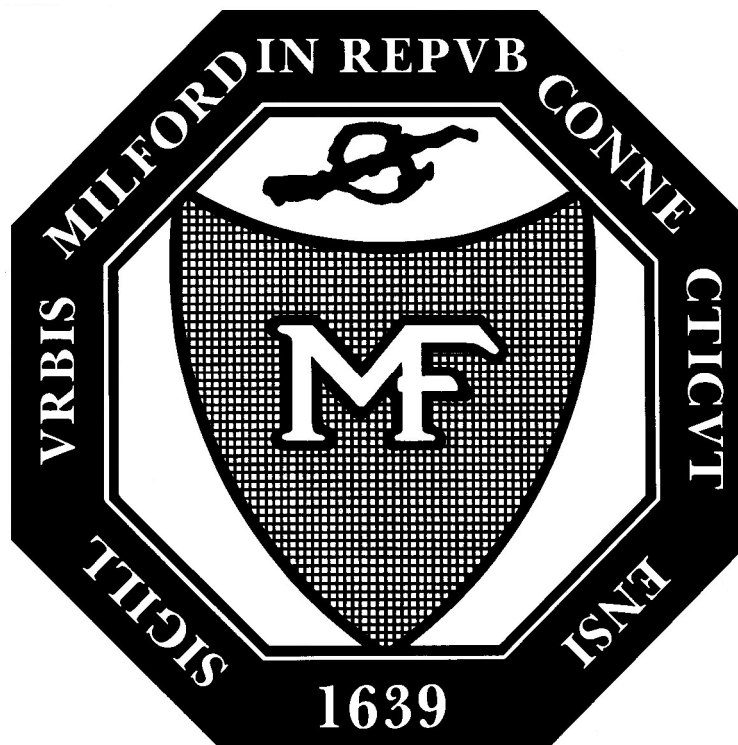


City of Milford Connecticut



Annual Comprehensive Financial Report

Fiscal Year Ended June 30, 2023

City of Milford, Connecticut Connecticut

ANNUAL COMPREHENSIVE Financial Report

FISCAL YEAR ENDED June 30, 2023

Prepared by:
City of Milford Finance Department

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

**ARIANE P. SWIFT
CITY ACCOUNTANT**

**CITY OF MILFORD, CONNECTICUT
TABLE OF CONTENTS
JUNE 30, 2023**

INTRODUCTORY SECTION

ORGANIZATIONAL CHART	I
LIST OF PRINCIPAL OFFICIALS	II
LETTER OF TRANSMITTAL	III
GFOA CERTIFICATE OF ACHIEVEMENT	XI

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT	1
MANAGEMENT'S DISCUSSION AND ANALYSIS	5

BASIC FINANCIAL STATEMENTS

EXHIBITS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

STATEMENT OF NET POSITION	I	15
STATEMENT OF ACTIVITIES	II	16

FUND FINANCIAL STATEMENTS

GOVERNMENTAL FUNDS

BALANCE SHEET	III	17
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES	IV	19

PROPRIETARY FUND

STATEMENT OF NET POSITION	V	21
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION	VI	22
STATEMENT OF CASH FLOWS	VII	23

FIDUCIARY FUNDS

STATEMENT OF FIDUCIARY NET POSITION	VIII	25
STATEMENT OF CHANGES IN PLAN NET POSITION	IX	26

NOTES TO FINANCIAL STATEMENTS	28
--------------------------------------	-----------

**CITY OF MILFORD, CONNECTICUT
TABLE OF CONTENTS
JUNE 30, 2023**

REQUIRED SUPPLEMENTARY INFORMATION

GENERAL FUND

SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES – BUDGET AND ACTUAL	RSI-1	85
---	-------	----

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES – BUDGET AND ACTUAL	RSI-2	88
--	-------	----

PENSION FUNDS

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS	RSI-3	91
--	-------	----

SCHEDULE OF EMPLOYER CONTRIBUTIONS	RSI-4	92
------------------------------------	-------	----

SCHEDULE OF INVESTMENT RETURNS	RSI-5	93
--------------------------------	-------	----

SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY – TEACHERS RETIREMENT PLAN	RSI-6	94
--	-------	----

OPEB PLANS

SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS – CITY OPEB PLAN	RSI-7	95
--	-------	----

SCHEDULE OF EMPLOYER CONTRIBUTIONS – CITY OPEB PLAN	RSI-8	96
--	-------	----

SCHEDULE OF INVESTMENT RETURNS – CITY OPEB PLAN	RSI-9	97
--	-------	----

SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS – BOE OPEB PLAN	RSI-10	98
---	--------	----

SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY – TEACHERS RETIREMENT PLAN	RSI-11	99
---	--------	----

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

EXHIBITS

GENERAL FUND

COMPARATIVE BALANCE SHEET	A-1	105
---------------------------	-----	-----

REPORT OF TAX COLLECTOR	A-2	106
-------------------------	-----	-----

BOARD OF EDUCATION SCHEDULE OF EXPENDITURES AND ENCUMBRANCES COMPARED WITH APPROPRIATIONS	A-3	107
---	-----	-----

**CITY OF MILFORD, CONNECTICUT
TABLE OF CONTENTS
JUNE 30, 2023**

NONMAJOR GOVERNMENTAL FUNDS

COMBINING BALANCE SHEET	B-1	113
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES	B-2	115

NONMAJOR PROPRIETARY FUNDS

COMBINING STATEMENT OF NET POSITION	C-1	119
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION	C-2	120
COMBINING STATEMENT OF CASH FLOWS	C-3	121

INTERNAL SERVICE FUNDS

COMBINING STATEMENT OF NET POSITION	D-1	125
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION	D-2	126
COMBINING STATEMENT OF CASH FLOWS	D-3	127

STATISTICAL SECTION

TABLES

FINANCIAL TRENDS

NET POSITION BY COMPONENT	1	131
CHANGES IN NET POSITION	2	132
FUND BALANCES – GOVERNMENTAL FUNDS	3	134
CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS	4	135
TEN YEAR SUMMARY OF AUDITED REVENUES AND EXPENDITURES, NEXT FISCAL YEAR BUDGET	5	136
CAPITAL IMPROVEMENT PROGRAM	6	137

REVENUE CAPACITY

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY	7	138
PRINCIPAL PROPERTY TAXPAYERS	8	139
PROPERTY TAX LEVIES AND COLLECTIONS	9	140

DEBT CAPACITY

RATIOS OF OUTSTANDING DEBT BY TYPE	10	141
SCHEDULE OF DEBT LIMITATION	11	142

**CITY OF MILFORD, CONNECTICUT
TABLE OF CONTENTS
JUNE 30, 2023**

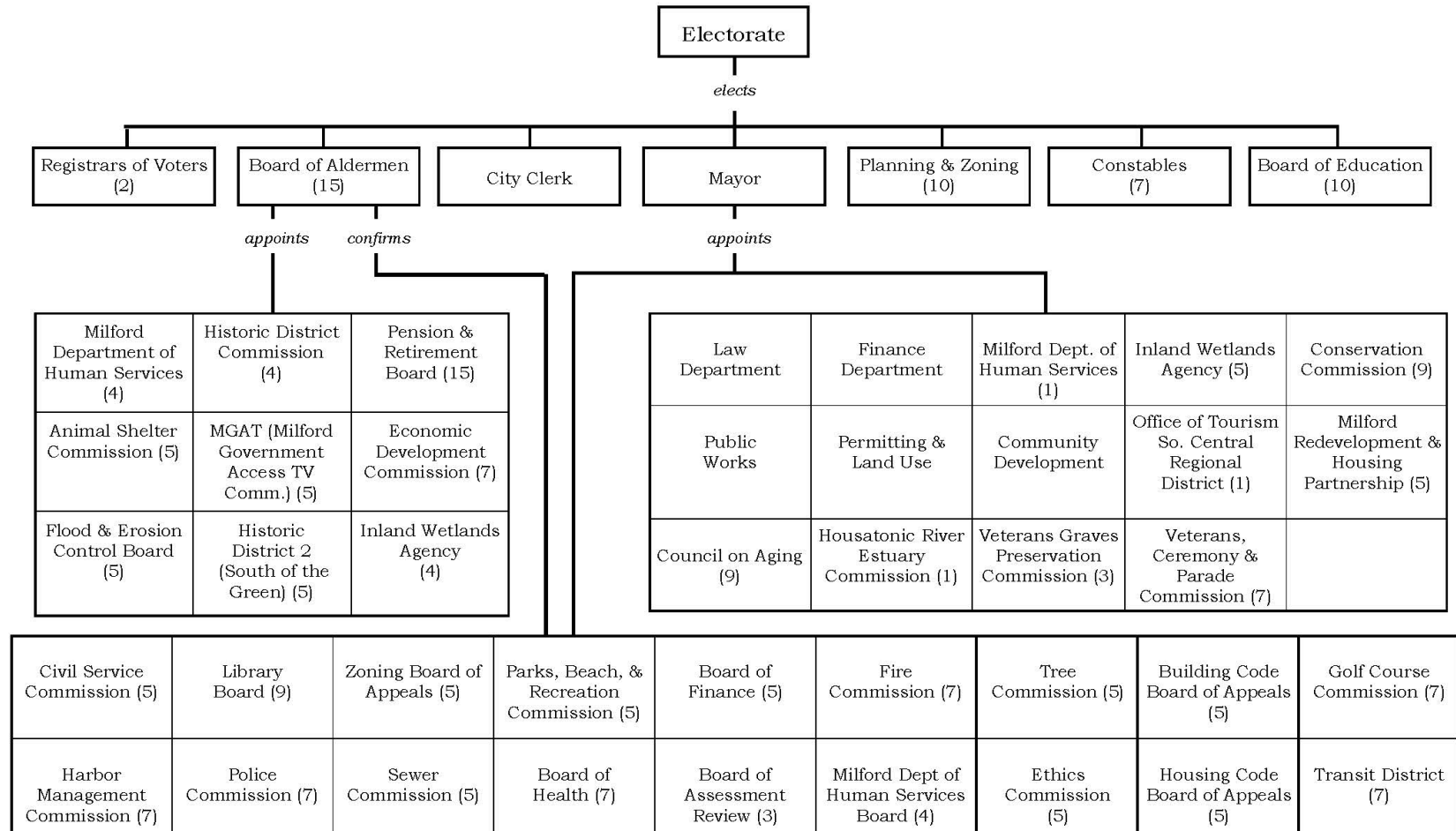
LEGAL DEBT MARGIN INFORMATION	12	143
DEBT STATEMENT AND CURRENT DEBT RATIOS	13	144
RATIOS OF NET LONG-TERM DEBT TO VALUATION, POPULATION, AND INCOME	14	145
AUTHORIZED BUT UNISSUED DEBT	15	146
DEMOGRAPHIC AND ECONOMIC STATISTICS		
DEMOGRAPHIC AND ECONOMIC STATISTICS	16	147
PRINCIPAL EMPLOYERS	17	148
OPERATING INFORMATION		
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM	18	149
OPERATING INDICATORS BY FUNCTION/PROGRAM	19	150
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM	20	151
BUILDING PERMITS AND VALUE OF CONSTRUCTION	21	152

This Page is Intentionally Left Blank

INTRODUCTORY SECTION

This Page is Intentionally Left Blank

City of Milford Organizational Chart



PRINCIPAL OFFICIALS

Mayor

Anthony S. Giannattasio

Board of Aldermen

Phillip J. Vetro, Chair

Matthew Arciuolo

Andy Fowler

Jason Jenkins

Scott F. Marlow.

Ward Willis

Brett Broesder

Michael S. Casey

Paul J. Healy

Holly E. Mulrenan

Jennifer Federico

Win Smith, Jr.

Ellen Russell Beatty

Bill Bevan

Raymond G. Vitali

Board of Education

Susan Glennon, Chair

Christin Prete

Scott Firmender

Meghan Doyle

Tracy Irby

Una Petroske

Cindy Wolfe Boynton

Tom Koba

Loren Mahler

Mike Smith

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

December 26, 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, 2023, 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 52,308 (2017-2021). 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 2021 American Community Survey shows that Milford's median family income was \$124,765, compared to the State's \$106,441, and the median age of a Milford resident was 46.2 years.

The City's unemployment rate was 3.1% through August 2023 as compared to the State of Connecticut at 3.5%. The decrease in the unemployment rate from 3.7% to 3.1% 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, 2022 was \$7.96 billion which represents an increase of \$66.6 million over the grand list of October 1, 2021. This was primarily due to residential and commercial new construction. The top ten taxpayers have been relatively stable over the past two years and represent 6.6% of the grand list.

Milford continues to see signs of growth and progress. The Connecticut Post Mall has presented a redevelopment plan to the City which would add multi-family residential units and landscape changes which would revitalize the property. 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 ninth in the State of Connecticut and second in New Haven County. Grand list growth has allowed Milford to reduce taxes for seven consecutive years (2017-2023) furthering small to mid-size business growth.

The City 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. It included the creation of a post-COVID economic development strategic plan as well as a real estate audit of all commercial property in the City.

Milford maintained strong business growth in 2022. The businesses range from small home businesses to medical offices and auto dealerships. Building permits increased with a total value of \$89 million for FY23.

