

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NONMAJOR GOVERNMENTAL FUNDS

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Fund	Funding Source	Function
Park and Playground	Developer Fees and Investment Earnings	Park and Playground Development
Human Services	State Grants and City Contributions	Social Service Activities
Special Grants and Revenues	State/Federal Grants, City Contributions	Various Grant/City Programs
Community Development	Federal Grants	Administer Community Development
Open Space	Fees in Lieu of Donated Open Space	Open Space Acquisition
Tuition	Attendee Fees	Day Care, Pre-School, Family Resource
Grants and Donations - Board of Education	Grants and Donations	Student Activities
Special Education Grants	State and Federal Grants	Education Programs
Cafeteria	State and Federal Grants, User Fees	Administer School Lunch Program
Sewer Fund	User Fees and Investment Income	Operation of Sewer System
Educational Scholarship and Award	Endowments	Educational Scholarships
Library Trust	Bequests and Investment Earnings	Reserved for Library Materials/Programs
Milford Police Sick and Relief	Donations	Sick Benefits for Police Employees
Barth Conservation	Donations and Investment Earnings	Preserve Open Land
Student Activities	Fees and Donations	Student Programs and extracurricular activities

Debt Service

Fund	Funding Source	Function
Debt Service	City Contributions and State Money	Reserve for Sewer Facilities Upgrade

Capital Project Fund

Fund	Funding Source	Function
School Renovations	State Grants, Bond/BAN Proceeds	School Renovations
Sanitary Sewer Fund	Bond/Ban Proceeds	Construction of Sanitary Sewers

**CITY OF MILFORD, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2022
(IN THOUSANDS)**

	Special Revenue Funds									
	Park and Playground	Human Services	Special Grants and Revenues	Community Development	Open Space	Tuition	Grants and Donations - Board of Education	Special Education Grants	Cafeteria	Sewer Fund
ASSETS										
Cash and Cash Equivalents	\$ 2	\$ 1,020	\$ 8,128	\$ 63	\$ 234	\$ 631	\$ 328	\$ 660	\$ 751	\$ 6,765
Investments	-	-	-	-	-	-	-	-	-	-
Accounts Receivable	-	12	428	-	-	-	-	-	-	173
Due From Other Governments	-	-	7	-	-	-	-	-	593	-
Materials and Supplies	-	-	-	-	-	-	-	-	65	-
Total Assets	<u>\$ 2</u>	<u>\$ 1,032</u>	<u>\$ 8,563</u>	<u>\$ 63</u>	<u>\$ 234</u>	<u>\$ 631</u>	<u>\$ 328</u>	<u>\$ 660</u>	<u>\$ 1,409</u>	<u>\$ 6,938</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES										
LIABILITIES										
Accounts Payable and Accrued Liabilities	\$ -	\$ 15	\$ 1,280	\$ 22	\$ -	\$ -	\$ -	\$ 559	\$ 12	\$ 676
Unearned Revenue	-	29	210	-	-	-	-	-	-	-
Bond Anticipation Notes Payable	-	-	-	-	-	-	-	-	-	-
Other Liabilities	-	-	-	-	-	-	-	-	-	-
Total Liabilities	-	44	1,490	22	-	-	-	559	12	676
DEFERRED INFLOWS OF RESOURCES										
Unavailable Revenue -										
Special Assessments	-	-	-	-	-	-	-	-	-	127
Related to Leases	-	-	312	-	-	-	-	-	-	-
Advance Sewer Collections	-	-	-	-	-	-	-	-	-	9
Total Deferred Inflows of Resources	-	-	312	-	-	-	-	-	-	136
FUND BALANCES										
Nonspendable	-	-	-	-	-	-	-	-	65	-
Restricted	-	-	-	-	-	-	328	-	-	-
Committed	2	988	6,761	41	234	631	-	101	1,332	6,126
Unassigned	-	-	-	-	-	-	-	-	-	-
Total Fund Balances	<u>2</u>	<u>988</u>	<u>6,761</u>	<u>41</u>	<u>234</u>	<u>631</u>	<u>328</u>	<u>101</u>	<u>1,397</u>	<u>6,126</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 2</u>	<u>\$ 1,032</u>	<u>\$ 8,563</u>	<u>\$ 63</u>	<u>\$ 234</u>	<u>\$ 631</u>	<u>\$ 328</u>	<u>\$ 660</u>	<u>\$ 1,409</u>	<u>\$ 6,938</u>

**CITY OF MILFORD, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2022
(IN THOUSANDS)**

	Special Revenue Funds						Capital Project Funds				Total Nonmajor Governmental Funds
	Educational Scholarship and Award	Library Trust	Milford Police Sick and Relief	Barth Conservation	Student Activities	Total	Debt Service	School Renovations	Sanitary Sewer Fund	Interfund Eliminations	
ASSETS											
Cash and Cash Equivalents	\$ 102	\$ 99	\$ 116	\$ 40	\$ 585	\$ 19,524	\$ 2,281	\$ 767	\$ 297	\$ -	\$ 22,869
Investments	-	-	-	-	31	31	-	-	-	-	31
Accounts Receivable	-	-	-	-	-	613	-	-	-	-	613
Due From Other Governments	-	-	-	-	-	600	-	-	-	-	600
Materials and Supplies	-	-	-	-	-	65	-	-	-	-	65
Total Assets	<u>\$ 102</u>	<u>\$ 99</u>	<u>\$ 116</u>	<u>\$ 40</u>	<u>\$ 616</u>	<u>\$ 20,833</u>	<u>\$ 2,281</u>	<u>\$ 767</u>	<u>\$ 297</u>	<u>\$ -</u>	<u>\$ 24,178</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES											
LIABILITIES											
Accounts Payable and Accrued Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,564	\$ -	\$ 230	\$ 2	\$ -	\$ 2,796
Unearned Revenue	-	-	-	-	-	239	-	-	-	-	239
Bond Anticipation Notes Payable	-	-	-	-	-	-	-	2,496	625	-	3,121
Other Liabilities	-	-	-	-	-	-	-	-	16	-	16
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,803</u>	<u>-</u>	<u>2,726</u>	<u>643</u>	<u>-</u>	<u>6,172</u>
DEFERRED INFLOWS OF RESOURCES											
Unavailable Revenue -											
Special Assessments	-	-	-	-	-	127	-	-	-	-	127
Leases	-	-	-	-	-	312	-	-	-	-	312
Advance Sewer Collections	-	-	-	-	-	9	-	-	-	-	9
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>448</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>448</u>
FUND BALANCES											
Nonspendable	-	-	-	-	-	65	-	-	-	-	65
Restricted	-	-	-	-	616	944	-	611	350	-	1,905
Committed	102	99	116	40	-	16,573	2,281	-	-	-	18,854
Unassigned	-	-	-	-	-	-	-	(2,570)	(696)	-	(3,266)
Total Fund Balances	<u>102</u>	<u>99</u>	<u>116</u>	<u>40</u>	<u>616</u>	<u>17,582</u>	<u>2,281</u>	<u>(1,959)</u>	<u>(346)</u>	<u>-</u>	<u>17,558</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 102</u>	<u>\$ 99</u>	<u>\$ 116</u>	<u>\$ 40</u>	<u>\$ 616</u>	<u>\$ 20,833</u>	<u>\$ 2,281</u>	<u>\$ 767</u>	<u>\$ 297</u>	<u>\$ -</u>	<u>\$ 24,178</u>

**CITY OF MILFORD, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2022
(IN THOUSANDS)**

	Special Revenue Funds										Educational Scholarship and Award
	Park and Playground	Human Services	Special Grants and Revenues	Community Development	Open Space	Tuition	Grants and Donations - Board of Education	Special Education Grants	Cafeteria	Sewer Fund	
REVENUES											
Property Taxes and Assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,259	\$ -
Fines, Forfeitures, Penalties and Interest	-	-	-	-	-	-	-	-	-	33	-
Intergovernmental	-	557	838	522	84	-	-	7,411	3,506	-	-
Charges for Services	-	-	4,018	9	-	1,014	-	-	124	130	-
Investment Income	-	3	-	-	-	-	-	1	-	22	-
Other Revenues	-	26	-	-	-	-	121	-	-	644	3
Total Revenues	-	586	4,856	531	84	1,014	121	7,412	3,630	8,088	3
EXPENDITURES											
Current:											
General Government	-	-	119	-	-	-	-	-	-	-	-
Public Safety	-	-	2,759	-	-	-	-	-	-	-	-
Public Services	-	-	1	424	-	-	-	-	-	-	-
Education	-	-	664	-	-	801	91	7,140	2,864	-	11
Health and Welfare	-	1,003	1,017	-	-	-	-	-	-	-	-
Sewer	-	-	-	-	-	-	-	-	-	7,128	-
Capital Outlay	-	-	-	-	-	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-	-	-	-	648	-
Total Expenditures	-	1,003	4,560	424	-	801	91	7,140	2,864	7,776	11
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	(417)	296	107	84	213	30	272	766	312	(8)
OTHER FINANCING USES											
Issuance of Bonds and Notes	-	-	-	-	-	-	-	-	-	-	-
Transfers In	-	470	10	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	(52)	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	470	10	(52)	-	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES	-	53	306	55	84	213	30	272	766	312	(8)
Fund Balances - Beginning of Year	2	935	6,455	(14)	150	418	298	(171)	631	5,814	110
FUND BALANCES - END OF YEAR	<u>\$ 2</u>	<u>\$ 988</u>	<u>\$ 6,761</u>	<u>\$ 41</u>	<u>\$ 234</u>	<u>\$ 631</u>	<u>\$ 328</u>	<u>\$ 101</u>	<u>\$ 1,397</u>	<u>\$ 6,126</u>	<u>\$ 102</u>