The City's downtown added several new businesses and residential I apartments. A new mixed-use development which includes apartments is being constructed next to the train station. 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 continued to add new businesses and office buildings. It remains popular with auto dealerships with a new Genesis facility being constructed on 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, FCP Euro has plans to consolidate its operations into the former Subway corporate campus. Moreover, the industrial sectors of Milford continue to be well occupied. On Research Drive, the New England Asian American Cultural Center opened. Rosado Fitness and Deep Sea Detailing moved into the Pepe's Farm Road industrial area. American Steel Supplier also opened on Woodmont Road along with Bodleian Inc. Valley Tool & Manufacturing LLC acquired 8.1 acres on Shelland Drive for the development of a 100,000-square-foot industrial facility. In addition, Revolution Basketball Training, a skill and development facility, opened at 252 Depot Road.

Workforce development remains a priority and the City continues to support small businesses with assistance by offering workshops from various statewide organizations. It has partnered with the Milford Public School System to offer parent and student workshops regarding emerging workforce trends from esports to AI and alternative secondary education paths. Further, the City has hosted entrepreneurial and influencer events for small businesses to get familiar with how to use various modern platforms. Finally, the City assists small business owners and entrepreneurs in meeting with professional business advisors to learn more about startup planning, marketing, access to capital, global growth, market research, and disaster preparedness.

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, 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, 2023, 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 FY23, debt service represents approximately 8.5% 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 impact of the economy on the State budget and is conservative in planning for State grants. For FY22 and FY23, the City planned for adjustments in certain grants and others with level funding. In FY23, state grants were budgeted at \$12.2 million and funded 5.1% of the City's budget. In FY22, state grants were budgeted at \$12 million, which was 5.4% of the budget. The Education Cost Sharing Grant, which is a major grant for the City, increased from \$9.5 million budgeted in FY22 to \$9.7 million budgeted in FY23.

The City aims to keep expenses to the lowest amount possible and still provide adequate services. The City negotiated a 2.5% wage increase for most unions in FY23 and FY24. In FY22 and FY23, the Education Operations (EO) budget increased 0.65% and 6.1% and the City's budget increased 4.9% and 11.8% respectively. The key reason for the City's increase was an increase in the annual pension contribution and health insurance 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% (7.2% as of 7/1/22). 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, Fire in FY26, 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, 2022. This was the nineteenth 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, 2022

Christopher P. Morill

Executive Director/CEO

This Page is Intentionally Left Blank

FINANCIAL SECTION

This Page is Intentionally Left Blank



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, 2023, 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, 2023, 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, 2022, the City of Milford, Connecticut adopted new accounting guidance for subscription-based information technology arrangements. The guidance requires the City to recognize a right-to-use subscription asset and corresponding subscription liability for all arrangements with contract 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, 2023 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, 2023 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, 2023 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, 2023.

We also previously audited, in accordance with GAAS, the basic financial statements of City of Milford, Connecticut as of and for the year ended June 30, 2022 (not presented herein), and have issued our report thereon, dated February 17, 2023, 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, 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 related directly to the underlying accounting and other records used to prepare the 2022 financial statements. The accompanying 2022 financial statements for the General Fund have been subjected to the auditing procedures applied in the audit of the 2022 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, 2022.

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 December 26, 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
December 26, 2023

This Page is Intentionally Left Blank

**CITY OF MILFORD, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023**

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, 2023. This is the twentieth 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 \$22 million as a result of this year's operations. The operating net position increase was attributable to property taxes, fees, and interest revenue higher than budgeted, along with an increase in operating grants and contributions primarily related to federal and state aid. Lastly, use of fund balance decreased by \$6 million.
- During the year, the City generated revenues that were \$22 million more than the \$287 million in expenses for governmental programs.
- Total cost of all the City's programs was \$287 million with no new programs added this year.
- The General Fund reported a total fund balance this year of \$36 million and unassigned fund balance of \$22 million.
- The general fund ended the year with a budgetary surplus of approximately \$8.6 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, 2023**

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, 2023**

- 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 decreased from \$(209) million to \$(187) 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	
	2023	2022	2023	2022	2023	2022
ASSETS						
Current and Other Assets	\$ 145,546	\$ 133,277	\$ 870	\$ 745	\$ 146,416	134,022
Capital Assets	366,882	365,962	2,504	2,533	369,386	368,495
Total Assets	512,428	499,239	3,374	3,278	515,802	502,517
DEFERRED OUTFLOWS OF RESOURCES	52,950	66,514	-	-	52,950	66,514
LIABILITIES						
Long-Term Debt Outstanding	591,019	623,067	-	-	591,019	623,067
Other Liabilities	56,726	57,429	30	17	56,756	57,446
Total Liabilities	647,745	680,496	30	17	647,775	680,513
DEFERRED INFLOWS OF RESOURCES	107,694	97,173	-	7	107,694	97,180
NET POSITION						
Net Investments in Capital Assets	162,099	156,220	2,504	2,533	164,603	158,753
Restricted	1,159	944	-	-	1,159	944
Unrestricted	(353,319)	(369,080)	840	721	(352,479)	(368,359)
Total Net Position	<u>\$ (190,061)</u>	<u>\$ (211,916)</u>	<u>\$ 3,344</u>	<u>\$ 3,254</u>	<u>\$ (186,717)</u>	<u>\$ (208,662)</u>

Net position of the City's governmental activities increased 10.3% (\$190) million compared to \$(212) 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 \$353 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. Total revenues exceeding program expenditures also played a factor.

There was a 2.8% increase in the net position of business-type activities from 3.25 million 2022 to \$3.34 million 2023.

**CITY OF MILFORD, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023**

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

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
REVENUES						
Program Revenues:						
Charges for Services	\$ 14,422	\$ 13,960	\$ 447	\$ 422	\$ 14,869	\$ 14,382
Operating Grants and Contributions	44,025	33,750	-	-	44,025	33,750
Capital Grants and Contributions	13,911	18,613	29	13	13,940	18,626
General Revenues:						
Property Taxes	219,901	194,731	-	-	219,901	194,731
Grants and Contributions not Restricted to Specific Purposes	3,680	2,609	-	-	3,680	2,609
Unrestricted Investment Earnings	4,237	254	9	1	4,246	255
Other General Revenues	8,446	8,353	-	-	8,446	8,353
Total Revenues	308,622	272,270	485	436	309,107	272,706
PROGRAM EXPENSES						
General Government	44,391	11,690	-	-	44,391	11,690
Administration	7,318	5,459	-	-	7,318	5,459
Public Safety	37,949	37,828	-	-	37,949	37,828
Public Services	19,924	25,488	-	-	19,924	25,488
Education	159,875	173,657	-	-	159,875	173,657
Health and Welfare	5,563	5,248	-	-	5,563	5,248
Sewer	7,080	7,127	-	-	7,080	7,127
Interest on Long-Term Debt	4,667	2,998	-	-	4,667	2,998
Milford Golf Course	-	-	76	71	76	71
Harbor Management	-	-	319	297	319	297
Total Program Expenses	286,767	269,495	395	368	287,162	269,863
CHANGE IN NET POSITION BEFORE TRANSFERS	21,855	2,775	90	68	21,945	2,843
TRANSFERS IN (OUT)	-	9	-	(9)	-	-
CHANGE IN NET POSITION	21,855	2,784	90	59	21,945	2,843
Net Position - Beginning of Year	(211,916)	(214,700)	3,254	3,195	(208,662)	(211,505)
NET POSITION - END OF YEAR	<u>\$ (190,061)</u>	<u>\$ (211,916)</u>	<u>\$ 3,344</u>	<u>\$ 3,254</u>	<u>\$ (186,717)</u>	<u>\$ (208,662)</u>

The City's total revenues were \$309 million. The total cost of all programs and services was \$287 million. Our analysis below separately considers the operations of governmental and business-type activities.

Governmental Activities

The City's revenues increased by \$36 million from 2022. The City's property revaluation for the 10/1/21 grand list substantially increased property tax revenue. In addition, operating grants and contributions were \$10 million more compared to last year.

**CITY OF MILFORD, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023**

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	
	2023	2022	2023	2022
Public Safety	\$ 37,949	\$ 37,828	\$ 30,591	\$ 29,531
Public Services	19,924	25,488	15,594	21,122
Education	159,875	173,657	113,113	130,962
All Others	69,019	32,522	55,111	21,557
Total	<u>\$ 286,767</u>	<u>\$ 269,495</u>	<u>\$ 214,409</u>	<u>\$ 203,172</u>

Business-Type Activities

Revenues of the City's business-type activities (see Table 2) increased by \$90,000 because of increased usage of 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 \$56.8 million, which is a decrease of \$767,000 compared to last year's major fund balance of \$57.5 million. The general fund's fund balance increased by \$3 million compared to the prior year since the City used \$5 million of fund balance, offset by a budgetary surplus of \$8.6 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 \$2 million more in bonds in FY23 compared to FY22 as progress on capital projects continued. Expenses were \$6 million more in the school facilities fund due to the Pumpkin Delight School addition and renovation project. The nonmajor governmental funds ended the year with a total fund balance of \$18 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 increased by \$7 million primarily due to lower health insurance and workers compensation costs and higher employer contributions. The Enterprise Funds' net position increased from last year by \$90,000 mainly due to capital contributions of \$29,000 to the Marina for improvements along with \$52,000 in operating income for these funds.

**CITY OF MILFORD, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023**

General Fund Budgetary Highlights

- General Property Taxes and Assessments - property tax and assessment revenue was greater than budgeted by \$3.4 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 \$1 million. This was mainly due to municipal revenue sharing state grant coming in more than budgeted. Investment income ,revenues from the investment of idle funds, was more than budgeted by \$2.4 million due to higher rates.
- Other Revenue was \$328,000 greater than budget due to an increase in miscellaneous other revenues.
- Licenses, Permits and Other Charges were \$101,000 above budget mainly due to paramedic 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 \$468,000 on the expenditure side.

Capital Asset and Debt Administration

Capital Assets

As of June 30, 2023, 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 increase (including additions and deductions) of \$900,000 over last year.

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

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Land	\$ 48.3	\$ 48.3	\$ 1.7	\$ 1.7	\$ 50.0	\$ 50.0
Construction in Progress	25.5	15.8	-	-	25.5	15.8
Buildings and Improvements	197.8	206.3	0.8	0.8	198.6	207.1
Machinery and Equipment	14.3	15.0	-	-	14.3	15.0
Infrastructure	79.8	80.2	-	-	79.8	80.2
Right-to-Use - Leased Asset	0.3	0.3	-	-	0.3	0.3
Right-to-Use - Subscription Asset	0.7	-	-	-	0.7	-
Total	<u>\$ 366.9</u>	<u>\$ 365.9</u>	<u>\$ 2.5</u>	<u>\$ 2.5</u>	<u>\$ 369.4</u>	<u>\$ 368.4</u>

**CITY OF MILFORD, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023**

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

Police Department Equipment and Vehicles	\$ 775
Fire Department Equipment and Vehicles	253
Public Works Department Equipment and Vehicles	951
Microgrid Project	2,010
Pumpkin Delight School Renovations - CIP	6,205
Jonathan Law High School Athletic Facilities - CIP	556
Foran High School Athletic Facilities - CIP	625
Orchard Hills Traffic Flow Improvements - CIP	212
Various School Security Upgrades - CIP	868
Foran High School Pool Dehumidification Project - CIP	773
Municipal Broadband Security Project - CIP	796
Fannie Beach Recreational Complex Roof Replacement - CIP	384
DPW Highway Building Renovations - CIP	323
Morningside Revetment Project - CIP	363
Pumpkin Delight School HVAC Project - CIP	254
Total	<u>\$ 15,348</u>

The City's fiscal-year 2023-2024 capital plan has \$49 million of capital projects planned. School building renovations are estimated at \$34 million, public service projects at \$9 million, and Sewer projects at \$6 million. However, an estimated \$30 million new police station is still in the planning stages and remains on hold. Of the total estimated \$49 million, it is expected to finance \$36 million with bonds and \$13 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, 2023, the City had \$196 million in bonds and notes outstanding versus \$200 million last year an decrease of 2% - 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	
	2023	2022
General Obligation Bonds (Backed by the City)	\$ 176,710	\$ 183,485
Bond Anticipation Notes (Backed by the City)	17,355	15,300
Long-Term Notes Payable	1,317	1,402
Lease Payable	306	291
Subscription Payable	279	-
Total	<u>\$ 195,688</u>	<u>\$ 200,478</u>

**CITY OF MILFORD, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023**

Economic Factors and Next Year's Budgets and Rates

The City's elected and appointed officials considered many factors when setting the fiscal year 2023 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 3.7% to 3.1%. In comparison, the figures for the State of Connecticut have decreased from 4.3% to 3.5%.

These indicators were considered when adopting the General Fund budget for 2023-2024. The adopted budget for FY2024 is \$253 million, an increase of 6% over the final 2023 budget of \$238 million. No new programs or initiatives were added to the 2023 budget. State grants were assumed to fund 5% of the 2024 budget compared to 5% of the 2023 budget.

If estimates are realized, the City's June 30, 2024, budgetary General Fund balance is expected to be \$11.7 million lower than the June 30, 2023, 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 2023-2024 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

This Page is Intentionally Left Blank

CITY OF MILFORD, CONNECTICUT
STATEMENT OF NET POSITION
JUNE 30, 2023
(IN THOUSANDS)

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 133,081	\$ 850	\$ 133,931
Investments	27	-	27
Receivables, Net	12,380	20	12,400
Inventory	37	-	37
Prepaid Items	21	-	21
Capital Assets:			
Capital Assets Not Being Depreciated	73,868	1,681	75,549
Capital Assets Being Depreciated/Amortized, Net	293,014	823	293,837
Total Assets	512,428	3,374	515,802
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows on Refunding	2,018	-	2,018
Deferred Outflows Related to Pensions	23,708	-	23,708
Deferred Outflows Related to OPEB	27,224	-	27,224
Total Deferred Outflows of Resources	52,950	-	52,950
LIABILITIES			
Accounts and Other Payables	17,216	30	17,246
Unearned Revenue	21,651	-	21,651
Due to Other Governments	504	-	504
Bond Anticipation Notes Payable	17,355	-	17,355
Noncurrent Liabilities:			
Due Within One Year	23,764	-	23,764
Due in More Than One Year	567,255	-	567,255
Total Liabilities	647,745	30	647,775
DEFERRED INFLOWS OF RESOURCES			
Advance Property Tax Collection	8,544	-	8,544
Advance Payment in Lieu of Taxes Collection	2,380	-	2,380
Advance Sewer Collections	311	-	311
Deferred Inflows Related to Leases	723	-	723
Deferred Inflows Related to Pensions	2,425	-	2,425
Deferred Inflows Related to OPEB	92,807	-	92,807
Deferred Inflows on Refunding	504	-	504
Total Deferred Inflows of Resources	107,694	-	107,694
NET POSITION			
Net Investments in Capital Assets	162,099	2,504	164,603
Restricted:			
Grants	420	-	420
Student Activities	739	-	739
Unrestricted	(353,319)	840	(352,479)
Total Net Position	\$ (190,061)	\$ 3,344	\$ (186,717)

See accompanying Notes to Financial Statements.

CITY OF MILFORD, CONNECTICUT
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2023
(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	\$ 44,391	\$ 2,350	\$ -	\$ 9,488	\$ (32,553)	\$ -	\$ (32,553)
Administration	7,318	-	-	-	(7,318)	-	(7,318)
Public Safety	37,949	6,398	67	893	(30,591)	-	(30,591)
Public Services	19,924	1,192	-	3,138	(15,594)	-	(15,594)
Education	159,875	3,110	43,260	392	(113,113)	-	(113,113)
Health and Welfare	5,563	1,178	640	-	(3,745)	-	(3,745)
Sewer	7,080	194	58	-	(6,828)	-	(6,828)
Interest on Long-Term Debt	4,667	-	-	-	(4,667)	-	(4,667)
Total Governmental Activities	286,767	14,422	44,025	13,911	(214,409)	-	(214,409)
BUSINESS-TYPE ACTIVITIES							
Nonmajor Enterprise Funds:							
Milford Golf Course	76	93	-	-	-	17	17
Harbor Management	319	354	-	29	-	64	64
Total Business-Type Activities	395	447	-	29	-	81	81
Total	<u>\$ 287,162</u>	<u>\$ 14,869</u>	<u>\$ 44,025</u>	<u>\$ 13,940</u>	(214,409)	81	(214,328)
GENERAL REVENUES							
Property Taxes					219,901	-	219,901
Grants and Contributions Not Restricted to Specific Programs					3,680	-	3,680
Unrestricted Investment Earnings					4,237	9	4,246
Other General Revenues					8,446	-	8,446
Total General Revenues					236,264	9	236,273
CHANGE IN NET POSITION					21,855	90	21,945
Net Position - Beginning of Year					(211,916)	3,254	(208,662)
NET POSITION - END OF YEAR					<u>\$ (190,061)</u>	<u>\$ 3,344</u>	<u>\$ (186,717)</u>

See accompanying Notes to Financial Statements.

**CITY OF MILFORD, CONNECTICUT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2023
(IN THOUSANDS)**

	General	Capital Nonrecurring Fund	School Facilities Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and Cash Equivalents	\$ 52,822	\$ 30,149	\$ 9,730	\$ 25,556	\$ 118,257
Investments	-	-	-	27	27
Receivables, Net	10,659	276	-	1,370	12,305
Inventories	-	-	-	37	37
Prepaid Items	21	-	-	-	21
Total Assets	<u>\$ 63,502</u>	<u>\$ 30,425</u>	<u>\$ 9,730</u>	<u>\$ 26,990</u>	<u>\$ 130,647</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts and Other Payables	\$ 9,777	\$ 1,291	\$ 1,534	\$ 2,816	\$ 15,418
Other Liabilities	-	208	444	12	664
Due to Other Governments	486	18	-	-	504
Unearned Revenue	-	21,513	-	138	21,651
Bond Anticipation Notes Payable	-	2,460	9,879	5,016	17,355
Total Liabilities	<u>10,263</u>	<u>25,490</u>	<u>11,857</u>	<u>7,982</u>	<u>55,592</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue - Property Taxes	3,936	-	-	-	3,936
Unavailable Revenue - Property Taxes Interest	1,934	-	-	-	1,934
Unavailable Revenue - Special Assessments	19	-	-	-	19
Unavailable Revenue - Sewer Use	-	-	-	295	295
Unavailable Revenue - Grant Receivables	-	145	-	-	145
Deferred Inflows Related to Leases	435	-	-	288	723
Advance Payment in Lieu of Taxes Collections	2,380	-	-	-	2,380
Advance Sewer Collections	-	-	-	311	311
Advance Property Tax Collections	8,544	-	-	-	8,544
Total Deferred Inflows of Resources	<u>17,248</u>	<u>145</u>	<u>-</u>	<u>894</u>	<u>18,287</u>
FUND BALANCES					
Nonspendable	21	-	-	37	58
Restricted	-	559	3,406	2,413	6,378
Committed	1,517	4,790	-	20,506	26,813
Assigned	12,729	-	-	-	12,729
Unassigned	21,724	(559)	(5,533)	(4,842)	10,790
Total Fund Balances	<u>35,991</u>	<u>4,790</u>	<u>(2,127)</u>	<u>18,114</u>	<u>56,768</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 63,502</u>	<u>\$ 30,425</u>	<u>\$ 9,730</u>	<u>\$ 26,990</u>	<u>\$ 130,647</u>

See accompanying Notes to Financial Statements.

**CITY OF MILFORD, CONNECTICUT
BALANCE SHEET
GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2023
(IN THOUSANDS)**

RECONCILIATION TO THE STATEMENT OF NET POSITION

Fund Balances - Total Governmental Funds (Exhibit III)	\$	56,768
--	----	--------

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	629,185	
Less Accumulated Depreciation/Amortization	(262,303)	
Net Capital Assets	366,882	

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	3,936	
Interest Receivable on Property Taxes	1,934	
Grant Receivables Greater than 120 Days	145	
Assessments Receivable	19	
Sewer Use Receivable	295	
Deferred Outflows Related to Pensions	23,708	
Deferred Outflows Related to OPEB	27,224	
Deferred Outflows - Refunding	2,018	

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.

8,221

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	(178,027)	
Lease Payable	(306)	
Subscription Payable	(279)	
Accrued Interest Payable	(1,110)	
Compensated Absences	(16,764)	
Bond Premium	(11,791)	
Net Pension Liability	(90,956)	
Total/Net OPEB Liability	(286,242)	
Deferred Inflows Related to Pensions	(2,425)	
Deferred Inflows Related to OPEB	(92,807)	
Deferred Inflows - Refunding	(504)	

Net Position of Governmental Activities (Exhibit I)	\$	(190,061)
---	----	-----------

See accompanying Notes to Financial Statements.

CITY OF MILFORD, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2023
(IN THOUSANDS)

	General	Capital Nonrecurring Fund	School Facilities Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Property Taxes and Assessments	\$ 209,924	\$ -	\$ -	\$ 8,317	\$ 218,241
Fines, Forfeitures, Penalties, and Interest	1,354	-	-	34	1,388
Intergovernmental	31,557	12,203	-	12,956	56,716
Charges for Services	5,878	221	-	8,211	14,310
Investment Income	2,521	1,235	-	481	4,237
Other	7,514	-	-	990	8,504
Total Revenues	258,748	13,659	-	30,989	303,396
EXPENDITURES					
Current:					
General Government	42,459	-	-	178	42,637
Administration	3,616	-	-	-	3,616
Public Safety	31,157	-	-	2,844	34,001
Public Services	12,955	-	-	1,318	14,273
Education	144,905	-	-	13,494	158,399
Health and Welfare	1,964	-	-	2,336	4,300
Sewer	-	-	-	7,080	7,080
Capital Outlay	1,257	16,215	8,364	2,051	27,887
Debt Service	19,628	-	-	1,953	21,581
Total Expenditures	257,941	16,215	8,364	31,254	313,774
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	807	(2,556)	(8,364)	(265)	(10,378)
OTHER FINANCING SOURCES (USES)					
Issuance of Bonds	-	5,260	2,224	576	8,060
Premium on Bond Issuance	294	-	-	-	294
Lease Issuance	135	-	-	-	135
Subscription Issuance	1,122	-	-	-	1,122
Transfers In	1,021	75	-	445	1,541
Transfers Out	(520)	(95)	(726)	(200)	(1,541)
Total Other Financing Sources (Uses)	2,052	5,240	1,498	821	9,611
NET CHANGE IN FUND BALANCES	2,859	2,684	(6,866)	556	(767)
Fund Balances - Beginning of Year	33,132	2,106	4,739	17,558	57,535
FUND BALANCES - END OF YEAR	<u>\$ 35,991</u>	<u>\$ 4,790</u>	<u>\$ (2,127)</u>	<u>\$ 18,114</u>	<u>\$ 56,768</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, 2023
(IN THOUSANDS)

RECONCILIATION TO THE STATEMENT OF ACTIVITIES

Net Change in Fund Balances - Total Governmental Funds (Exhibit IV) \$ (767)

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	17,801
Depreciation/Amortization Expense	(15,432)

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. (1,449)

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	591
Property Tax Interest and Lien Revenue - Accrual Basis Change	(319)
Grant Receivables - Accrual Basis Change	(98)
Sewer Assessment Receivable - Accrual Basis Change	34
Sewer Assessment Interest Receivable - Accrual Change	5
Deferred Outflows Related to Pension	(3,037)
Deferred Outflows Related to OPEB	(10,161)
Deferred Outflows on Refunding	(366)

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	(8,060)
Premium on Bonds Issued	(294)
Bond and Note Principal Payments	14,920
Lease Issuance	(135)
Lease Principal Payment	120
Subscription Issuance	(1,122)
Subscription Payment	843

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	480
Accrued Interest	59
Amortization of Bond Premium	1,368
Total/Net OPEB Liability	24,226
Net Pension Liability	(2,302)
Deferred Inflows Related to Pension	1,647
Deferred Inflows Related to OPEB	(3,920)
Deferred Inflows on Refunding	54

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.

	7,169
Change in Net Position of Governmental Activities (Exhibit II)	\$ 21,855

See accompanying Notes to Financial Statements.

CITY OF MILFORD, CONNECTICUT
STATEMENT OF NET POSITION
PROPRIETARY FUND
JUNE 30, 2023
(IN THOUSANDS)

	Business-Type Activities Nonmajor Enterprise Funds	Governmental Activities Internal Service
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 850	\$ 14,824
Receivables, Net	20	75
Total Current Assets	<u>870</u>	<u>14,899</u>
Noncurrent Assets:		
Capital Assets:		
Not being Depreciated	1,681	-
Being Depreciated, Net	823	-
Total Noncurrent Assets	<u>2,504</u>	<u>-</u>
Total Assets	3,374	14,899
LIABILITIES		
Current Liabilities:		
Accounts Payable and Accrued Liabilities	30	24
Risk Management Claims	-	408
Total Current Liabilities	<u>30</u>	<u>432</u>
Noncurrent Liabilities:		
Risk Management Claims	-	6,246
Total Liabilities	30	6,678
NET POSITION		
Investment in Capital Assets	2,504	-
Unrestricted	840	8,221
Total Net Position	<u>\$ 3,344</u>	<u>\$ 8,221</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, 2023
(IN THOUSANDS)

	Business-Type Activities Nonmajor Enterprise Funds	Governmental Activities Internal Service
OPERATING REVENUES		
Employer Contributions	\$ -	\$ 41,826
Charges for Services	447	7,257
Other	-	2,491
Total Operating Revenues	<u>447</u>	<u>51,574</u>
OPERATING EXPENSES		
Salaries	129	-
Operations and Supplies	111	-
Insurance	91	-
Depreciation	64	-
Insurance Premiums and Claims Expense	-	44,405
Total Operating Expenses	<u>395</u>	<u>44,405</u>
OPERATING INCOME (LOSS)	52	7,169
NONOPERATING REVENUE		
Interest Income	<u>9</u>	<u>-</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	61	7,169
CAPITAL CONTRIBUTIONS AND TRANSFERS		
Capital Contributions	<u>29</u>	<u>-</u>
Total Capital Contributions and Transfers	<u>29</u>	<u>-</u>
CHANGE IN NET POSITION	90	7,169
Total Net Position - Beginning of Year	<u>3,254</u>	<u>1,052</u>
TOTAL NET POSITION - END OF YEAR	<u><u>\$ 3,344</u></u>	<u><u>\$ 8,221</u></u>

See accompanying Notes to Financial Statements.

**CITY OF MILFORD, CONNECTICUT
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
YEAR ENDED JUNE 30, 2023
(IN THOUSANDS)**

	Business-Type Activities <u>Nonmajor Enterprise Funds</u>	Governmental Activities <u>Internal Service</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received From Contributions and Charges for Services	\$ 427	\$ 51,553
Cash Paid to Employees	(129)	-
Cash Paid to Vendors	(189)	-
Cash Payments for Claims Paid	-	(46,490)
Net Cash Provided by Operating Activities	<u>109</u>	<u>5,063</u>
CASH FLOWS FROM CAPITAL ACTIVITIES		
Purchase of Capital Assets	<u>(6)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest and Dividends Received	<u>9</u>	<u>-</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	112	5,063
Cash and Cash Equivalents - Beginning of Year	<u>738</u>	<u>9,761</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u><u>\$ 850</u></u>	<u><u>\$ 14,824</u></u>

See accompanying Notes to Financial Statements.