**CITY OF MILFORD, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
YEAR ENDED JUNE 30, 2022
(IN THOUSANDS)**

	Special Revenue Funds					Capital Project Funds					Total Nonmajor Governmental Funds
	Library Trust	Milford Police Sick and Relief	Barth Conservation	Student Activities	Total	Debt Service	School Renovations	Sanitary Sewer Fund	Total	Interfund Eliminations	
REVENUES											
Property Taxes and Assessments	\$ -	\$ -	\$ -	\$ -	\$ 7,259	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,259
Fines, Forfeitures, Penalties and Interest	-	-	-	-	33	-	-	-	-	-	33
Intergovernmental	-	-	-	-	12,918	-	371	-	371	-	13,289
Charges for Services	-	-	-	1,158	6,453	34	-	-	-	-	6,487
Investment Income	-	-	-	-	26	7	-	-	-	-	33
Other Revenues	-	-	-	-	794	56	-	-	-	-	850
Total Revenues	-	-	-	1,158	27,483	97	371	-	371	-	27,951
EXPENDITURES											
Current:											
General Government	-	-	-	-	119	-	-	-	-	-	119
Public Safety	-	-	-	-	2,759	-	-	-	-	-	2,759
Public Services	-	-	-	-	425	-	-	-	-	-	425
Education	-	-	-	1,192	12,763	-	-	-	-	-	12,763
Health and Welfare	10	-	-	-	2,030	-	-	-	-	-	2,030
Sewer	-	-	-	-	7,128	-	-	-	-	-	7,128
Capital Outlay	-	-	-	-	-	-	1,309	441	1,750	-	1,750
Debt Service	-	-	-	-	648	311	-	-	-	-	959
Total Expenditures	10	-	-	1,192	25,872	311	1,309	441	1,750	-	27,933
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(10)	-	-	(34)	1,611	(214)	(938)	(441)	(1,379)	-	18
OTHER FINANCING USES											
Issuance of Bonds and Notes	-	-	-	-	-	-	835	1,460	2,295	-	2,295
Transfers In	-	-	-	-	480	-	-	-	-	(52)	428
Transfers Out	-	-	-	-	(52)	-	-	-	-	52	-
Total Other Financing Sources (Uses)	-	-	-	-	428	-	835	1,460	2,295	-	2,723
NET CHANGE IN FUND BALANCES	(10)	-	-	(34)	2,039	(214)	(103)	1,019	916	-	2,741
Fund Balances - Beginning of Year	109	116	40	650	15,543	2,495	(1,856)	(1,365)	(3,221)	-	14,817
FUND BALANCES - END OF YEAR	<u>\$ 99</u>	<u>\$ 116</u>	<u>\$ 40</u>	<u>\$ 616</u>	<u>\$ 17,582</u>	<u>\$ 2,281</u>	<u>\$ (1,959)</u>	<u>\$ (346)</u>	<u>\$ (2,305)</u>	<u>\$ -</u>	<u>\$ 17,558</u>

NONMAJOR PROPRIETARY FUNDS

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CITY OF MILFORD, CONNECTICUT
COMBINING STATEMENT OF NET POSITION
NONMAJOR PROPRIETARY FUNDS
JUNE 30, 2022
(IN THOUSANDS)

	Milford Golf Course	Harbor Management	Total
ASSETS			
Current:			
Cash and Cash Equivalents	\$ 225	\$ 513	\$ 738
Accounts Receivable	-	7	7
Total Current Assets	<u>225</u>	<u>520</u>	<u>745</u>
Noncurrent Assets:			
Capital Assets:			
Not Being Depreciated	569	1,112	1,681
Being Depreciated, Net	491	361	852
Total Noncurrent Assets	<u>1,060</u>	<u>1,473</u>	<u>2,533</u>
Total Assets	1,285	1,993	3,278
LIABILITIES			
Current:			
Accounts Payable and Accrued Liabilities	1	16	17
DEFERRED INFLOWS OF RESOURCES			
Related to Leases	<u>-</u>	<u>7</u>	<u>7</u>
NET POSITION			
Invested in Capital Assets	1,060	1,473	2,533
Unrestricted	<u>224</u>	<u>497</u>	<u>721</u>
Total Net Position	<u>\$ 1,284</u>	<u>\$ 1,970</u>	<u>\$ 3,254</u>

CITY OF MILFORD, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
NONMAJOR PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2022
(IN THOUSANDS)

	Milford Golf Course	Harbor Management	Total
OPERATING REVENUES			
Charges for Services	\$ 79	\$ 343	\$ 422
Total Operating Revenues	79	343	422
OPERATING EXPENSES			
Salaries	-	125	125
Operations and Supplies	50	44	94
Insurance	-	85	85
Depreciation	21	43	64
Total Operating Expenses	71	297	368
OPERATING INCOME (LOSS)	8	46	54
NONOPERATING REVENUE			
Interest Income	1	-	1
OPERATING INCOME BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	9	46	55
CAPITAL CONTRIBUTIONS AND TRANSFERS			
Capital Contribution	-	13	13
Transfers Out	(9)	-	(9)
Total Capital Contributions and Transfers	(9)	13	4
CHANGE IN NET POSITION	-	59	59
Total Net Position - Beginning of Year	1,284	1,911	3,195
TOTAL NET POSITION - END OF YEAR	<u>\$ 1,284</u>	<u>\$ 1,970</u>	<u>\$ 3,254</u>

**CITY OF MILFORD, CONNECTICUT
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2022
(IN THOUSANDS)**

	Business-Type Activities		
	Milford Golf Course	Harbor Management	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received From Contributions and Charges for Services	\$ 99	\$ 343	\$ 442
Cash Paid to Employees	-	(125)	(125)
Cash Paid to Vendors	(49)	(138)	(187)
Net Cash Provided (Used) by Operating Activities	50	80	130
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers to/From Other Funds	(9)	-	(9)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest and Dividends Received	1	-	1
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	42	80	122
Cash and Cash Equivalents - Beginning of Year	183	433	616
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 225</u>	<u>\$ 513</u>	<u>\$ 738</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating Income (Loss)	\$ 8	\$ 46	\$ 54
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Depreciation Expense	21	43	64
(Increase) Decrease in Accounts Receivable	20		20
Increase (Decrease) in Accounts Payable and Accrued Liabilities	1	(9)	(8)
Net Cash Provided (Used) by Operating Activities	<u>\$ 50</u>	<u>\$ 80</u>	<u>\$ 130</u>
SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING ACTIVITIES			
Capital Asset Transfer	<u>\$ -</u>	<u>\$ 13</u>	<u>\$ 13</u>

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INTERNAL SERVICE FUNDS

INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost reimbursement basis.

Health Insurance Fund – to provide reserves needed to support health benefit costs.

Workers' Compensation Fund – to provide reserves needed to support workers' compensation claims.

Property and Casualty Fund – to provide reserves needed to support property and casualty losses.

CITY OF MILFORD, CONNECTICUT
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2022
(IN THOUSANDS)

	Health Insurance Fund	Workers' Compensation Fund	Property and Casualty Fund	Total
ASSETS				
Cash and Cash Equivalents	\$ 3,717	\$ 3,279	\$ 2,765	\$ 9,761
Accounts Receivable	54	-	-	54
Total Assets	3,771	3,279	2,765	9,815
LIABILITIES				
Accounts Payable and Accrued Liabilities	16	8	81	105
Current	175	293	-	468
Noncurrent	3,316	4,812	62	8,190
Total Liabilities	3,507	5,113	143	8,763
NET POSITION				
Unrestricted	264	(1,834)	2,622	1,052
Total Net Position	\$ 264	\$ (1,834)	\$ 2,622	\$ 1,052

CITY OF MILFORD, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2022
(IN THOUSANDS)

	Health Insurance Fund	Workers' Compensation Fund	Property and Casualty Fund	Total
OPERATING REVENUES				
Employer Contributions	\$ 28,515	\$ 1,554	\$ 1,053	\$ 31,122
Employee Contributions	5,874	-	-	5,874
Other	2,061	158	116	2,335
Total Operating Revenues	36,450	1,712	1,169	39,331
OPERATING EXPENSES				
Insurance Premiums and Claims Expense	43,179	2,452	1,426	47,057
NET INCOME (LOSS)	(6,729)	(740)	(257)	(7,726)
Net Position - Beginning of Year	6,993	(1,094)	2,879	8,778
NET POSITION - END OF YEAR	<u>\$ 264</u>	<u>\$ (1,834)</u>	<u>\$ 2,622</u>	<u>\$ 1,052</u>

CITY OF MILFORD, CONNECTICUT
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2022
(IN THOUSANDS)

	Health Insurance Fund	Workers' Compensation Fund	Property and Casualty Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash Received From Contributions and Charges for Services	\$ 36,879	\$ 1,712	\$ 1,194	\$ 39,785
Cash Payments for Claims Paid	(41,868)	(1,847)	(1,386)	(45,101)
Net Cash Provided (Used) by Operating Activities	(4,989)	(135)	(192)	(5,316)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(4,989)	(135)	(192)	(5,316)
Cash and Cash Equivalents - Beginning of Year	8,706	3,414	2,957	15,077
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 3,717</u>	<u>\$ 3,279</u>	<u>\$ 2,765</u>	<u>\$ 9,761</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating Income (Loss)	\$ (6,729)	\$ (740)	\$ (257)	\$ (7,726)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
(Increase) Decrease in Accounts Receivable	429	-	25	454
Increase (Decrease) in Accounts Payable and Accrued Liabilities	1,311	605	40	1,956
Net Cash Provided (Used) by Operating Activities	<u>\$ (4,989)</u>	<u>\$ (135)</u>	<u>\$ (192)</u>	<u>\$ (5,316)</u>

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STATISTICAL SECTION

STATISTICAL SECTION INFORMATION

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

Statistical section information is presented in the following categories:

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

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

TABLE 1

**CITY OF MILFORD, CONNECTICUT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(IN THOUSANDS)**

	FISCAL YEAR									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Governmental Activities:										
Net Investments in Capital Assets	\$ 156,220	\$ 163,570	\$ 167,039	\$ 164,069	\$ 215,426	\$ 203,122	\$ 194,944	\$ 174,139	\$ 166,869	\$ 153,422
Restricted	944	7,941	5,402	-	-	-	-	-	-	-
Unrestricted	(369,080)	(386,211)	(434,694)	(405,490)	(392,473)	(135,453)	(107,907)	(83,172)	(71,768)	(48,669)
Total Governmental Activities Net Position	(211,916)	(214,700)	(262,253)	(241,421)	(177,047)	67,669	87,037	90,967	95,101	104,753
Business-Type Activities:										
Investments in Capital Assets	2,533	2,584	2,226	2,247	3,351	3,400	3,444	3,361	3,126	3,163
Unrestricted	721	611	535	541	515	474	510	569	513	708
Total Business-Type Net Position	3,254	3,195	2,761	2,788	3,866	3,874	3,954	3,930	3,639	3,871
Primary Government:										
Net Investments in Capital Assets	158,753	166,154	169,265	166,316	218,777	206,522	198,388	177,500	169,995	156,585
Restricted	944	7,941	5,402	-	-	-	-	-	-	-
Unrestricted	(368,359)	(385,600)	(434,159)	(404,949)	(391,958)	(134,979)	(107,675)	(82,603)	(71,551)	(47,961)
Total Primary Government Net Position	<u>\$ (208,662)</u>	<u>\$ (211,505)</u>	<u>\$ (259,492)</u>	<u>\$ (238,633)</u>	<u>\$ (173,181)</u>	<u>\$ 71,543</u>	<u>\$ 90,713</u>	<u>\$ 94,897</u>	<u>\$ 98,444</u>	<u>\$ 108,624</u>

NOTES:

- (1) Schedule prepared on the accrual basis of accounting.
- (2) 2015 Unrestricted (deficit) accounts for the new recording of a net pension liability of \$37,817 per GASB No. 68.
- (3) 2018 Unrestricted (deficit) accounts for the new recording of a total/net OPEB liability of \$380,153 per GASB No. 75.

TABLE 2

**CITY OF MILFORD, CONNECTICUT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(IN THOUSANDS)**

	FISCAL YEAR									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Expenses:										
General Government	\$ 11,690	\$ 8,776	\$ 25,812	\$ 19,328	\$ 20,608	\$ 22,007	\$ 22,299	\$ 13,004	\$ 9,770	\$ 8,068
Administration	5,459	3,608	3,619	3,814	3,206	3,505	3,280	3,882	3,803	4,018
Public Safety	37,828	31,462	39,632	44,567	36,630	39,698	38,986	38,754	38,410	41,506
Public Services	25,488	26,699	18,467	18,639	27,502	20,819	21,776	18,586	27,538	25,314
Education	173,657	144,696	177,295	157,377	173,258	172,388	159,930	149,823	142,617	138,265
Health and Welfare	5,248	4,265	3,431	3,319	2,449	3,825	4,054	4,183	5,503	5,728
Sewer**	7,127	8,528	6,315	6,285	5,116	5,964	5,783	-	-	-
General Charges*	-	-	-	-	-	-	-	-	-	-
Grants to Agencies	-	-	-	-	-	-	-	3,073	9,072	4,051
Interest on Long-Term Debt	2,998	2,160	5,241	5,230	5,087	4,834	2,810	4,653	2,711	2,703
Total Governmental Activities Expenses	269,495	230,194	279,812	258,559	273,856	273,040	258,918	235,958	239,424	229,653
Business-Type Activities:										
Milford Golf Course	71	56	72	67	69	78	81	64	64	69
Harbor Management	297	297	231	240	256	250	234	235	242	230
Total Business-Type Activities Expenses	368	353	303	307	325	328	315	299	306	299
Total Primary Government Expenses	269,863	230,547	280,115	258,866	274,181	273,368	259,233	236,257	239,730	229,952
Program Revenues:										
Governmental Activities:										
Charges for Services:										
General Government	3,357	2,706	2,365	2,137	1,956	1,798	1,858	1,779	1,125	1,562
Public Service	880	494	484	1,084	1,469	1,399	1,778	1,432	1,627	1,639
Education	2,297	1,351	1,688	2,334	2,491	2,301	2,672	2,435	1,627	1,702
Sewer**	130	128	102	127	56	98	-	-	-	-
Other	7,296	6,030	6,124	5,947	5,519	4,614	4,100	4,166	3,374	3,410
Operating Grants and Contributions	33,750	53,939	41,119	23,621	39,562	39,753	31,072	29,527	36,980	29,867
Capital Grants and Contributions	18,613	9,640	5,893	4,568	6,149	4,453	18,527	3,046	115	1,753
Total Governmental Activities Program Revenues	66,323	74,288	57,775	39,818	57,202	54,416	60,007	42,385	44,848	39,933
Business-Type Activities:										
Charges for Services:										
Golf Fees	79	64	80	90	89	89	87	85	84	80
Harbor Fees	343	333	242	241	260	253	248	242	249	252
Operating Grants and Contributions	-	-	-	-	-	-	26	-	-	-
Capital Grants and Contributions	13	420	-	-	-	5	-	272	-	-
Total Business-Type Activities Program Revenues	435	817	322	331	349	347	361	599	333	332
Total Primary Government Program Revenues	66,758	75,105	58,097	40,149	57,551	54,763	60,368	42,984	45,181	40,265

**TABLE 2
(CONTINUED)**

**CITY OF MILFORD, CONNECTICUT
CHANGES IN NET POSITION (CONTINUED)
LAST TEN FISCAL YEARS
(IN THOUSANDS)**

	FISCAL YEAR									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Net (Expense) Revenue:										
Governmental Activities	\$ (203,172)	\$ (155,906)	\$ (222,037)	\$ (218,741)	\$ (216,654)	\$ (218,624)	\$ (198,911)	\$ (193,573)	\$ (194,576)	\$ (189,720)
Business-Type Activities	67	464	19	24	24	19	46	300	27	33
Total Primary Government Net Expense	(203,105)	(155,442)	(222,018)	(218,717)	(216,630)	(218,605)	(198,865)	(193,273)	(194,549)	(189,687)
General Revenues and Other Changes in Net Position:										
Governmental Activities:										
Property Taxes	194,731	193,055	188,145	189,182	191,359	187,587	185,435	180,864	174,885	170,870
Grants and Contributions Not Restricted to Specific Programs	2,609	2,198	2,220	2,247	9,340	10,965	9,125	8,321	8,693	11,327
Unrestricted Investment Earnings	254	115	1,626	1,692	1,045	402	188	49	72	1,735
Other General Revenues	8,353	8,061	8,480	8,435	136	202	210	195	718	926
Transfers In	9	30	50	24	35	100	23	10	260	4
Gain on Sale of Capital Assets	-	-	-	-	-	-	-	-	-	93
Special Item - Write Down of Capital Assets	-	-	-	(47,213)	-	-	-	-	-	-
Total Governmental Activities	205,956	203,459	200,521	154,367	201,915	199,256	194,981	189,439	184,628	184,955
Business-Type Activities:										
Unrestricted Investment Earnings	1	-	4	-	-	-	-	-	-	-
Transfers Out	(9)	(30)	(50)	(24)	(32)	(99)	1	(9)	(259)	(4)
Contributed Assets	-	-	-	-	-	-	(23)	-	-	-
Special Item - Write Down of Capital Assets	-	-	-	(1,082)	-	-	-	-	-	-
Total Business-Type Activities	(8)	(30)	(46)	(1,106)	(32)	(99)	(22)	(9)	(259)	(4)
Total Primary Government	205,948	203,429	200,475	153,261	201,883	199,157	194,959	189,430	184,369	184,951
Change in Net Position:										
Governmental Activities	2,784	47,553	(21,516)	(64,374)	(14,739)	(19,368)	(3,930)	(4,134)	(9,948)	(4,765)
Business-Type Activities	59	434	(27)	(1,082)	(8)	(80)	24	291	(232)	29
Total Primary Government	<u>\$ 2,843</u>	<u>\$ 47,987</u>	<u>\$ (21,543)</u>	<u>\$ (65,456)</u>	<u>\$ (14,747)</u>	<u>\$ (19,448)</u>	<u>\$ (3,906)</u>	<u>\$ (3,843)</u>	<u>\$ (10,180)</u>	<u>\$ (4,736)</u>

Notes:

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

* General charges have been allocated across the various functions.