**CITY OF MILFORD, CONNECTICUT
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
YEAR ENDED JUNE 30, 2023
(IN THOUSANDS)**

	Business-Type Activities <u>Nonmajor Enterprise Funds</u>	Governmental Activities <u>Internal Service</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating Income (Loss)	\$ 52	\$ 7,169
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:		
Depreciation Expense	64	-
(Increase) Decrease in Accounts Receivable	(20)	(21)
Increase (Decrease) in Accounts Payable and Accrued Liabilities	13	(2,085)
Net Cash Provided by Operating Activities	<u>\$ 109</u>	<u>\$ 5,063</u>
SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING ACTIVITIES		
Capital Asset Transfer	<u>\$ 29</u>	<u>\$ -</u>

See accompanying Notes to Financial Statements.

CITY OF MILFORD, CONNECTICUT
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2023
(IN THOUSANDS)

	Pension and Other Employee Benefit Trust Funds
ASSETS	
Cash and Cash Equivalents	\$ 37,779
Investments:	
Corporate Bonds	12,834
U.S. Government Securities	4,622
Marketable Equity Securities	76,573
Alternative Investments	213,841
Mutual Funds	57,672
Total Investments	365,542
Due From Other Funds:	
Receivables	11
Total Assets	403,332
LIABILITIES	
Accounts and Other Payables	155
NET POSITION	
Restricted for Pension Benefits	391,769
Restricted for OPEB Benefits	11,408
Total Net Position	\$ 403,177

See accompanying Notes to Financial Statements.

CITY OF MILFORD, CONNECTICUT
STATEMENT OF CHANGES IN PLAN NET POSITION
FIDUCIARY FUNDS
YEAR ENDED JUNE 30, 2023
(IN THOUSANDS)

	Pension and Other Employee Benefit Trust Funds
ADDITIONS	
CONTRIBUTIONS	
Plan Members	\$ 3,300
Employer	21,183
Total Contributions	<u>24,483</u>
INVESTMENT INCOME	
Net Change in Fair Value of Investments	12,354
Interest and Dividends	23,530
Total Investment Income	<u>35,884</u>
Less Investment Expense	<u>2,852</u>
Net Investment Income	<u>33,032</u>
Total Additions	57,515
DEDUCTIONS	
Benefit Payments and Withdrawals	38,278
Administration	101
Total Deductions	<u>38,379</u>
CHANGE IN NET POSITION	19,136
Net Position - Beginning of Year	<u>384,041</u>
NET POSITION - END OF YEAR	<u><u>\$ 403,177</u></u>

See accompanying Notes to Financial Statements.

This Page is Intentionally Left Blank

CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(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, 2023
(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, 2023
(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, 2023
(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, 2023
(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 \$288 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. 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, 2023
(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 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 assets are initially measured at the present value of payments expected to be made during the lease term, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized in a systematic and rational manner over the lease term.

SBITA assets are initially measured as the sum of the present value of payments expected to be made during the subscription term, payments associated with the SBITA contract made to the SBITA vendor at the commencement of the subscription term, when applicable, and capitalizable implementation costs, less any SBITA vendor incentives received from the SBITA vendor at the commencement of the SBITA term. SBITA assets are amortized in a systematic and rational manner over the subscription term.

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 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).

CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Deferred Outflows/Inflows of Resources (Continued)

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets 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. The statement of net position and the governmental funds balance sheet also report a deferred inflow of resources related to leases. The lease related deferred inflow of resources is recorded in an amount equal to the corresponding lease receivable plus any payments received at or before the start of the lease term that relates to future periods, less any lease incentives paid to, or on behalf of the lessee at or before the commencement of the lease term. The inflow of resources is recognized in a systematic and rational manner over the term of the lease.

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.

**CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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

K. Net Pension Liability

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

CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

M. 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.

N. 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, 2023
(IN THOUSANDS)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. 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.

O. 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, 2023
(IN THOUSANDS)**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

P. Adoption of New Accounting Standards

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*

In May 2020, the GASB issued GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This standard defines a subscription-based information technology arrangement (SBITA); establishes that a SBITA results in a right-to-use subscription asset (an intangible asset) and a corresponding subscription liability; provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and requires note disclosures regarding a SBITA.

The Entity adopted the requirements of the guidance effective July 1, 2022 and has applied the provisions of this standard to the beginning of the period of adoption. The implementation of this standard resulted in the Government reporting a SBITA asset and a SBITA liability as disclosed in Note 6 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. There were no additional appropriations 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, 2023
(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 lease and SBITA issuances.

B. Deficit Fund Balance/Net Position

The following funds had a deficit fund balance at June 30, 2023:

School Facilities Fund	\$ 2,127
Nonmajor:	
School Renovations Fund	3,341
Sanitary Sewer Fund	247
Internal Service Funds:	
Workers' Compensation Fund	1,294

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, 2023
(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, 2023
(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*, \$36,455 of the City's bank balance of \$37,768 was exposed to custodial credit risk as follows:

Uninsured and Uncollateralized	\$ 32,682
Uninsured and Collateral Held by the Pledging Bank's Trust Department, not in the City's Name	3,773
Total Amount Subject to Custodial Credit Risk	<u>\$ 36,455</u>

Cash Equivalents

At June 30, 2023, the City's cash equivalents amounted to \$137,969. 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:

	Standard & Poor
State Short-Term Investment Fund (STIF)	AAA/m
Money Market Mutual Funds	Not Rated

Investments

As of June 30, 2023, 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	\$ 4,622	\$ 283	\$ 2,168	\$ 2,171
Corporate Bonds	12,835	4,436	2,364	6,035
Certificates of Deposit	27 *	27	-	-
Total	<u>17,484</u>	<u>\$ 4,746</u>	<u>\$ 4,532</u>	<u>\$ 8,206</u>
Other Investments:				
Equities	76,572			
Alternative Investments	213,841			
Mutual Funds	57,672			
Total Investments	<u>\$ 365,569</u>			

* Subject to coverage by Federal Depository Insurance and collateralization.

**CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(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		\$ 4,622	\$ -	\$ -
Aa3	299	-	-	-
A1	320	-	-	-
A2	227	-	-	-
A3	253	-	-	-
Baa1	647	-	-	-
Baa2	753	-	-	-
Baa3	901	-	-	-
Ba1	160	-	-	-
Ba3	-	-	-	-
B1	84	-	-	-
B2	-	-	-	-
Unrated	9,191	-	27	57,672
Total	<u>\$ 12,835</u>	<u>\$ 4,622</u>	<u>\$ 27</u>	<u>\$ 57,672</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, 2023, 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
JUNE 30, 2023
(IN THOUSANDS)

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, 2023:

	June 30, 2023	Fair Value Measurement		
		Level 1	Level 2	Level 3
Investments by Fair Value Level:				
U.S. Government Securities	\$ 4,622	\$ 4,086	\$ 536	\$ -
Corporate Bonds	12,835	12,835	-	-
Equity Securities	76,572	76,572	-	-
Alternative Investments	113,048	-	113,048	-
Mutual Funds	57,672	57,672	-	-
Total Investments by Fair Value Level	264,749	<u>\$ 151,165</u>	<u>\$ 113,584</u>	<u>\$ -</u>
Investments Measured at Net Asset Value (NAV):				
Alternative Investments	100,793			
Subtotal	365,542			
Certificates of Deposit	27			
Total Investments	<u>\$ 365,569</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, 2023 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
JUNE 30, 2023
(IN THOUSANDS)**

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	\$ 6,520	\$ -	\$ -	\$ 6,520
Accounts	3,994	-	600	4,594
Leases	414	-	309	723
Special Assessments	19	-	-	19
Intergovernmental	-	276	556	832
Pension - Accrued Income	-	-	11	11
Gross Receivables	10,947	276	1,476	12,699
Less Allowance for Uncollectibles	(288)	-	-	(288)
Net Total Receivables	<u>\$ 10,659</u>	<u>\$ 276</u>	<u>\$ 1,476</u>	<u>\$ 12,411</u>

CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(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 2068 and provide for renewal options ranging from three months to six years. During the year ended June 30, 2023, the City recognized \$83 and \$15 in lease revenue and interest revenue, respectively, pursuant to these contracts.

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

Year Ending June 30,	Governmental Activities		Business-Type Activities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 52	\$ 14	\$ -	\$ -	\$ 52	\$ 14
2025	52	13	-	-	52	13
2026	52	12	-	-	52	12
2027	52	11	-	-	52	11
2028	52	10	-	-	52	10
2029-2033	187	40	-	-	187	40
2034-2038	87	24	-	-	87	24
2039-2043	35	19	-	-	35	19
2044-2048	35	16	-	-	35	16
2049-2053	35	12	-	-	35	12
2054-2058	35	8	-	-	35	8
2059-2063	34	4	-	-	34	4
2064-2068	15	1	-	-	15	1
Total Minimum Lease Payments	<u>\$ 723</u>	<u>\$ 184</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 723</u>	<u>\$ 184</u>

CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 6 CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2023 was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental Activities:					
Capital Assets not Being Depreciated:					
Land	\$ 48,340	\$ -	\$ -	\$ -	\$ 48,340
Construction in Progress	15,783	12,179	-	(2,434)	25,528
Total Capital Assets not Being Depreciated	64,123	12,179	-	(2,434)	73,868
Capital Assets Being Depreciated/Amortized:					
Buildings and Improvements	312,231		(91)	1,090	313,230
Improvements Other than Buildings	25,299	42	-	(29)	25,312
Machinery and Equipment	51,393	2,342	(585)	-	53,150
Infrastructure	159,986	2,010	(1,346)	1,344	161,994
Right-to-Use Lease Assets	708	135	(334)	-	509
Right-to-Use Subscription Assets	-	1,122	-	-	1,122
Total Capital Assets Being Depreciated/ Amortized	549,617	5,651	(2,356)	2,405	555,317
Less Accumulated Depreciation /Amortization for:					
Buildings and Improvements	(121,904)	(7,652)	-	-	(129,556)
Improvements Other than Buildings	(9,366)	(1,817)	-	-	(11,183)
Machinery and Equipment	(36,355)	(2,991)	545	-	(38,801)
Infrastructure	(79,743)	(2,432)	-	-	(82,175)
Right-to-Use Lease Assets	(410)	(151)	362	-	(199)
Right-to-Use Subscription Assets	-	(389)	-	-	(389)
Total Accumulated Depreciation/Amortization	(247,778)	(15,432)	907	-	(262,303)
Total Capital Assets Being Depreciated/ Amortized, Net	301,839	(9,781)	(1,449)	2,405	293,014
Governmental Activities Capital Assets, Net	<u>\$ 365,962</u>	<u>\$ 2,398</u>	<u>\$ (1,449)</u>	<u>\$ (29)</u>	<u>\$ 366,882</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	1,642	-	-	29	1,671
Machinery and Equipment	675	6	-	-	681
Total Capital Assets Being Depreciated	3,182	6	-	29	3,217
Less Accumulated Depreciation for:					
Buildings and System	(365)	(18)	-	-	(383)
Improvements Other than Buildings	(1,297)	(45)	-	-	(1,342)
Machinery and Equipment	(668)	(1)	-	-	(669)
Total Accumulated Depreciation	(2,330)	(64)	-	-	(2,394)
Total Capital Assets Being Depreciated, Net	852	(58)	-	29	823
Business-Type Activities Capital Assets, Net	<u>\$ 2,533</u>	<u>\$ (58)</u>	<u>\$ -</u>	<u>\$ 29</u>	<u>\$ 2,504</u>

CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 6 CAPITAL ASSETS (CONTINUED)

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

Governmental Activities:

General Government	\$ 894
Public Safety	1,844
Public Service	5,747
Education	5,695
Health and Welfare	1,252
Total Depreciation and Amortization Expense - Governmental Activities	<u>\$ 15,432</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, 2023. 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, 2023
General Capital Improvement	\$ 110,721	\$ 83,686	\$ 1,046	\$ 25,989
Education Capital Improvement	86,944	55,445	299	31,200
Sanitary Sewers and Wastewater Facilities	12,672	3,707	-	8,965
Total	<u>\$ 210,337</u>	<u>\$ 142,838</u>	<u>\$ 1,345</u>	<u>\$ 66,154</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, 2023. Interfund transfers as of June 30, 2023 are as follows:

	Transfers In			Total Transfers Out
	General Fund	Capital Nonrecurring	Nonmajor Governmental	
Transfers Out:				
General Fund	\$ -	\$ 75	\$ 445	\$ 520
Capital Nonrecurring	95	-	-	95
School Facilities	726	-	-	726
Nonmajor Governmental	200	-	-	200
Total	<u>\$ 1,021</u>	<u>\$ 75</u>	<u>\$ 445</u>	<u>\$ 1,541</u>

CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(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	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Bonds Payable:					
General Obligation Bonds	\$ 183,485	\$ 8,060	\$ 14,835	\$ 176,710	\$ 15,615
Bond Premium	12,865	294	1,368	11,791	-
Total Bonds Payable	196,350	8,354	16,203	188,501	15,615
Lease Payable	291	135	120	306	106
Subscription Payable	-	1,122	843	279	120
Notes Payable - direct borrowing	1,402	-	85	1,317	87
Claims and Judgments	8,658	44,405	46,409	6,654	408
Compensated Absences	17,244	641	1,121	16,764	1,090
Net Pension Liability	88,654	2,302	-	90,956	-
Net OPEB Liability - City	166,954	-	19,507	147,447	-
Total OPEB Liability - BOE	143,514	-	4,719	138,795	6,338
Total Governmental Activities Long-Term Liabilities	<u>\$ 623,067</u>	<u>\$ 56,959</u>	<u>\$ 89,007</u>	<u>\$ 591,019</u>	<u>\$ 23,764</u>

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, 2023
(IN THOUSANDS)

NOTE 8 LONG-TERM DEBT (CONTINUED)

General Obligation Bonds

Bonds payable at June 30, 2023 amounted to \$176,710 with interest rates ranging from 2.0% to 5.0% on bonds maturing at various dates through the year 2042. A schedule of government bonds outstanding at June 30, 2023 is presented below:

Description	Date of Issue	Interest Rate (%)	Original Issue	Outstanding June 30, 2023
General purpose:				
2014 - General Purpose	11/10/14	2.13-5.00%	\$ 3,740	\$ 2,220
2014 - Refunding - General Purpose	12/17/14	4.00-5.00%	3,416	1,586
2015 - General Purpose	11/09/15	2.00-5.00%	2,555	1,640
2016 - Refunding - General Purpose	03/03/16	3.00-5.00%	3,822	1,600
2016 - General Purpose	11/07/16	2.00-5.00%	6,497	4,550
2017 - General Purpose	11/06/17	3.00-5.00%	9,345	6,995
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	10,445
2019 - General Purpose	11/04/19	2.00-5.00%	6,690	5,695
2020 - Refunding - General Purpose	11/02/20	3.00-5.00%	7,884	6,671
2020 - General Purpose	11/03/20	2.00-5.00%	9,755	8,785
2021A - Refunding - General Purpose	11/02/21	2.00-5.00%	17,010	16,160
2021B Refunding of 2013 - General Purpose	11/02/21	5.00	719	694
2022 - General Purpose	11/01/22	2.00-5.00%	6,125	6,125
Total general purpose				76,352
School:				
2014 - Schools	11/10/14	2.13-5.00%	6,475	3,900
2014 - Refunding - Schools	12/17/14	4.00-5.00	6,083	2,681
2015 - Schools	11/09/15	2.00-5.00%	1,725	1,105
2016 - Refunding - Schools	03/03/16	3.00-5.00%	4,847	2,908
2016 - Schools	11/07/16	2.00-5.00%	6,788	4,750
2017 - Schools	11/06/17	3.00-5.00%	6,285	4,710
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	3,680
2019 - Schools	11/04/19	2.00-5.00%	650	561
2020 - Refunding - Schools	11/02/20	3.00-5.00%	3,084	2,367
2020 - Schools	11/03/20	2.00-5.00%	9,690	8,720
2021A - Refunding - Schools	11/02/21	2.00-5.00%	7,230	6,869
2021B -Refunding of 2013 - Schools	11/02/21	5.00	1,486	1,434
2022 - Schools	11/01/22	2.00-5.00%	1,520	1,520
Total Schools				49,738
Sewer:				
2014 - Sewer	11/10/14	2.13-5.00%	3,980	2,400
2014 - Refunding - Sewer	12/17/14	4.00-5.00	5,436	2,283
2015 - Sewer	11/09/15	2.00-5.00%	4,070	2,665
2016 - Refunding - Sewer	03/03/16	3.00-5.00%	7,346	3,517
2016 - Sewer	11/07/16	2.00-5.00%	3,155	2,195
2017 - Sewer	11/06/17	3.00-5.00%	3,105	2,325
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	2,720
2019 - Sewer	11/04/19	2.00-5.00%	2,340	1,989
2020 -Refunding - Sewer	11/02/20	3.00-5.00%	5,492	5,407
2020 - Sewer	11/03/20	2.00-5.00%	3,115	2,800
2020 - Refunding - Sewer - Single Purpose	12/11/20	5.00	17,560	13,650
2021A - Refunding - Sewer	11/02/21	2.00-5.00%	1,460	1,387
2021B - Refunding of 2013 - Sewer	11/02/21	5.00	1,510	1,456
2022 - Sewer	11/01/22	2.00-5.00%	415	415
Total Sewer				50,620
Total				\$ 176,710

**CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(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>
2024	\$ 15,615	\$ 6,283	\$ 21,898
2025	15,385	5,542	20,927
2026	15,220	4,847	20,067
2027	14,950	4,200	19,150
2028	14,600	3,572	18,172
2028-2032	55,165	10,748	65,913
2033-2037	33,195	3,854	37,049
2038-2042	12,580	601	13,181
Total	<u>\$ 176,710</u>	<u>\$ 39,647</u>	<u>\$ 216,357</u>

Notes Payable – Direct Borrowing

On November 15, 2017, the City entered into a \$1,603,516 with All American Investment Group LLC to finance a microgrid system. The note is payable in annual installments beginning November 15, 2019 at an interest rate of 3.595% and collateralized by the microgrid. Events of default include payments default. Such a default could result in the lender exercising its interest in the collateral.

Minimum annual principal and interest payments required to retire notes payable as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 87	\$ 47	\$ 134
2025	101	44	145
2026	104	41	145
2027	108	37	145
2028	112	33	145
2028-2032	515	89	604
2033-2034	290	15	305
Total	<u>\$ 1,317</u>	<u>\$ 306</u>	<u>\$ 1,623</u>

Bond Anticipation Notes

Bond anticipation notes, which serve as temporary financing for certain capital projects, were outstanding at June 30, 2023.

Notes Payable, July 1, 2022	\$ 15,300
Notes Issued	17,355
Notes Retired	(15,300)
Notes Payable, June 30, 2023	<u>\$ 17,355</u>

During the year, the City issued \$17,355 in notes dated November 2, 2022, which mature on October 30, 2023. The notes carry an interest rate of 4.25%. These notes serve as temporary financing for various school, public improvements, and sewer projects.

CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 8 LONG-TERM DEBT (CONTINUED)

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 2028 and provide for renewal options ranging from three months to five years.

Principal and interest requirements to maturity 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>
2024	\$ 106	\$ 5	\$ 111
2025	88	3	91
2026	72	1	73
2027	35	1	36
2028	5	-	5
Total	<u>\$ 306</u>	<u>\$ 10</u>	<u>\$ 316</u>

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

	<u>Governmental Activities</u>
Equipment	\$ 509
Less: Accumulated Amortization	(199)
Total	<u>\$ 310</u>

Subscription-Based Information Technology Arrangements

As of June 30, 2023, the City has entered into several subscription based-information technology arrangements (SBITAs) for Software as a Service (SaaS), and Platform as a Service (PaaS) applications. These arrangements expire at various dates through 2027 and provide for renewal options.

As of June 30, 2023 SBITA assets and the related accumulated amortization totaled \$1,122 and \$389, respectively.

The future subscription payments under SBITA agreements are as follows:

<u>Year Ending June 30,</u>	<u>Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 120	\$ 4	\$ 124
2025	98	2	100
2026	30	1	31
2027	31	-	31
Total	<u>\$ 279</u>	<u>\$ 7</u>	<u>\$ 286</u>

**CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)**

NOTE 8 LONG-TERM DEBT (CONTINUED)

Other Obligations

At June 30, 2023, 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.

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	\$ 422,827	\$ 105,515	\$ 317,312
Schools	845,654	76,517	769,137
Sewers	704,711	58,545	646,166
Urban Renewal	610,750	-	610,750
Pension Deficit	563,769	-	563,769

The total overall statutory debt limit for the City is equal to seven times annual receipts from taxation (\$1,315,461). The authorized/unissued debt has been reduced by grant proceeds of \$26,529 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 \$62,244 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 FY2023, 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
JUNE 30, 2023
(IN THOUSANDS)

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 are no claims 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, 2023 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,
6/30/2022	\$ 62	\$ 1,426	\$ 1,426	\$ 62
6/30/2023	62	1,213	1,225	50

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, 2023 and 2022 were as follows:

<i>In thousands</i>	Liability July 1,	Current Year Claims	Claim Payments	Liability June 30,
6/30/2022	\$ 4,457	\$ 2,452	\$ 1,804	\$ 5,105
6/30/2023	5,105	1,331	1,995	4,441

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, 2023, 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
JUNE 30, 2023
(IN THOUSANDS)**

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, 2023 and 2022 were as follows:

<i>In thousands</i>	Liability July 1,	Current Year Claims	Claim Payments	Liability June 30,
6/30/2022	\$ 2,182	\$ 43,179	\$ 41,870	\$ 3,491
6/30/2023	3,491	41,861	43,189	2,163

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.

**CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)**

NOTE 10 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

City of Milford Retirement System (Continued)

A. Plan Descriptions and Benefits Provided (Continued)

Final average salary is the average of the two or three 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.

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, 2022:

	City of Milford Retirement System
Retirees and Beneficiaries Receiving Benefits	847
Terminated Employees Entitled to Benefits but not Yet Receiving Them	64
Active Plan Members	665
Total	<u>1,576</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).

**CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)**

NOTE 10 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

City of Milford Retirement System (Continued)

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%.

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, 2023:

<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>100.00 %</u>

**CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)**

NOTE 10 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

City of Milford Retirement System (Continued)

D. Investments (Continued)

Rate of Return

For the year ended June 30, 2023, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 8.65%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net Pension Liability

The components of the net pension liability at June 30, 2023, were as follows:

Total Pension Liability	\$ 482,725
Plan Fiduciary Net Position	391,769
Net Pension Liability	<u>\$ 90,956</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	81.16%

E. Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of July 1, 2022, and measurement date of June 30, 2023, 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:	7.20 %

Mortality rates were based on PUB-2010 Public Retirement Plans projected to the valuation date with scale MP-2021. 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
JUNE 30, 2023
(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, 2023 (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	5.00 %
U.S. Mid/Small Cap Equity	5.30
International Developed Equity	6.40
International Emerging Market Equity	7.70
Core Fixed Income	2.05
High Yield Fixed Income	4.05
International Fixed Income	1.20
REITs	3.30
Other (Hege Fund, Etc.)	4.90

F. Discount Rate

The discount rate used to measure the total pension liability was 7.20%, a change from 7.3% 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, 2023
(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, 2022	\$ 462,590	\$ 373,936	\$ 88,654
Changes for the Year:			
Service Cost	9,303	-	9,303
Interest on Total Pension Liability	33,321	-	33,321
Differences Between Expected and Actual Experience	4,102	-	4,102
Changes in Assumptions	4,853	-	4,853
Employer Contributions	-	13,849	(13,849)
Member Contributions	-	3,300	(3,300)
Net Investment Income	-	32,229	(32,229)
Benefit Payments, Including Refund to Employee Contributions	(31,444)	(31,444)	-
Administrative Expenses	-	(101)	101
Net Changes	20,135	17,833	2,302
Balances as of June 30, 2023	<u>\$ 482,725</u>	<u>\$ 391,769</u>	<u>\$ 90,956</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 (6.20%)	Current Discount Rate (7.20%)	1% Increase (8.20%)
City Net Pension Liability (Asset)	<u>\$ 144,456</u>	<u>\$ 90,956</u>	<u>\$ 45,944</u>

**CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(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, 2023, the City recognized pension expense of \$17,541. At June 30, 2023, 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	\$ 3,781	\$ 2,242
Changes of Assumptions	6,961	183
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	12,966	-
Total	<u>\$ 23,708</u>	<u>\$ 2,425</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>
2024	\$ 3,631
2025	696
2026	16,712
2027	244
Total	<u>\$ 21,283</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, 2023 were \$562,649 (amount not rounded).

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
JUNE 30, 2023
(IN THOUSANDS)**

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, 2023, the amount of "on-behalf" contributions made by the State was \$17,979 and is recognized in the General Fund as intergovernmental revenues and education expenditures.

**CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(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, 2023, 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	228,039
Total	<u>\$ 228,039</u>

The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022. At June 30, 2023, the City has no proportionate share of the net pension liability.

For the year ended June 30, 2023, the City recognized pension expense and revenue of \$22,040 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
JUNE 30, 2023
(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, 2022 valuation were based on the results of an actuarial experience study for the five-year period ending June 30, 2019.

Assumption changes since the prior year are as follows:

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

Benefit changes since the prior year are as follows:

- Legislation was passed restoring the 25% wear down of Plan N benefits to vested members as of 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.

**CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)**

NOTE 10 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Connecticut State Teachers' Retirement System – Pension (Continued)

I. Actuarial Assumptions (Continued)

Long-Term Rate of Return (Continued)

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	5.40 %	20.00%
Developed Market Intl. Stock Fund	6.40	11.00
Emerging Market Intl. Stock Fund	8.60	9.00
Core Fixed Income Fund	0.80	13.00
Emerging Market Debt Fund	3.80	5.00
High Yield Bond Fund	3.40	3.00
Real Estate Fund	5.20	19.00
Private Equity	9.40	10.00
Private Credit	6.50	5.00
Alternative Investments	3.10	3.00
Liquidity Fund	(0.40)	2.00
Total		<u>100.00%</u>

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
JUNE 30, 2023
(IN THOUSANDS)

NOTE 11 OTHER POSTEMPLOYMENT BENEFITS

A. 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	\$17,036 Per Year
Fire	\$17,529 Per Year
Police	\$18,070 Per Year

Post-65:

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

Medicare Part B:

Actives	\$1,978 Per Year
Retirees	\$1,978 Per Year

Medicare Advantage Plan - Low Option	\$3,562 Per Year
Medicare Advantage Plan - High Option	\$4,239 Per Year

**CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)**

NOTE 11 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

A. Plan Description and Benefits Provided (Continued)

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.