** Sewer function added for 2016 and 2017 and not retroactively applied.

TABLE 3

CITY OF MILFORD, CONNECTICUT
FUND BALANCES – GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(IN THOUSANDS)

	FISCAL YEAR									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Fund:										
Nonspendable	\$ 21	\$ 21	\$ 21	\$ 21	\$ 21	\$ 21	\$ 21	\$ 21	\$ 21	\$ 21
Committed	1,600	1,487	1,359	1,283	1,368	1,383	1,090	1,055	1,054	1,033
Assigned	6,967	13,882	12,350	14,262	11,700	9,748	8,094	7,696	6,959	7,875
Unassigned	24,544	20,659	23,477	27,002	30,240	25,605	20,668	16,336	14,814	14,945
Total General Fund	<u>\$ 33,132</u>	<u>\$ 36,049</u>	<u>\$ 37,207</u>	<u>\$ 42,568</u>	<u>\$ 43,329</u>	<u>\$ 36,757</u>	<u>\$ 29,873</u>	<u>\$ 25,108</u>	<u>\$ 22,848</u>	<u>\$ 23,874</u>
All Other Governmental Funds:										
Nonspendable	\$ 65	\$ 37	\$ 46	\$ 28	\$ 38	\$ 23	\$ 30	\$ 41	\$ 71	\$ 84
Restricted	7,934	6,669	5,402	776	941	360	358	468	3,845	3,802
Committed	21,602	21,222	23,595	15,851	14,688	13,949	14,224	18,508	19,068	28,863
Assigned	-	-	-	-	-	-	-	-	86	4,165
Unassigned	(5,198)	(30,273)	(28,016)	(16,534)	(27,774)	(19,123)	(10,919)	(16,238)	(24,557)	(35,789)
Total All Other Governmental Funds	<u>\$ 24,403</u>	<u>\$ (2,345)</u>	<u>\$ 1,027</u>	<u>\$ 121</u>	<u>\$ (12,107)</u>	<u>\$ (4,791)</u>	<u>\$ 3,693</u>	<u>\$ 2,779</u>	<u>\$ (1,487)</u>	<u>\$ 1,125</u>

Notes:

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

TABLE 4

CITY OF MILFORD, CONNECTICUT
CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(IN THOUSANDS)

	FISCAL YEAR									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
REVENUES										
Property Taxes and Assessments	\$ 194,328	\$ 192,173	\$ 190,438	\$ 188,681	\$ 189,054	\$ 187,082	\$ 184,213	\$ 178,740	\$ 173,069	\$ 171,708
Fines, Forfeitures, Penalties and Interest	952	1,374	1,683	1,280	1,783	1,687	1,293	1,239	1,058	1,632
Intergovernmental	60,701	44,708	40,665	39,204	37,916	47,341	51,231	34,119	39,265	37,519
Charges for Services	13,874	10,670	12,083	11,587	9,460	8,362	8,299	7,744	6,737	7,310
Investment Income	254	115	1,626	1,692	1,045	457	243	98	117	149
Other	8,408	8,126	8,542	8,491	10,677	10,056	10,145	8,979	8,503	7,615
Total Revenues	278,517	257,166	255,037	250,935	249,935	254,985	255,424	230,919	228,749	225,933
EXPENDITURES										
General Government	8,812	4,243	4,249	5,497	4,676	5,012	4,775	4,219	4,672	4,827
Administration	3,393	3,118	3,023	3,102	2,747	2,772	2,493	2,496	2,529	2,492
Public Safety	36,849	29,936	30,325	30,501	29,269	27,921	27,503	27,137	25,937	25,129
Public Services	13,924	12,211	12,262	12,705	12,569	12,586	12,582	12,058	12,238	12,235
Education	168,839	143,450	143,200	139,608	133,257	140,613	135,818	128,303	130,942	126,127
Health and Welfare	3,942	2,925	3,221	3,185	3,358	4,062	3,826	3,479	3,733	3,687
Sewer**	7,128	6,955	6,315	6,284	6,271	6,116	5,783	-	-	-
General Charges	-	27,797	26,801	25,997	25,112	24,697	23,832	23,635	21,961	19,324
Other	-	2,675	2,659	2,651	2,628	2,611	2,606	2,651	2,642	2,640
Capital Outlay	20,668	34,194	20,187	14,023	33,991	31,237	24,231	19,395	31,345	30,914
Debt Service - Principal	11,495	13,895	13,891	12,532	12,137	11,088	8,910	10,804	8,825	8,373
Debt Service - Interest	7,228	5,051	5,727	5,500	5,342	5,146	6,569	5,028	3,823	3,566
Debt Service*	-	-	-	-	-	-	-	-	-	-
Total Expenditures	282,278	286,450	271,860	261,585	271,357	273,861	258,928	239,205	248,647	239,314
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	(3,761)	(29,284)	(16,823)	(10,650)	(21,422)	(18,876)	(3,504)	(8,286)	(19,898)	(13,381)
OTHER FINANCING SOURCES (USES)										
Issuance of Bonds	25,700	22,560	9,680	21,287	18,735	16,440	8,350	14,195	16,000	23,405
Capital Leases	-	-	1,604	-	-	-	-	-	-	-
Issuance of Refunding Bonds	3,715	34,020	-	-	13,130	-	16,015	14,935	-	14,045
Payment to Refunded Bond Escrow Agent	(4,690)	(40,403)	-	-	(14,948)	-	(18,698)	(17,312)	-	(15,469)
Premium on Issuance of Debt	2,858	8,547	350	806	3,741	736	3,391	3,004	-	1,566
Sale of Capital Assets	-	-	-	-	-	-	-	-	-	116
Transfers In	1,170	1,948	3,241	1,285	911	2,402	3,165	1,344	2,968	2,968
Transfers Out	(1,161)	(1,918)	(3,191)	(1,261)	(891)	(2,302)	(3,040)	(1,354)	(2,964)	(2,964)
Total Other Financing Sources	27,592	24,754	11,684	22,117	20,678	17,276	9,183	14,812	16,004	23,667
NET CHANGE IN FUND BALANCES	<u>\$ 23,831</u>	<u>\$ (4,530)</u>	<u>\$ (5,139)</u>	<u>\$ 11,467</u>	<u>\$ (744)</u>	<u>\$ (1,600)</u>	<u>\$ 5,679</u>	<u>\$ 6,526</u>	<u>\$ (3,894)</u>	<u>\$ 10,286</u>
Debt Service as a Percentage of Noncapital Expenditures	6.9 %	7.2 %	7.6 %	7.4 %	6.9 %	6.6 %	6.5 %	7.0 %	5.8 %	5.7 %

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

* Allocation of principal and interest debt service prepared for 2010 and not retroactively applied.

** Sewer function added for 2016 and 2017 and not retroactively applied.

TABLE 5

CITY OF MILFORD, CONNECTICUT
NINE YEAR SUMMARY OF AUDITED REVENUES AND EXPENDITURES, NEXT FISCAL YEAR BUDGET
FISCAL YEAR 2014-2022
(IN THOUSANDS)

	Adopted Budget 2022-23	Actual 6/30/2022	Actual 6/30/2021	Actual 6/30/2020	Actual 6/30/2019	Actual 6/30/2018	Actual 6/30/2017	Actual 6/30/2016	Actual 6/30/2015	Actual 6/30/2014
REVENUES										
Property Taxes and Assessments	\$ 206,525	\$ 187,069	\$ 184,444	\$ 182,570	\$ 180,714	\$ 181,284	\$ 179,444	\$ 177,034	\$ 171,858	\$ 165,899
Intergovernmental Revenue	13,205	29,149	27,756	28,856	20,345	33,542	34,484	25,086	24,254	27,759
Fines, Forfeitures, Penalties and Interest	1,500	919	1,324	1,634	1,244	1,732	1,624	1,244	1,199	1,058
Investment Income	40	146	91	1,282	1,263	806	356	191	89	75
Other	17,104	14,505	12,590	11,818	11,976	11,703	10,979	11,089	8,962	8,236
Total Revenues	238,374	231,788	226,205	226,160	215,542	229,067	226,887	214,644	206,362	203,027
EXPENDITURES										
General Government	7,782	8,693	4,107	3,941	4,222	4,147	4,212	3,951	3,930	3,885
Administration	3,523	3,393	3,118	3,023	3,102	2,747	2,772	2,493	2,496	2,529
Public Safety	29,382	34,090	27,336	27,529	27,688	26,464	25,662	25,376	24,393	23,686
Public Services	12,172	13,499	11,735	11,472	11,887	11,621	11,742	11,832	11,272	11,691
Education	132,001	156,076	133,160	134,276	122,831	133,893	131,763	124,576	119,634	123,068
Health and Welfare	1,964	1,912	1,613	1,645	1,713	1,573	1,725	1,640	1,615	1,645
General Charges	37,387	-	27,797	26,801	25,997	25,112	24,697	23,832	23,635	21,961
Grants to Agencies	-	-	2,675	2,659	2,651	2,628	2,611	2,606	2,651	2,642
Debt Service	14,163	17,764	16,868	17,563	15,937	15,342	14,153	13,466	13,839	12,648
Total Expenditures	238,374	235,427	228,409	228,909	216,028	223,527	219,337	209,772	203,465	203,755
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	<u>\$ -</u>	(3,639)	(2,204)	(2,749)	(486)	5,540	7,550	4,872	2,897	(728)
OTHER FINANCING SOURCES (USES)										
Lease Principal Payments	-	-	-	-	-	-	-	-	-	-
Issuance of Refunding Bonds	3,715	34,020	-	-	-	13,130	-	16,015	14,935	-
Payment to Refunded Bond Escrow Agent	(4,690)	(40,403)	350	-	-	(14,948)	-	(18,698)	(17,312)	-
Premium on Issuance of Debt	2,858	8,547	-	806	3,741	736	3,391	3,004	-	-
Capital Lease Financing	-	-	-	-	-	-	-	-	-	-
Transfers In	-	-	57	50	-	44	-	-	-	1,327
Transfers Out	(1,161)	(1,118)	(3,019)	(1,131)	(891)	(1,446)	(815)	(1,264)	(1,625)	-
Net Other Financing Uses	722	1,046	(2,612)	(275)	1,032	(666)	(107)	(637)	(298)	-
NET CHANGE IN FUND BALANCE	(2,917)	(1,158)	(5,361)	(761)	6,572	6,884	4,765	2,260	(1,026)	-
Fund Equity - Beginning of Year	36,049	37,207	42,568	43,329	36,757	29,873	25,108	22,848	23,874	-
FUND EQUITY - END OF YEAR	<u>\$ 33,132</u>	<u>\$ 36,049</u>	<u>\$ 37,207</u>	<u>\$ 42,568</u>	<u>\$ 43,329</u>	<u>\$ 36,757</u>	<u>\$ 29,873</u>	<u>\$ 25,108</u>	<u>\$ 22,848</u>	-
Nonspendable	\$ 21	\$ 21	\$ 21	\$ 21	\$ 21	\$ 21	\$ 21	\$ 21	\$ 21	\$ 21
Committed	1,600	1,487	1,359	1,283	1,368	1,383	1,090	1,055	1,054	-
Assigned	6,967	13,882	12,350	14,262	11,700	9,748	8,094	7,696	6,959	-
Unassigned	24,544	20,659	23,477	27,002	30,240	25,605	20,668	16,336	14,814	-
Fund Equity	<u>\$ 33,132</u>	<u>\$ 36,049</u>	<u>\$ 37,207</u>	<u>\$ 42,568</u>	<u>\$ 43,329</u>	<u>\$ 36,757</u>	<u>\$ 29,873</u>	<u>\$ 25,108</u>	<u>\$ 22,848</u>	-

TABLE 6

**CITY OF MILFORD, CONNECTICUT
CAPITAL IMPROVEMENT PROGRAM
2022-2026
(UNAUDITED)
(IN THOUSANDS)**

	2022-2023	2023-2024	2024-2025	2025-2026	Total
Proposed Projects:					
Education	\$ 19,000	\$ 19,000	\$ 25,000	\$ 9,950	\$ 72,950
Sewers	280	4,213	4,516	7,243	16,252
Fire	-	400	800	-	1,200
Police	30,000	-	-	-	30,000
P.W. Roads/Drains	3,220	3,120	3,120	3,120	12,580
P.W. Bridges	655	-	-	-	655
P.W. Buildings	780	-	-	1,671	2,451
PW Erosion Control	500	400	400	400	1,700
Recreation	450	1,000	10,150	-	11,600
Total Proposed Projects	<u>\$ 54,885</u>	<u>\$ 28,133</u>	<u>\$ 43,986</u>	<u>\$ 22,384</u>	<u>\$ 149,388</u>
Proposed Funding:					
Pay-As-You-Go	\$ 3,220	\$ 3,520	\$ 3,920	\$ 3,120	\$ 13,780
Bonds	45,165	18,113	31,338	18,150	112,766
Grants	6,500	6,500	8,728	1,114	22,842
Total Proposed Funding	<u>\$ 54,885</u>	<u>\$ 28,133</u>	<u>\$ 43,986</u>	<u>\$ 22,384</u>	<u>\$ 149,388</u>

TABLE 7

CITY OF MILFORD, CONNECTICUT
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	Grand List Year	Real Property			Personal Property	Motor Vehicle	Total Taxable Assessed Value	Less Exemptions	Net Taxable Grand List	Total Direct Tax Rate	Estimated Actual Taxable Value	Taxable Assessed Value As a Percentage of Actual Taxable Value
		Residential	Commercial and Industrial	All Land								
2022	2020	\$ 4,654,923	\$ 1,321,686	\$ -	\$ 476,250	\$ 443,812	\$ 6,896,672	\$ 145,543	\$ 6,751,219	27.65	\$ 9,645,027	70.00 %
2021	2019	4,605,467	1,315,061	-	477,104	416,990	6,814,627	156,084	6,658,543	27.68	9,512,204	70.00
2020	2018	4,573,495	1,301,703	-	448,308	403,189	6,726,696	150,013	6,576,683	27.71	9,395,261	70.00
2019	2017	4,544,201	1,329,179	-	335,269	393,588	6,724,998	157,830	6,567,168	27.74	9,381,667	70.00
2018	2016	4,518,080	1,331,858	-	471,468	390,559	6,711,965	172,233	6,539,732	27.79	9,342,474	70.00
2017	2015	4,377,629	1,371,306	-	462,686	379,714	6,592,815	171,197	6,421,618	27.84	9,173,740	70.00
2016	2014	4,466,480	1,259,867	-	452,987	375,663	6,554,997	166,978	6,388,019	27.88	9,125,737	70.00
2015	2013	4,442,878	1,271,704	-	461,752	375,652	6,551,986	166,748	6,385,238	27.22	9,120,339	70.01
2014	2012	4,478,145	1,288,844	-	449,793	367,147	6,583,929	165,694	6,418,235	28.26	9,168,907	70.00
2013	2011	4,466,059	1,286,915	-	445,512	364,064	6,562,550	162,699	6,399,851	25.60	9,142,646	70.00

Notes:

- (1) Does not include supplemental motor vehicles.
- (2) See disclosure about Property Tax Agreements in the Contingent Liability Note in the Financial Statements

TABLE 8

**CITY OF MILFORD, CONNECTICUT
PRINCIPAL PROPERTY TAXPAYERS
FY 2022 AND FY 2013
(UNAUDITED)
(IN THOUSANDS)**

Taxpayers	Nature of Business	2022		Percentage of Net Taxable Assessed Value	2013		Percentage of Net Taxable Assessed Value
		Taxable Assessed Value	Rank		Taxable Assessed Value	Rank	
Connecticut Post Limited Partnership	Regional Shopping Mall	\$ 140,668	1	2.08 %	\$ 147,919	1	2.31 %
Connecticut Light and Power Company	Utility	109,259	2	1.62	115,200	2	1.80
Milford Crossing Investors LLC	Retail	41,671	3	0.62	68,599	3	1.07
Par LLC (formerly Smith/Craft and Wolff)	Office/Retail/Apartments	40,453	4	0.60			
Metro Star Properties (Smith Craft Real Estate)	Office/Apartments	35,426	6	0.52	62,142	4	0.97
Woodmont Road Owner LLC (Avalon Bay)	Apartments	26,044	5	0.39	28,201	6	0.44
Devon Power	Utility	22,548	8	0.33	20,046	10	0.31
Crown Milford LLC	Office	22,066	7	0.33	34,244	5	0.54
Schick Manufacturing Inc.	Manufacturer - Razors	21,367	9	0.32	23,320	8	0.36
BLR Realty Company	Retail (Milford Marketplace)	20,650	10	0.31			
D'Amato Investments, LLC	Real Estate Development	-		-	24,459	7	0.38
Keystone Milford	Retail (Stop & Shop)	-		-	22,502	9	0.35
TOTAL		\$ 480,152		7.11%	\$ 546,632		8.54%

Source: City of Milford, Office of Tax Assessor

TABLE 9

**CITY OF MILFORD, CONNECTICUT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(UNAUDITED)
(IN THOUSANDS)**

Fiscal Year Ended June 30,	Tax Rate In Mills	Taxes Levied For This Fiscal Year	Collected Within The Fiscal Year of Levy		Collections In Subsequent Years	Total Collections to Date (6/30/22)	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2022	27.65	\$ 187,581	\$ 185,638	98.96 %	\$ -	\$ 185,638	98.96 %
2021	27.68	184,793	182,677	98.85	1,089	183,766	99.44
2020	27.71	183,068	180,261	98.47	1,568	181,829	99.32
2019	27.74	182,170	178,970	98.24	1,589	180,559	99.12
2018	27.79	183,139	178,854	97.66	1,167	180,021	98.30
2017	27.84	179,148	175,991	98.24	2,433	178,424	99.60
2016	27.88	178,307	174,556	97.90	3,656	178,212	99.95
2015	27.22	173,728	169,954	97.83	2,518	172,472	99.28
2014	26.28	168,390	164,519	97.70	1,523	166,042	98.61
2013	25.60	163,674	160,911	98.31	2,188	163,099	99.65