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, 2023, 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.

**CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)**

NOTE 11 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

A. Plan Description and Benefits Provided (Continued)

Board of Education Plan (Continued)

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.

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 \$220 (single) and/or \$440 (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.

**CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)**

NOTE 11 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

A. Plan Description and Benefits Provided (Continued)

Board of Education Plan (Continued)

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

Pre-65 (for Current Active Members who Retire):	<u>As of July, 2022</u>
Board of Ed-Café	\$13,312 per year
Board of Ed-Cust	\$13,312 per year
Board of Ed-Sec	\$13,516 per year
Board of Ed-Para	\$13,190 per year
Administrators	\$13,190 per year
Teachers	\$13,190 per year
Pre-65 (for Current Retirees who are Under 65):	
Based on Plan Selected	-
	<u>As of January 1, 2023</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	\$1,979 per year
Medicare Advantage Plan	\$4,974 per year
Post-65 (for Current Retirees who are Under 65):	
Based on Plan Selected - Dental Plan	\$476 per year

Membership

Membership in the plan consisted of the following at July 1, 2022:

	<u>City of Milford Retiree Medical Benefit Plan</u>	<u>Board of Education Retiree Medical Benefit Plan</u>	<u>Total</u>
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	556	749	1,305
Active Plan Members	503	947	1,450
Total Participants	<u>1,059</u>	<u>1,696</u>	<u>2,755</u>

**CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)**

NOTE 11 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

B. 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.

Long-Term Expected Rate of Return

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, 2023 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Expected Real Rate of Return</u>
U.S. Large Cap Equity	25.00 %	5.00 %
U.S. Mid/Small Cap Equity	17.00	5.30
International Developed Equity	10.00	6.40
International Emerging Market Equity	8.00	7.70
Domestic Government	10.00	2.05
High Yield Fixed Income	5.00	4.05
International Fixed Income	5.00	4.05
Inflation Adjusted Fixed Income	5.00	1.20
Cash	3.00	0.05
Commodities	2.00	3.30
Other (REITs, Alternative Assets, etc.)	10.00	4.90
Total	<u>100.00 %</u>	

Rate of Return

For the year ended June 30, 2023, the annual money-weighted rate of return on investments, net of investment expense, was 7.59%. 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, 2023
(IN THOUSANDS)**

NOTE 11 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

C. Net OPEB Liability of the City

The City's OPEB liability was measured as of June 30, 2023. The components of the total and net OPEB liability of the City at June 30, 2023 were as follows:

	City of Milford Retiree Medical Benefit Plan	Board of Education Retiree Medical Benefit Plan
Total OPEB Liability	\$ 158,855	\$ 138,795
Plan Fiduciary Net Position	11,408	
Net OPEB Liability	<u>\$ 147,447</u>	

Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	7.18%
--	-------

Actuarial Assumptions - City Plan

The total OPEB liability at June 30, 2023 was determined by an actuarial valuation as of July 1, 2022, 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:	4.70 %, prior 4.39
Healthcare Cost Trend Rates:	6.50% initial, decreasing 0.2% per year to an ultimate rate of 4.40% for 2033 and later

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
JUNE 30, 2023
(IN THOUSANDS)**

NOTE 11 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

C. Net OPEB Liability of the City (Continued)

Actuarial Assumptions and Other Inputs – Board of Education Plan

The total OPEB liability in the July 1, 2022, 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:	3.65 %, prior 3.54
Healthcare Cost Trend Rates:	6.50% decreasing 0.2% per year to an ultimate rate of 4.40% for 2033 and later years
Retirees' Share of Benefit-Related Costs:	Varies based on union and hire date - ranges from 50% to 100%

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

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.

D. Discount Rate - City Plan

The discount rate used to measure the total OPEB liability was 4.70%, up from 3.38% 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.

CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 11 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

E. Change in the Net OPEB Liability

Change in the Total OPEB Liability - City Plan

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a)-(b)
Balances as of July 1, 2022	\$ 177,059	\$ 10,105	\$ 166,954
Changes for the Year:			
Service Cost	6,125	-	6,125
Interest on Total OPEB Liability	7,893	-	7,893
Changes in Benefit Terms	(784)	-	(784)
Differences Between Expected and Actual Experience	(19,710)	-	(19,710)
Changes in Assumptions	(4,894)	-	(4,894)
Employer Contributions	-	7,334	(7,334)
Net Investment Income (Loss)	-	803	(803)
Benefit Payments, Including Refund to Employee Contributions	(6,834)	(6,834)	-
Net Changes	<u>(18,204)</u>	<u>1,303</u>	<u>(19,507)</u>
Balances as of June 30, 2023	<u>\$ 158,855</u>	<u>\$ 11,408</u>	<u>\$ 147,447</u>

Change in the Total OPEB Liability - Board of Education Plan

	Total OPEB Liability (a)
Balances as of July 1, 2022	\$ 143,514
Changes for the Year:	
Service Cost	3,303
Interest on Total OPEB Liability	5,096
Differences Between Expected and Actual Experience	(5,242)
Changes in Assumptions	(2,114)
Benefit Payments, Including Refund of Employee Contributions	<u>(5,762)</u>
Net Changes	<u>(4,719)</u>
Balances as of June 30, 2023	<u>\$ 138,795</u>

**CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)**

NOTE 11 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

F. 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 (3.70%)	Current Discount Rate (4.70%)	1% Increase (5.70%)
City Plan - Net OPEB Liability	<u>\$ 166,829</u>	<u>\$ 147,447</u>	<u>\$ 131,702</u>
	1% Decrease (2.65%)	Current Discount Rate (3.65%)	1% Increase (4.65%)
BOE Plan - Total OPEB Liability	<u>\$ 159,970</u>	<u>\$ 138,795</u>	<u>\$ 121,623</u>

G. 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>\$ 128,496</u>	<u>\$ 147,447</u>	<u>\$ 170,771</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>\$ 120,992</u>	<u>\$ 138,795</u>	<u>\$ 161,132</u>

**CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)**

NOTE 11 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

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

For the year ended June 30, 2023, the City recognized OPEB expense (revenue) of \$1,917, of which \$450 was reported for the City plan and \$1,467 was reported for the BOE plan. At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	City		BOE		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	\$ -	\$ 23,565	\$ 34	\$ 11,243	\$ 34	\$ 34,808
Changes of Assumptions	7,629	21,676	19,378	36,323	27,007	57,999
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	183	-	-	-	183	-
Total	<u>\$ 7,812</u>	<u>\$ 45,241</u>	<u>\$ 19,412</u>	<u>\$ 47,566</u>	<u>\$ 27,224</u>	<u>\$ 92,807</u>

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

Year Ending June 30	City	BOE	Total
2024	\$ (9,585)	\$ (5,899)	\$ (15,484)
2025	(8,542)	(5,900)	(14,442)
2026	(9,464)	(4,421)	(13,885)
2027	(6,085)	(1,590)	(7,675)
2028	(3,753)	(5,412)	(9,165)
Thereafter	-	(4,932)	(4,932)
Total	<u>\$ (37,429)</u>	<u>\$ (28,154)</u>	<u>\$ (65,583)</u>

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.

**CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)**

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

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

Any member who is currently participating in Medicare Parts A & B is eligible to either continue 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.

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 \$220 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.

**CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)**

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

Eligibility (Continued)

Credited Service

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

Normal Retirement

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

Early Retirement

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

Proratable Retirement

Age 60 with 10 years of Credited Service.

Disability Retirement

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

Termination of Employment

Ten or more years of Credited Service.

Contributions (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.

Employer (School Districts)

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

For the year ended June 30, 2023, the amount of "on-behalf" contributions made by the State was \$254 and is recognized in the General Fund as intergovernmental revenues and education expenditures.

**CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)**

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

Contributions (Amounts Not Rounded) (Continued)

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, 2023, 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	19,970
Total	<u>\$ 19,970</u>

The net OPEB liability was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2022. At June 30, 2023, the City has no proportionate share of the net OPEB liability.

For the year ended June 30, 2023, the City recognized OPEB expense and revenue of \$1,204 in Exhibit II.

Actuarial Assumptions

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

Inflation:	2.50 %
Health Care Costs Trend Rate:	Known increases until calendar year 2024 then general trend decreasing to an ultimate rate of 4.50% by 2031
Salary Increases:	3.00-6.50%, including inflation
Investment Rate of Return:	3.53%, net of OPEB plan investment expense, including inflation
Year Fund Net Position will be Depleted:	2027

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
JUNE 30, 2023
(IN THOUSANDS)**

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

Actuarial Assumptions (Continued)

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2014 - June 30, 2019.

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

- Discount rate changed from 2.17% to 3.53%;
- Expected annual per capita claims costs were updated to better reflect anticipated medical and prescription drug claim experience;
- The assumed age-related annual percentage increases in expected annual per capita health care claim costs were updated;
- Long-term health care cost trend rates were updated; and
- The percentages of participating retirees who are expected to enroll in the Medicare Supplement Plan and the Medicare Advantage Plan options were updated to better reflect anticipated plan experience.

The changes in the benefit terms since the prior year are as follows:

- There was a change in the maximum monthly subsidy amounts offered to retirees and their dependents from \$110/\$220 to \$220/\$440.

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 (0.98%).

**CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)**

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

Discount Rate

The discount rate used to measure the total OPEB liability was 3.53%. The projection of cash flows used to determine the discount rate was performed in accordance with GASB 75. The projection was based on an actuarial valuation performed as of June 30, 2022. In addition to the actuarial methods and assumptions of the June 30, 2022, actuarial valuation, the following actuarial methods and assumptions were used in the projection of cash flows:

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

Based on those assumptions, the Plan's fiduciary net position was projected to be depleted in 2027 and, as a result, the Municipal Bond Index Rate was used in the determination of the single equivalent rate.

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

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

OPEB Plan Fiduciary Net Position

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.

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
JUNE 30, 2023
(IN THOUSANDS)

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	\$ 37,744	\$ 35	\$ 37,779
Investments:			
Corporate Bonds	12,834	-	12,834
U.S. Government Securities	4,622	-	4,622
Marketable Equity Securities	75,267	1,306	76,573
Alternative Investments	213,841	-	213,841
Mutual Funds	47,605	10,067	57,672
Total Investments	354,169	11,373	365,542
Receivables	11	-	11
Total Assets	391,924	11,408	403,332
Liabilities:			
Accounts and Other Payables	155	-	155
Net Position:			
Restricted for Retirement Benefits	<u>\$ 391,769</u>	<u>\$ 11,408</u>	<u>\$ 403,177</u>

Combining Schedules of Changes in Net Position - Trust Funds

	Pension Trust Funds	City OPEB Trust Fund	Total
Additions:			
Contributions:			
Plan Members	\$ 3,300	\$ -	\$ 3,300
Employer-Current Year	13,849	7,334	21,183
Total Contributions	17,149	7,334	24,483
Investment Income:			
Net Change in Fair Value of Investments	11,804	550	12,354
Interest and Dividends	23,246	284	23,530
Total Investment Income	35,050	834	35,884
Less Investment Expense	2,821	31	2,852
Net Investment Income	32,229	803	33,032
Total Additions	49,378	8,137	57,515
Deductions:			
Benefit Payments and Withdrawals	31,444	6,834	38,278
Administration	101	-	101
Total Deductions	31,545	6,834	38,379
Net Change	17,833	1,303	19,136
Net Position - Beginning of Year	373,936	10,105	384,041
Net Position - End of Year	<u>\$ 391,769</u>	<u>\$ 11,408</u>	<u>\$ 403,177</u>

**CITY OF MILFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)**

NOTE 14 FUND BALANCE

The components of fund balance for the governmental funds at June 30, 2023, are as follows.

	General Fund	Capital Nonrecurring Fund	School Facilities Fund	Nonmajor Governmental Funds	Total
Fund Balances:					
Nonspendable:					
Inventory	\$ -	\$ -	\$ -	\$ 37	\$ 37
Prepays	21	-	-	-	21
Restricted for:					
Grants	-	-	-	420	420
Capital Projects	-	559	3,406	1,254	5,219
Student Activities	-	-	-	739	739
Committed to:					
Compensated Absences	1,517	-	-	-	1,517
Sewer Operations	-	-	-	6,869	6,869
General Government	-	-	-	8,894	8,894
Capital Projects	-	4,790	-	-	4,790
Education	-	-	-	2,590	2,590
Debt Service	-	-	-	2,138	2,138
Sanity Sewer	-	-	-	-	-
Community Development	-	-	-	15	15
Assigned to:					
Subsequent Year's Budget	11,700	-	-	-	11,700
General Government Expenditures	104	-	-	-	104
Public Safety Expenditures	107	-	-	-	107
Public Services Expenditures	283	-	-	-	283
Health and Welfare Expenditures	30	-	-	-	30
Education Expenditures	505	-	-	-	505
Unassigned	21,724	(559)	(5,533)	(4,842)	10,790
Total Fund Balances	<u>\$ 35,991</u>	<u>\$ 4,790</u>	<u>\$ (2,127)</u>	<u>\$ 18,114</u>	<u>\$ 56,768</u>

Major encumbrances are reported in the assigned fund balance of the General Fund of \$1,029.