CITY OF MILFORD, CONNECTICUT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(UNAUDITED)
(IN THOUSANDS, EXCEPT PER CAPITA)

Fiscal Year	Governmental Activities General Obligation Bonds	Long-Term Notes Payable	Leases Payable	Ratio of Debt to Taxable Assessed Value	Debt Per Capita
2022	\$ 196,350	\$ 1,402	\$ 291	2.87	3,780
2021	184,359	1,484	-	2.71	3,375
2020	155,478	23,776		2.31	3,340
2019	157,797	24,614	-	2.35	3,434
2018	146,949	26,734	-	2.19	3,279
2017	136,374	28,966	-	2.07	3,147
2016	128,883	31,154	-	1.86	2,892
2015	127,731	33,289	-	1.94	2,412
2014	120,866	35,400	-	2.20	2,673
2013	111,570	37,460	-	2.08	2,115

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

CITY OF MILFORD, CONNECTICUT
SCHEDULE OF DEBT LIMITATION
JUNE 30, 2022
(UNAUDITED)
(IN THOUSANDS)

Total tax collections (including interest and lien fees) received by Treasurer for year ended June 30, 2021

\$ 186,009

	General Purpose	Schools	Sewers	Urban Renewal	Pension Bonds
Debt Limitation:					
2-1/4 Times Base	\$ 418,520	\$ -	\$ -	\$ -	\$ -
4-1/2 Times Base	-	837,041	-	-	-
3-3/4 Times Base	-	-	697,534	-	-
3-1/4 Times Base	-	-	-	604,529	-
3 Times Base	-	-	-	-	558,027
Total Debt Limitation	<u>418,520</u>	<u>837,041</u>	<u>697,534</u>	<u>604,529</u>	<u>558,027</u>
Indebtedness:					
Bonds Payable	75,870	52,223	55,392	-	-
Notes Payable	1,402	-	-	-	-
Lease Payable	291	-	-	-	-
Authorized, Unissued Debt	<u>30,583</u>	<u>31,421</u>	<u>12,929</u>	<u>-</u>	<u>-</u>
Total Indebtedness	<u>108,146</u>	<u>83,644</u>	<u>68,321</u>	<u>-</u>	<u>-</u>
Debt Limitation in Excess of					
Outstanding and Authorized Debt	<u>\$ 310,374</u>	<u>\$ 753,397</u>	<u>\$ 629,213</u>	<u>\$ 604,529</u>	<u>\$ 558,027</u>

Note 1: In no case shall total indebtedness exceed seven times annual receipts from taxation (\$1,302,063).

Note 2: The authorized/unissued debt has been reduced by grant proceeds of \$33,151 relative to general purpose and school construction projects.

TABLE 12

**CITY OF MILFORD, CONNECTICUT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)
(IN THOUSANDS)**

	FISCAL YEAR									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Debt Limit	\$ 1,302,063	\$ 1,288,007	\$ 1,271,802	\$ 1,285,214	\$ 1,266,440	\$ 1,264,165	\$ 1,243,025	\$ 1,201,025	\$ 1,166,046	\$ 1,162,238
Total Net Debt Applicable to Limit	260,111	245,151	241,348	237,413	242,628	264,401	242,207	209,101	221,221	214,742
Legal Debt Margin	<u>\$ 1,041,952</u>	<u>\$ 1,042,856</u>	<u>\$ 1,030,454</u>	<u>\$ 1,047,801</u>	<u>\$ 1,023,812</u>	<u>\$ 999,764</u>	<u>\$ 1,000,818</u>	<u>\$ 991,924</u>	<u>\$ 944,825</u>	<u>\$ 947,496</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	19.98 %	19.03 %	18.98 %	18.47 %	19.16 %	20.92 %	19.49 %	17.41 %	18.97 %	18.48 %

Source: Annual comprehensive financial report - Schedule of Debt Limitation

Note: See Table 11 for calculation of current year debt limitation

CITY OF MILFORD, CONNECTICUT
DEBT STATEMENT AND CURRENT DEBT RATIOS
JUNE 30, 2022
(UNAUDITED)
(IN THOUSANDS)

Long-Term Bonded (1)	
Bonds:	
Public Improvement	\$ 75,870
Schools	52,223
Sewers	55,392
Lease Payable	291
Bond Premiums	14,104
Long-Term Notes Payable	1,402
Total Long-Term Bonded Debt	<u>199,282</u>
Short-Term Debt:	
Bond Anticipation Notes	<u>15,300</u>
Total Direct Debt	<u><u>\$ 214,582</u></u>

Note: The City has no overlapping or underlying debt.

Population (2)	52,390
Net Taxable Grand List (10/01/20)	\$ 6,761,624
Estimated Full Value (70%)	9,659,463
Equalized Grand List (10/1/20) (3)	11,507,150
Money Income Per Capita (2020) (4)	54,069

	Total Direct Debt	Total Net Direct Debt
	<u> </u>	<u> </u>
Per Capita	\$ 4,034	\$ 4,034
Ratio to Net Taxable Grand List	3.17%	3.17%
Ratio to Estimated Full Value	2.22%	2.22%
Ratio to Equalized Grand List	1.86%	1.86%
Debt per Capita to Money Income per Capita	7.46%	7.46%

*Presented in Thousands

(1) Excludes capital leases

(2) U.S. Department of Commerce, Census Bureau, American Community Survey, 2015-2019.

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

(4) U.S. Census Bureau/American Community Survey 2015-2019, used for FY2022 calculations.

CITY OF MILFORD, CONNECTICUT
RATIOS OF NET LONG-TERM DEBT TO VALUATION, POPULATION, AND INCOME
LAST TEN FISCAL YEARS
(UNAUDITED)
(IN THOUSANDS)

Fiscal Year	Grand List October 1,	In Thousands			Ratio of Net Long-Term Debt to Assessed Value	Ratio of Net Long-Term Debt to Estimated Full Value	(4) Population	Net Long-Term Debt Per Capita	Ratio of Net Long-Term Debt Per Capita to Per Capita Income (5)
		Net Assessed Value (1)	Estimated Full Value (2)	Net Long-Term Debt (3)					
2022	2020	\$ 6,761,624	\$ 9,659,463	\$ 196,350	2.90	2.03	52,390	\$ 3,748	6.93
2021	2019	6,658,543	9,512,204	184,359	2.77	1.94	54,328	3,393	6.67
2020	2018	6,576,683	9,395,261	179,254	2.73	1.91	53,195	3,370	7.13
2019	2017	6,567,168	9,381,667	172,184	2.62	1.84	53,120	3,241	6.86
2018	2016	6,539,732	9,342,474	163,429	2.50	1.75	52,970	3,085	7.11
2017	2015	6,421,618	9,173,740	158,017	2.46	1.72	52,536	3,008	7.27
2016	2014	6,388,019	9,125,737	152,665	2.39	1.67	52,894	2,886	7.07
2015	2013	6,385,238	9,120,339	157,414	2.42	1.70	52,759	2,984	7.49
2014	2012	6,418,236	9,168,908	155,520	2.31	1.62	52,759	2,805	7.04
2013	2011	6,399,852	9,142,646	148,010	2.08	1.07	52,759	2,015	5.25

(1) Revaluation Grand Lists 2006, 2007; Net Assessed Values are phased-in values and frozen at the Grand List 07 levels for Grand Lists of 2008, 2009, and 2010 by act of the Board of Aldermen.

(2) Assessment Ratio 70%

(3) U.S. Department of Commerce, Census Bureau, American Community Survey, 2015-2019.

(4) Money Income Per Capita: \$54,069, U.S. Census Bureau/American Community Survey 2015-2019, used for FY2022 calculations.