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, 2023
(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 17, 2023, the City issued \$8,300 in general obligation bonds (Series A) with interest rates varying from 4.00% to 5.00% and a maturity date of October 15, 2043. In addition, the City issued \$21,150 of bond anticipation notes dated October 30, 2023, maturing October 29, 2024. The bond anticipation notes carry an interest rate of 4.75%.

REQUIRED SUPPLEMENTARY INFORMATION

This Page is Intentionally Left Blank

**CITY OF MILFORD, CONNECTICUT
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2023
(NON-GAAP BUDGETARY BASIS)
(IN THOUSANDS)**

	Budgeted Amounts		Actual	Variance - Favorable (Unfavorable)
	Original	Final		
General Property Taxes and Assessments:				
Current Taxes	\$ 205,010	\$ 205,010	\$ 208,431	\$ 3,421
Prior Year's Levies	1,500	1,500	1,428	(72)
Suspense Collections	15	15	65	50
Total General Property Taxes and Assessments	206,525	206,525	209,924	3,399
Fines, Forfeitures, Penalties, and Interest:				
Interest and Liens	1,500	1,500	1,354	(146)
Federal, State, and Local Governments:				
Education Cost Sharing	9,673	9,673	9,573	(100)
Special Education	-	-	-	-
State Realty in Lieu of Tax	453	453	445	(8)
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	444	(9)
Veteran Grants	95	95	96	1
Telephone Access Grant	90	90	96	6
Property Tax Relief	-	-	1,081	1,081
Shellfish Taxes	2	2	2	-
State Aid for Health	72	72	72	-
OTB Wagering Share	60	60	126	66
Public Welfare	-	-	16	16
Total Federal, State, and Local Government	12,265	12,265	13,324	1,059
Investment Income:				
Investments in Idle Funds	40	40	2,409	2,369
Rental of Other Property	49	49	50	1
Total Investment Income	89	89	2,459	2,370
Other Revenue:				
Rental of School Property	3	3	22	19
PILOT - Water Authority	445	445	493	48
Power Plant Settlement	4,700	4,700	4,700	-
Genconn PT	2,025	2,025	2,025	-
Miscellaneous Other Revenues	20	20	322	302
Inland Wetland Fees	3	3	4	1
Total Other Revenue	7,196	7,196	7,566	370

**CITY OF MILFORD, CONNECTICUT
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED JUNE 30, 2023
(NON-GAAP BUDGETARY BASIS)
(IN THOUSANDS)**

	Budgeted Amounts		Actual	Variance - Favorable (Unfavorable)
	Original	Final		
Licenses, Permits, and Other Charges:				
Devices and Amusements	\$ 60	\$ 60	\$ 27	\$ (33)
Vending Permits	7	7	22	15
Disposal Area Licenses	60	60	65	5
Recording Documents	500	500	338	(162)
Conveyance Tax	1,550	1,550	1,127	(423)
General Copying Fees	70	70	54	(16)
Fire Department Fees	100	100	159	59
Paramedic Fees	1,200	1,200	1,375	175
Building Inspection Fees	1,550	1,550	1,835	285
Fingerprinting	6	6	4	(2)
Police Fines and Forfeits	60	60	57	(3)
False Alarm Fees	25	25	26	1
Street Opening Permits	30	30	30	-
Engineering Fees	8	8	8	-
Residential Waste Fees	145	145	216	71
Health Inspection Fees	80	80	100	20
Planning and Zoning Fees	30	30	42	12
Zoning Appeals Fees	16	16	24	8
Recreation Fees	40	40	69	29
Walnut Beach Parking	165	165	189	24
Parking Fines Judicial	2	2	1	(1)
Vehicle Violations Judicial	16	16	29	13
Mobile Fee	2	2	1	(1)
Sewer Assessments	12	12	24	12
Animal Shelter Redemption	2	2	2	-
Dog Fund - City Share	8	8	9	1
Sale of Real Property	10	10	20	10
Sale of Other Property	-	-	-	-
Recycling Revenues	43	43	45	2
PILOT - Federal Payments	1	1	1	-
Hunting and Angling Fees	-	-	-	-
Sticker Fees	1	1	1	-
Total Licenses, Permits, and Other Charges	5,799	5,799	5,900	101
Total Revenues	233,374	233,374	240,527	7,153
Other Financing Sources:				
Use of Fund Balance	5,000	5,000	-	(5,000)
Residual Equity Transfer	-	-	1,021	1,021
Total Other Financing Sources	5,000	5,000	1,021	(3,979)

**CITY OF MILFORD, CONNECTICUT
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED JUNE 30, 2023
(NON-GAAP BUDGETARY BASIS)
(IN THOUSANDS)**

	Budgeted Amounts		Actual	Variance - Favorable (Unfavorable)
	Original	Final		
Total Budgeted Revenues and Other Financing Sources	<u>\$ 238,374</u>	<u>\$ 238,374</u>	\$ 241,548	<u>\$ 3,174</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	17,979
OPEB	254
Premium on Bonds Issued	294
Nonbudgetary items and eliminations related to the Compensated Absences Fund	62
Nonbudgetary items related to lease revenue	3
Lease issuance	135
SBITA issuance	1,122
Encumbrances for purchases and commitments that were subsequently cancelled in the next fiscal year	<u>(77)</u>

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

\$ 261,320

**CITY OF MILFORD, CONNECTICUT
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2023
(NON-GAAP BUDGETARY BASIS)
(IN THOUSANDS)**

	Budgeted Amounts		Expenditures and	Uncommitted
	Original	Amended	Encumbrances	Balance
General Government:				
Board of Aldermen	\$ 6	\$ 6	\$ 6	\$ -
Elections	105	119	118	1
Registrar of Voters	178	189	177	12
Milford Govt Access Television	28	28	28	-
Mayor's Office	353	359	355	4
General expenses	386	348	326	22
Community Development Department	135	137	131	6
City Clerk	417	463	443	20
Law Department	641	644	640	4
Ethics Commission	1	1	-	1
Probate Court	18	18	18	-
Board of Finance	1	1	1	-
Planning and Zoning Board	1,101	1,188	1,142	46
Board of Tax Review	4	4	1	3
Board of Zoning Appeals	1	-	-	-
Pension Board	4	4	4	-
Flood and Erosion Board	1	1	1	-
Tree Commission	2	2	1	1
Park and Recreation Commission	1	1	1	-
Conservation Commission	1	1	-	1
Veterans Ceremony and Parade Commission	5	5	4	1
Open Space	67	67	67	-
Public library	1,186	1,250	1,247	3
Total general government	4,642	4,836	4,711	125
Administration:				
Finance Department	2,181	2,206	2,165	41
IT Department	1,023	1,101	1,089	12
Human Resources Department	318	358	349	9
Total Administration	3,522	3,665	3,603	62
Public Safety:				
Police Department	13,950	15,134	15,026	108
Fire Department	13,024	13,936	13,923	13
Emergency Management	98	98	95	3
Animal Control	324	348	328	20
Lighting Hydrant Water	1,986	1,738	1,732	6
Total Public Safety	29,382	31,254	31,104	150

**CITY OF MILFORD, CONNECTICUT
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED JUNE 30, 2023
(NON-GAAP BUDGETARY BASIS)
(IN THOUSANDS)**

	Budgeted Amounts		Expenditures and Encumbrances	Uncommitted Balance
	Original	Amended		
Public Services:				
Public Works Office	\$ 509	\$ 510	\$ 509	\$ 1
Highway-Parks Division	2,578	2,718	2,710	8
Building Maintenance Division	3,186	3,560	3,557	3
Engineering Division	370	395	389	6
General Garage Division	1,360	1,468	1,468	-
Solid Waste Operations	4,169	4,444	4,444	-
Total Public Services	12,172	13,095	13,077	18
Board of Education:				
Private School Textbooks	19	19	19	-
Educational Audit Fees	23	23	23	-
Employee Benefits	1,339	1,142	1,142	-
Educational Operations	102,008	102,008	102,008	-
Educational Contribution Health Insurance Fund	21,048	21,048	21,048	-
Educational School Nurses	1,508	1,490	1,486	4
Total Board of Education	125,945	125,730	125,726	4
Health and Welfare:				
Health Department	1,055	1,144	1,138	6
Recreation Department	909	882	837	45
Total Health and Welfare	1,964	2,026	1,975	51
General Charges:				
Employee Benefits - General	33,979	33,794	33,753	41
Insurance and Bonds	2,394	2,338	2,337	1
Claims and Refunds	394	186	186	-
Benefits and Salary Reserve	615	(1,404)	(1,404)	-
Unallocated Contingency	5	-	-	-
Total General Charges	37,387	34,914	34,872	42
Grants to Agencies:				
Milford Council on Aging	1,370	1,370	1,370	-
Milford Fine Arts Council	70	70	70	-
CMED	65	65	65	-
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, 2023
(NON-GAAP BUDGETARY BASIS)
(IN THOUSANDS)**

	Budgeted Amounts		Expenditures and Encumbrances	Uncommitted Balance
	Original	Amended		
Grants to Agencies (Continued):				
Milford Historical District Commission	\$ 1	\$ 1	\$ 1	\$ -
Milford Progress Inc	8	8	-	8
Milford Historic #2	1	1	1	-
Historic Preservation	3	3	-	3
Visiting Nurses Association	5	5	-	5
Cemetery Association	9	9	9	-
Boys and Girls Club	95	95	95	-
Homeless Shelter/CPAC	90	90	90	-
Literacy Volunteers	6	6	6	-
Total Grants to Agencies	2,706	2,706	2,690	16
Debt Service:				
Public Debt Service	14,163	13,786	13,786	-
School Debt	6,056	5,842	5,842	-
Total Debt Service	20,219	19,628	19,628	-
Other Financing Uses:				
Transfers Out	435	520	520	-
Total	<u>\$ 238,374</u>	<u>\$ 238,374</u>	237,906	<u>\$ 468</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

17,979

OPEB

254

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.

(995)

Prior year encumbrances reported in the current year for financial reporting purposes

1,856

Change in Board of Education's Summer Payroll originally charged to subsequent years budget for budgetary purposes

58

Capital outlays related to leases

135

Capital outlays related to SBITAs

1,122

Nonbudgetary items and eliminations related to the Compensated Absences Fund

146

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

\$ 258,461

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability:										
Service Cost	\$ 9,303	\$ 8,617	\$ 8,262	\$ 8,233	\$ 8,322	\$ 8,023	\$ 7,979	\$ 7,809	\$ 7,299	\$ 7,087
Interest	33,321	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	4,102	(1,600)	(3,845)	3,708	(136)	(1,654)	14	(2,281)	(908)	-
Changes of Assumptions	4,853	4,684	1,420	(1,230)	(1,071)	(2,253)	248	7,100	9,513	-
Benefit Payments, Including Refunds of Member Contributions	(31,444)	(29,872)	(28,309)	(28,033)	(26,749)	(25,217)	(24,717)	(24,025)	(23,057)	(21,862)
Net Change in Total Pension Liability	20,135	14,537	9,962	14,065	11,457	8,851	13,448	17,207	19,086	12,271
Total Pension Liability - Beginning	462,590	448,053	438,091	424,026	412,569	403,718	390,270	373,063	353,977	341,706
Total Pension Liability - Ending	482,725	462,590	448,053	438,091	424,026	412,569	403,718	390,270	373,063	353,977
Plan Fiduciary Net Position:										
Contributions - Employer	13,849	11,366	9,101	7,914	6,881	5,984	5,203	4,525	3,925	2,225
Contributions - Member	3,300	3,047	2,888	2,923	2,893	2,788	2,736	2,672	2,332	2,169
Net Investment Income (Loss)	32,229	(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	(31,444)	(29,872)	(28,309)	(28,033)	(26,749)	(25,217)	(24,717)	(24,025)	(23,057)	(21,862)
Administrative Expense	(101)	(50)	(85)	(82)	(57)	(56)	(47)	(143)	(76)	(48)
Other	-	-	-	-	32	167	23	47	20	11
Net Change in Plan Fiduciary Net Position	17,833	(61,336)	88,818	(5,409)	2,037	16,332	18,382	(20,134)	(19,048)	26,688
Plan Fiduciary Net Position - Beginning	373,936	435,272	346,454	351,863	349,826	333,494	315,112	335,246	354,294	327,606
Plan Fiduciary Net Position - Ending	391,769	373,936	435,272	346,454	351,863	349,826	333,494	315,112	335,246	354,294
Net Pension Liability (Asset) - Ending	<u>\$ 90,956</u>	<u>\$ 88,654</u>	<u>\$ 12,781</u>	<u>\$ 91,637</u>	<u>\$ 72,163</u>	<u>\$ 62,743</u>	<u>\$ 70,224</u>	<u>\$ 75,158</u>	<u>\$ 37,817</u>	<u>\$ (317)</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	81.16 %	80.84 %	97.15 %	79.08 %	82.98 %	84.79 %	82.61 %	80.74 %	89.86 %	100.09 %
Covered Payroll	\$ 48,306	\$ 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	188.29 %	184.96 %	27.55 %	184.89 %	145.93 %	131.40 %	152.92 %	171.55 %	86.32 %	(0.74)%

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially Determined Contribution	\$ 13,849	\$ 13,961	\$ 12,787	\$ 11,395	\$ 10,554	\$ 9,519	\$ 7,351	\$ 6,348	\$ 5,871	\$ 2,225
Contributions in Relation to the Actuarially Determined Contribution	13,849	11,366	9,101	7,914	6,881	5,984	5,203	4,525	3,925	2,225
Contribution Deficiency	\$ -	\$ 2,595	\$ 3,686	\$ 3,481	\$ 3,673	\$ 3,535	\$ 2,148	\$ 1,823	\$ 1,946	\$ -
Covered Payroll	\$ 48,306	\$ 47,932	\$ 46,396	\$ 49,563	\$ 49,449	\$ 47,748	\$ 45,923	\$ 44,587	\$ 43,811	\$ 42,773
Contributions as a Percentage of Covered Payroll	28.67 %	23.71 %	19.62 %	15.97 %	13.92 %	12.53 %	11.33 %	10.15 %	8.96 %	5.20 %

Notes to Schedule

Valuation Date: July 1, 2022
Measurement Date: June 30, 2023

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	7.20%
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. Fire and Police Non-Disabled: PUB-2010 Public Retirement Plans for Public Safety Employees, projected to the valuation date with Scale MP-2021. Fire and Police Disabled: PUB-2010 Public Retirement Plans for Public Safety Disabled Retirees, projected to the valuation date with Scale MP-2021.