TABLE 15

**CITY OF MILFORD, CONNECTICUT
AUTHORIZED BUT UNISSUED DEBT
JUNE 30, 2022
(UNAUDITED)**

Project	Total Amount of Authorization	Bonds Issued	Statutory Paydown	Grants	Note Payable Due 11/1/2022	The Bonds	Authorized But Unissued		
							General Purpose	Schools	Sewers
Recreation Facilities Improvements	\$ 1,310,000	\$ 1,304,700	\$ -	\$ -	\$ -	\$ -	\$ 5,300	\$ -	\$ -
Pepe's Farm Rd & Woodmont Rd	1,370,000	1,202,000	-	-	-	-	168,000	-	-
Stowe Property	895,000	802,000	-	-	-	-	93,000	-	-
Milford Academy Renovations	2,650,000	2,593,500	2,250	-	-	-	54,250	-	-
Various Public Improvements (Feb. 2004)	2,483,065	2,406,765	-	-	-	-	76,300	-	-
Various Public Improvements (Nov. 2004)	3,347,500	3,175,200	-	68,053	-	-	104,247	-	-
Various Public Improvements (Mar. 2005)	1,134,500	1,112,200	150	-	-	-	22,150	-	-
Road Resurfacing	715,000	704,000	-	-	-	-	11,000	-	-
Various Public Improvements (Feb. 2007)	4,620,300	3,984,185	-	361,092	-	-	275,023	-	-
Various Public Improvements (Apr. 2008)	3,715,559	3,343,450	-	-	-	-	372,109	-	-
Various Public Improvements (Feb. 2010)	6,292,000	5,843,600	-	12,725	-	-	435,675	-	-
Various Public Improvements (Feb. 2011)	6,588,000	5,712,500	-	-	-	-	875,500	-	-
Various Public Improvements (Apr. 2011)	1,685,000	1,432,000	-	-	-	-	253,000	-	-
Eastside Firehouse	4,950,000	4,398,000	-	-	-	-	552,000	-	-
Woodmont Beach FEMA (Mar. 2012)	534,000	123,000	-	402,112	-	-	8,888	-	-
Various Public Improvements (Feb. 2012)	6,088,600	2,696,000	-	614,291	-	-	2,778,309	-	-
Various Public Improvements (Feb. 2013)	7,533,000	6,671,000	-	-	-	-	862,000	-	-
Various Public Improvements (Feb. 2014)	7,917,500	5,602,000	-	209,050	100,000	-	2,006,450	-	-
Various Public Improvements (Feb. 2015)	11,107,230	5,066,000	-	3,259,985	1,465,000	-	1,316,245	-	-
Various Public Improvements (Feb. 2016)	12,889,500	7,666,000	-	772,013	-	-	4,451,487	-	-
Various Public Improvements (Jan. 2017)	9,671,200	8,843,000	-	-	-	-	828,200	-	-
April 2017 Gulf Street Road Construction	3,300,000	55,000	-	2,488,920	-	-	756,080	-	-
Various Public Improvements (Feb. 2018)	6,875,000	5,997,500	-	-	140,000	-	737,500	-	-
Various Public Improvements (Feb. 2019)	10,065,000	7,087,000	-	1,602,998	600,000	-	775,002	-	-
Various Public Improvements (Feb. 2020)	14,588,816	10,668,000	-	-	1,545,000	-	2,375,816	-	-
Various Public Improvements (Feb. 2021)	12,715,196	7,405,000	-	-	950,000	-	4,360,196	-	-
Various Public Improvements (Feb. 2022)	6,006,000	-	-	-	-	-	6,006,000	-	-
General Public Improvements	1,775,538	1,751,800	-	-	-	-	23,738	-	-
Subtotal General Improvement	152,822,504	107,645,400	2,400	9,791,240	4,800,000	-	30,583,464	-	-
Various School Improvements (Feb. 2007)	18,489,511	12,591,600	-	5,327,250	-	-	-	570,661	-
Various School Improvements (Apr. 2008)	1,440,000	1,197,300	-	232,883	-	-	-	9,817	-
J. Law Phase III Construction (Aug. 2009)	4,050,000	2,500,000	-	1,332,513	-	-	-	217,487	-
Various School Improvements (Feb. 2010)	9,640,000	6,121,400	-	2,976,430	-	-	-	542,170	-
Various School Improvements (Feb. 2012)	12,002,883	5,770,000	-	5,298,629	-	-	-	934,254	-
Various School Improvements (Feb. 2013)	9,449,948	4,552,000	-	4,218,629	-	-	-	679,319	-
Various School Improvements (Feb. 2014)	3,456,229	2,367,000	-	828,379	-	-	-	260,850	-
Various School Improvements (Feb. 2015)	10,302,554	5,571,200	-	2,379,168	-	-	-	2,352,186	-
Various School Improvements (Feb. 2016)	5,124,644	2,358,000	-	1,666,327	-	-	-	1,100,317	-
Various School Improvements (Jan. 2017)	23,062,859	15,529,040	-	7,533,819	1,000,000	-	-	-	-
Various School Improvements (Feb. 2018)	4,051,421	2,265,000	-	7,162	1,350,000	-	-	429,259	-
Various School Improvements (Feb. 2019)	3,274,740	1,635,000	-	363,026	484,000	-	-	792,713	-
Various School Improvements (Feb. 2020)	5,331,764	1,760,000	-	-	2,391,000	-	-	1,180,764	-
Various School Improvements (Feb. 2021)	2,725,000	-	-	-	650,000	-	-	2,075,000	-
Pumpkin Delight School Improvements (May 2021)	13,985,750	-	-	-	4,000,000	-	-	9,985,750	-
Various School Improvements (Feb. 2022)	10,290,000	-	-	-	-	-	-	10,290,000	-
Subtotal Schools	136,677,303	64,217,540	-	32,164,214	9,875,000	-	-	31,420,549	-

**TABLE 15
(CONTINUED)**

**CITY OF MILFORD, CONNECTICUT
AUTHORIZED BUT UNISSUED DEBT (CONTINUED)
JUNE 30, 2022
(IN THOUSANDS)**

Project	Total Amount of Authorization	Bonds Issued	Statutory Paydown	Grants	Note Payable Due 11/3/2020	The Bonds	Authorized But Unissued		
							General Purpose	Schools	Sewers
Wastewater Facilities Upgrade	\$ 33,150,940	\$ 30,690,200	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,460,740
Sewers XIII	2,555,000	2,092,400	-	-	-	-	-	-	462,600
Sewers XIV Design Phase	930,000	589,400	-	-	-	-	-	-	340,600
East/West Interceptor	4,250,000	4,065,000	-	-	-	-	-	-	185,000
Buckingham Ave Force Main	4,650,000	4,030,000	-	-	-	-	-	-	620,000
Roger Ave Pump & High St Sewer	2,623,500	1,500,000	-	-	-	-	-	-	1,123,500
Sewers XV	4,625,000	3,230,800	-	-	-	-	-	-	1,394,200
Sewers XVI	275,000	253,000	-	-	-	-	-	-	22,000
Sewers XVII	2,319,155	2,232,000	-	-	-	-	-	-	87,155
Sewers XVIII	4,034,679	3,680,000	-	-	-	-	-	-	354,679
Sewers XIX	187,000	172,000	-	-	-	-	-	-	15,000
Rock St & Welches Pt. Pump Stations (Feb 2015)	6,911,061	6,635,000	-	-	-	-	-	-	276,061
Sewer Darina Place (Feb. 2015)	550,000	431,000	-	-	-	-	-	-	119,000
Indian River Interceptor Phase 3 (Feb. 2015)	1,869,321	1,668,000	-	-	-	-	-	-	201,321
Edgefield and Seabreeze Ave. Reconstruction (Feb. 2016)	1,302,610	1,058,000	-	-	-	-	-	-	244,610
Beaver Brook Wastewater Plant (Feb. 2016)	653,150	594,000	-	-	-	-	-	-	59,150
Edgefield Ave - Seabreeze Ave Sewer (Feb. 2016)	455,000	296,000	-	-	-	-	-	-	159,000
Viscount Drive Sanitary Sewer (Feb. 2018)	2,278,267	1,988,000	-	-	-	-	-	-	290,267
Housatonic Wastewater Facility (Feb. 2019)	1,238,440	1,065,000	-	-	-	-	-	-	173,440
Sewer Force Main-Repair -Various (Feb. 2019)	1,525,342	1,112,000	-	-	265,000	-	-	-	148,342
Gulf Pond Sanitary Pump Station Repairs (Feb. 2020)	665,000	120,000	-	-	360,000	-	-	-	185,000
Lower Wepawaug Pond Sewer/Manhole Lining (Feb 2020)	157,000	141,000	-	-	-	-	-	-	16,000
Sanitary Sewer Pump Station Upgrades No. 1-Various	180,000	-	-	-	-	-	-	-	180,000
Rogers Ave Sanitary Pump Station Upgrade (Feb. 2022)	3,811,500	-	-	-	-	-	-	-	3,811,500
Subtotal Sewers	81,196,965	67,642,800	-	-	625,000	-	-	-	12,929,165
Total	\$ 370,696,772	\$ 239,505,740	\$ 2,400	\$ 41,955,454	\$ 15,300,000	\$ -	\$ 30,583,464	\$ 31,420,549	\$ 12,929,165

**CITY OF MILFORD, CONNECTICUT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN CALENDAR YEARS
(UNAUDITED)
(IN THOUSANDS)**

Calendar Year	Population(1)	Per Capita Income(2)	Total Personal Income	Median Age(2)	School Enrollment(3)	Unemployment Rate(4)
2022	52,390	\$ 54,069	\$ 2,832,674,910	45	5,415	3
2021	54,328	50,164	2,725,309,792	45	5,502	6
2020	53,195	47,242	2,513,038,190	45	5,587	10
2019	53,120	47,242	2,509,495,040	45	5,598	4
2018	52,970	43,408	2,192,110,480	44	5,791	3
2017	52,536	41,384	2,174,149,824	44	5,885	4
2016	53,039	40,797	2,163,832,083	44	6,125	5
2015	52,759	39,822	2,100,968,898	43	6,245	5
2014	52,759	39,822	2,100,968,898	43	6,602	6
2013	52,759	38,351	2,023,360,409	43	6,659	7

(1) Source: U.S. Department of Commerce, Census Bureau, American Community Survey, 2015-2019.

(2) Source: U.S. Census Bureau/American Community Survey 2015-2019, used for FY2022 calculations.

(3) Source: City of Milford Board of Education as of October 1

(4) Source: State of Connecticut Department of Labor, Employment Security Division (Annual Average)

TABLE 17

**CITY OF MILFORD, CONNECTICUT
PRINCIPAL EMPLOYERS
2022 AND 2013
(UNAUDITED)
(IN THOUSANDS)**

Business Name	Nature of Business	2022			2013		
		Employees	Rank	Percentage of Total Town Employment	Employees	Rank	Percentage of Total Town Employment
City of Milford Board of Education	Municipal School System	\$ 1,057	1	3.55 %	1,112	1	3.96 %
Schick (Edgewell Personal Care)	Manufacturer-Razors	740	2	2.49	684	4	2.44
Subway World Headquarters	Corporate Headquarters- Food Franchiser	700	3	2.35	903	2	3.22
City of Milford	Municipal Government	530	4	1.78	542	5	1.93
Bridgeport Hospital Milford Campus	Healthcare	519	5	1.74	780	3	2.78
Inline Plastics Corp	Manufacturer-Healthcare	300	6	1.01			
Walmart	Retail Department Store-Grocery	270	7	0.91			
Alinibal Holdings Corp.	Manufacturer	250	8	0.84	234	10	0.83
Quadient Inc.	U.S. Corporate HQ-Manufacturer	250	9	0.84			
West River Rehab Center	Healthcare	220	10	0.74			
Macy's (Filene's)	Retail Department Store	-		-	407	6	1.45
Neopost Hasler Inc.	Postage Meter Company	-		-	388	7	1.38
Super Stop & Shop	Food Retail-Grocery	-		-	310	8	1.10
Costco	Wholesale Club	-		-	243	9	0.87
Total		<u>4,836</u>		16.24	<u>5,603</u>		19.97
Total Employment		<u><u>29,775</u></u>			<u><u>28,060</u></u>		

Source: City of Milford, Office of Community Development

TABLE 18

CITY OF MILFORD, CONNECTICUT
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(UNAUDITED)
(IN THOUSANDS)

	FISCAL YEAR									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Government	145	142	133	136	109	135	119	130	128	126
Police	140	139	140	140	138	133	137	129	127	128
Fire	112	112	112	112	113	117	121	121	121	123
Refuse Collection	17	18	17	19	21	22	27	29	31	30
Other Public Works	67	63	71	74	102	76	79	74	77	79
Wastewater	30	30	30	30	31	31	31	31	31	31
Parks and Recreation	5	5	5	6	6	5	6	6	6	6
Library	17	18	18	18	19	19	19	19	20	19
Education	<u>1,024</u>	<u>1,025</u>	<u>1,017</u>	<u>1,033</u>	<u>1,038</u>	<u>1,039</u>	<u>1,069</u>	<u>1,086</u>	<u>1,076</u>	<u>1,106</u>
Total	<u><u>1,557</u></u>	<u><u>1,552</u></u>	<u><u>1,543</u></u>	<u><u>1,568</u></u>	<u><u>1,577</u></u>	<u><u>1,577</u></u>	<u><u>1,608</u></u>	<u><u>1,625</u></u>	<u><u>1,616</u></u>	<u><u>1,648</u></u>

Source: Various City Departments

TABLE 19

**CITY OF MILFORD, CONNECTICUT
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(UNAUDITED)
(IN THOUSANDS)**

Function/Program	FISCAL YEAR									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Government:										
Building Permits Issued	73	53	76	92	90	63	71	60	71	67
All Other Permits	1,263	1,281	1,118	1,264	1,395	1,244	1,246	1,019	994	1,179
Building Inspections Conducted	4,980	5,199	6,293	6,617	6,794	6,381	5,756	4,994	5,923	5,201
Police:										
Physical Arrests	1,058	970	1,182	1,454	1,286	1,339	1,541	988	1,267	1,251
Parking Violations	964	1,849	2,273	1,947	1,758	1,108	1,337	1,270	900	1,748
Traffic Violations	1,858	1,535	3,341	3,185	4,260	4,401	2,899	4,112	2,260	2,221
Fire:										
Emergency Responses	8,778	8,210	7,883	8,850	8,042	8,500	7,900	7,854	7,617	7,951
Fires Extinguished	112	152	157	114	143	140	259	148	140	126
Refuse Collection:										
Refuse Collected (Tons Per Day)	21,739	21,147	17,521	16,843	16,723	15,757	16,595	14,611	15,597	16,192
Recyclables Collected (Tons Per Day)	3,900	4,200	4,181	3,981	4,131	4,317	4,090	3,946	4,224	4,354
Other Public Works:										
Street Resurfacing (Miles)	16.4	22.00	12.00	11.50	21.00	20.00	12.68	8.30	4.70	3.3
Parks and Recreation:										
Athletic Field Permits Issued	1,525	1,250	1,455	1,385	1,260	1,260	1,200	1,200	1,200	1,200
Community Center Admissions	4,850	2,850	5,950	6,860	6,235	6,235	5,939	5,939	5,939	5,939
Library:										
Volumes in Collection	123,443	126,518	126,783	125,278	125,032	130,394	125,852	129,341	127,773	128,182
Total Volumes Borrowed	230,002	178,442	157,619	243,240	184,232	172,909	171,632	183,797	193,511	195,902
Wastewater:										
Average Daily Sewage Treatment (Thousands of Gallons)	10,020	8,980	8,150	9,750	8,562	7,452	6,876	7,235	8,700	8,700
Source: Various City Departments										

TABLE 20

**CITY OF MILFORD, CONNECTICUT
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(UNAUDITED)
(IN THOUSANDS)**

Function/Program	FISCAL YEAR									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Vehicular Patrol Units	43	43	42	41	42	42	43	42	42	40
Fire Stations	4	4	4	4	4	4	6	4	4	4
Refuse Collection:										
Collection Trucks	17	19	17	16	15	15	13	13	13	13
Other Public Works:										
Streets (Miles)	206	206	205	205	204	204	204	199	199	199
Traffic Signals	49	48	48	48	132	137	137	136	136	136
Parks and Recreation:										
Open Space Parks	9	9	8	8	8	8	8	8	8	8
Ball/Soccer/Football Fields	40	40	40	40	40	40	38	38	38	38
Playgrounds	21	21	20	20	20	20	20	20	20	19
Swimming Pools	2	2	2	2	2	2	2	2	2	2
Splash Pad	1	1	1	1	1					
Tennis Courts	25	25	25	25	25	25	25	25	25	25
Pickel Ball Courts	12	12	8	8	8					
Community Centers	5	5	5	5	5	5	5	5	5	5
Beach Front Mileage	11	11	11	11	11	11	11	11	11	11
Public Beaches	5	5	5	5	5	5	5	5	5	5
Marina	1	1	1	1	1	1	1	1	1	1
Golf Course - 9-Hole Executive	1	1	1	1	1	1	1	1	1	1
Water:										
Fire Hydrants	1,436	1,435	1,436	1,426	1,426	1,425	1,689	1,415	1,404	1,410
Storage Capacity (Millions of Gallons)	4.1	4.1	4.1	4.1	4.1	4.1	4.1	4.1	4.1	4.1
Wastewater:										
Sanitary Sewers (Miles)	263	263	263	263	263	263	263	262	262	260
Treatment Capacity (Thousands of Gallons)	11,300	11,300	11,300	11,300	14,250	14,250	14,250	14,250	14,250	14,250
Education:										
High Schools	2	2	2	2	2	2	2	2	2	2
Middle Schools	3	3	3	3	3	3	3	3	3	3
Elementary Schools	8	8	8	8	8	8	8	8	8	8

Source: Various City Departments

TABLE 21

**CITY OF MILFORD, CONNECTICUT
BUILDING PERMITS AND VALUE OF CONSTRUCTION
LAST TEN FISCAL YEARS
(UNAUDITED)
(IN THOUSANDS)**

Fiscal Year	Residential		Non-Residential		All Other(1)		Total	
	Number of Permits	Value*	Number of Permits	Value*	Number of Permits	Value*	Number of Permits	Value*
2022	58	\$ 17,299	15	\$ 17,456	1,263	\$ 46,689	1,336	\$ 81,444
2021	43	10,280	10	6,687	1,281	32,126	1,334	49,093
2020	61	12,684	15	5,454	1,118	34,135	1,194	52,273
2019	81	30,399	11	8,982	1,264	32,700	1,356	72,081
2018	83	17,284	7	4,228	1,395	43,349	1,485	64,861
2017	55	11,210	8	8,316	1,244	47,457	1,307	66,983
2016	65	11,852	6	17,344	1,246	37,482	1,317	66,678
2015	54	7,887	6	6,706	1,019	31,675	1,079	46,268
2014	63	12,221	8	1,015	994	27,818	1,065	41,054
2013	48	6,120	19	4,520	1,179	37,973	1,246	48,613

(1) "All Other" represents the number of electrical, plumbing, heating and other permits which are paid for separately, and, therefore, are not included in the figures for residential and non-residential construction permits.

Source: City of Milford, Office of Building Inspector, per Finance format and formula.

*Presented in thousands.