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

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Annual Money-Weighted Rate of Return, Net of Investment Expense	8.65 %	(10.58)%	30.63 %	3.43 %	5.53 %	10.00 %	11.37 %	(0.99)%	(0.62)%	13.78 %

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

	2023	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	228,039	185,480	234,189	213,972	164,985	171,408	180,837	142,361	131,584
Total	<u>\$ 228,039</u>	<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	\$ 57,529	\$ 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	54.06 %	60.77 %	49.24 %	52.00 %	57.69 %	55.93 %	52.26 %	59.50 %	61.51 %

Notes to Schedule

Changes in Benefit Terms	Legislation was passed restoring the 25% wear down of Plan N benefits to vested members as of June 30, 2019.
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	27.8 years
Asset Valuation Method	4-year smoothed market
Inflation	2.50%
Salary Increase	3.00%-6.50%, including inflation
Investment Rate of Return	6.90%, net of investment related expense

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 SEVEN FISCAL YEARS*
(IN THOUSANDS)

	2023	2022	2021	2020	2019	2018	2017
Total OPEB Liability:							
Service Cost	\$ 6,125	\$ 7,323	\$ 8,285	\$ 6,111	\$ 6,430	\$ 6,568	\$ 5,653
Interest	7,893	6,707	6,405	7,371	7,707	7,150	7,351
Changes of Benefit Terms	(784)	-	-	-	-	-	-
Differences Between Expected and Actual Experience	(19,710)	(3,076)	(9,524)	(460)	(8,085)	(596)	(1,017)
Changes of Assumptions	(4,894)	(21,833)	(4,017)	26,701	(15,516)	(8,754)	11,890
Benefit Payments	(6,834)	(6,288)	(6,481)	(8,491)	(7,419)	(7,468)	(6,664)
Net Change in Total OPEB Liability	(18,204)	(17,167)	(5,332)	31,232	(16,883)	(3,100)	17,213
Total OPEB Liability - Beginning	177,059	194,226	199,558	168,326	185,209	188,309	171,096
Total OPEB Liability - Ending	158,855	177,059	194,226	199,558	168,326	185,209	188,309
Plan Fiduciary Net Position:							
Contributions - Employer	7,334	6,788	6,981	8,991	7,919	7,968	7,164
Contributions - Member	-	-	-	-	-	-	-
Net Investment Income (Loss)	803	(1,572)	2,198	70	389	463	564
Benefit Payments	(6,834)	(6,288)	(6,481)	(8,491)	(7,419)	(7,468)	(6,664)
Other	-	-	-	-	-	1	-
Net Change in Plan Fiduciary Net Position	1,303	(1,072)	2,698	570	889	964	1,064
Plan Fiduciary Net Position - Beginning	10,105	11,177	8,479	7,909	7,020	6,056	4,992
Plan Fiduciary Net Position - Ending	11,408	10,105	11,177	8,479	7,909	7,020	6,056
Net OPEB Liability - Ending	<u>\$ 147,447</u>	<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	7.18 %	5.71 %	5.75 %	4.25 %	4.70 %	3.79 %	3.22 %
Covered Payroll	\$ 39,794	\$ 39,972	\$ 39,035	\$ 40,303	\$ 39,225	\$ 39,335	\$ 38,282
Net OPEB Liability as a Percentage of Covered Payroll	370.53 %	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)**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially Determined Contribution (1)	\$ 13,003	\$ 12,860	\$ 12,577	\$ 12,419	\$ 16,033	\$ 15,745	\$ 12,321	\$ 12,103	\$ 12,455	\$ 12,248
Contributions in Relation to the Actuarially Determined Contribution	<u>7,334</u>	<u>6,788</u>	<u>6,981</u>	<u>8,991</u>	<u>7,919</u>	<u>7,968</u>	<u>7,164</u>	<u>7,086</u>	<u>6,498</u>	<u>6,407</u>
Contribution Deficiency	<u>\$ 5,669</u>	<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>
Covered Payroll	\$ 39,794	\$ 39,972	\$ 39,035	\$ 40,303	\$ 39,225	\$ 39,335	\$ 38,282	\$ 37,258	\$ 36,506	\$ 35,442
Contributions as a Percentage of Covered Payroll	18.43 %	16.98 %	17.88 %	22.31 %	20.19 %	20.26 %	18.71 %	19.02 %	17.80 %	18.08 %

(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, 2022
Measurement Date: June 30, 2023

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	4.7% (Prior 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-2021. Fire and Police: PUB-2010 Public Retirement Plans for Public Safety Employees, projected to the valuation date with Scale MP-2021.

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

	<u>2023</u>	<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	7.59%	(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 SIX FISCAL YEARS*
(IN THOUSANDS)

	2023	2022	2021	2020	2019	2018
Total OPEB Liability:						
Service Cost	\$ 3,303	\$ 4,724	\$ 6,324	\$ 4,121	\$ 5,849	\$ 5,946
Interest	5,096	3,763	4,909	6,238	7,930	7,395
Changes of Benefit Terms	-	-	(49,281)	-	-	-
Differences Between Expected and Actual Experience	(5,242)	(942)	(4,433)	(91)	(8,936)	120
Changes of Assumptions	(2,114)	(31,309)	1,293	38,142	(24,067)	(8,972)
Benefit Payments	(5,762)	(4,404)	(5,834)	(6,562)	(5,884)	(6,223)
Net Change in Total OPEB Liability	(4,719)	(28,168)	(47,022)	41,848	(25,108)	(1,734)
Total OPEB Liability - Beginning	143,514	171,682	218,704	176,856	201,964	203,698
Total OPEB Liability - Ending	<u>\$ 138,795</u>	<u>\$ 143,514</u>	<u>\$ 171,682</u>	<u>\$ 218,704</u>	<u>\$ 176,856</u>	<u>\$ 201,964</u>
Covered-Employee Payroll	\$ 69,777	\$ 70,604	\$ 68,949	\$ 66,394	\$ 64,617	\$ 65,131
Net OPEB Liability as a Percentage of Covered Payroll	198.91 %	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 SIX FISCAL YEARS*
(IN THOUSANDS)

	2023	2022	2021	2020	2019	2018
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	19,970	20,208	34,929	33,370	32,982	44,119
Total	<u>\$ 19,970</u>	<u>\$ 20,208</u>	<u>\$ 34,929</u>	<u>\$ 33,370</u>	<u>\$ 32,982</u>	<u>\$ 44,119</u>
City's Covered Payroll	\$ 57,529	\$ 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	- %	- %	- %	- %	- %	0.00%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	9.46 %	6.11 %	2.50 %	2.08 %	1.49 %	1.79%

Notes to Schedule

Changes in Benefit Terms	There was a change in the maximum monthly subsidy amounts offered to retirees and their dependents from \$110/\$220 to \$220/\$440.
Changes of Assumptions	Based on the procedure described in GASB 74, the discount rate used to measure plan obligations for financial accounting purposes as of June 30, 2022 was updated to equal the SEIR of 3.53% as of June 30, 2022; Expected annual per capita claims costs were updated to better reflect anticipated medical and prescription drug claim experience; Long-term health care cost trend rates were updated; and The percentages of participating retirees who are expected to enroll in the Medicare Supplement Plan and the Medicare Advantage Plan options were updated to better reflect anticipated plan experience.
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

This Page is Intentionally Left Blank

SUPPLEMENTAL, COMBINING, AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

This Page is Intentionally Left Blank

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, 2023 AND 2022
(IN THOUSANDS)**

	<u>2023</u>	<u>2022</u>
ASSETS		
Cash and Cash Equivalents	\$ 52,822	\$ 48,265
Property Taxes Receivable, Net of Allowance for Doubtful Accounts of \$73 in 2023 and \$92 in 2022	4,298	3,749
Property Taxes Interest Receivable, Net of Allowance for Doubtful Accounts of \$215 in 2023 and \$292 in 2022	1,934	2,253
Assessments Receivable	19	20
Accounts Receivable	4,408	538
Prepaid Item	21	21
	<u>21</u>	<u>21</u>
Total Assets	<u>\$ 63,502</u>	<u>\$ 54,846</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES		
LIABILITIES		
Accounts Payable and Accrued Liabilities	\$ 9,777	\$ 12,269
Due to Other Governments	486	517
Total Liabilities	<u>10,263</u>	<u>12,786</u>
DEFERRED INFLOWS OF RESOURCES		
Unavailable Revenue - Property Taxes	3,936	3,345
Unavailable Revenue - Property Taxes Interest	1,934	2,253
Unavailable Revenue - Special Assessments	19	19
Deferred Inflow Related to Leases	435	464
Advance Payment in Lieu of Taxes Collections	2,380	2,400
Advance Property Tax Collections	8,544	447
Total Deferred Inflows of Resources	<u>17,248</u>	<u>8,928</u>
FUND BALANCES		
Nonspendable	21	21
Committed	1,517	1,600
Assigned for Encumbrances	1,029	1,967
Assigned for Subsequent Year's Budget	11,700	5,000
Unassigned	21,724	24,544
Total Fund Balances	<u>35,991</u>	<u>33,132</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 63,502</u>	<u>\$ 54,846</u>

**CITY OF MILFORD, CONNECTICUT
REPORT OF TAX COLLECTOR
GENERAL FUND
YEAR ENDED JUNE 30, 2023
(IN THOUSANDS)**

Grand List	Uncollected Taxes June 30, 2022	Current Levy	Lawful Corrections			Transfers to Suspense	Adjusted Taxes Collectible	Collections			Uncollected Taxes June 30, 2023
			Additions	Deductions	Adjustments			Tax	Interest Liens	Total	
2007	\$ 81	\$ -	\$ -	\$ -	\$ -	\$ (1)	80	\$ 18	\$ 58	\$ 76	\$ 62
2008	76	-	-	-	-	(1)	75	18	37	55	57
2009	90	-	-	-	-	(2)	88	20	38	58	68
2010	98	-	-	-	-	(3)	95	25	44	69	70
2011	121	-	-	-	-	(6)	115	45	72	117	70
2012	127	-	-	-	-	(6)	121	48	68	116	73
2013	141	-	-	-	-	(8)	133	48	58	106	85
2014	148	-	-	-	-	(9)	139	50	50	100	89
2015	106	-	-	-	-	(10)	96	1	2	3	95
2016	138	-	-	-	-	(12)	126	13	11	24	113
2017	208	-	-	-	(71)	(40)	97	(37)	20	(17)	134
2018	297	-	1	-	(92)	(79)	127	(43)	26	(17)	170
2019	498	-	11	(3)	(2)	(98)	406	135	47	182	271
2020	1,626	-	66	(38)	(29)	(37)	1,588	932	170	1,102	656
2021	-	211,284	466	(1,205)	441	-	210,986	208,628	584	209,212	2,358
Total	<u>\$ 3,755</u>	<u>\$ 211,284</u>	<u>\$ 544</u>	<u>\$ (1,246)</u>	<u>\$ 247</u>	<u>\$ (312)</u>	<u>\$ 214,272</u>	209,901	1,285	211,186	<u>\$ 4,371</u>
Suspense Collections								65	69	134	
Total Collections								209,966	1,354	211,320	
Property Taxes Receivable Considered Available:											
June 30, 2022								(404)	-	(404)	
June 30, 2023								362	-	362	
Total Property Tax Revenue								<u>\$ 209,924</u>	<u>\$ 1,354</u>	<u>\$ 211,278</u>	

CITY OF MILFORD, CONNECTICUT
BOARD OF EDUCATION SCHEDULE OF EXPENDITURES AND
ENCUMBRANCES COMPARED WITH APPROPRIATIONS
BOARD OF EDUCATION
YEAR ENDED JUNE 30, 2023
(IN THOUSANDS)

	Final Appropriations	Expenditures and Encumbrances	Unexpended Balance
Certified Administrative Salaries	\$ 5,501	\$ 5,501	\$ -
Certified Teachers Salaries	49,422	49,422	-
Homebound Tutor	177	177	-
Administrative Substitute	112	112	-
Summer School	170	170	-
Substitutes - Certified Salaries	1,383	1,383	-
Curriculum Work	64	64	-
Coaches/Advisors	768	768	-
Non-Certified Supervisor Salaries	966	966	-
Non-Certified Staff Salaries	2,562	2,562	-
Custodian/Maintenance	4,384	4,384	-
Teacher Aides Hourly	235	235	-
Paraprofessionals	3,072	3,072	-
General Aide Salaries	241	241	-
Overtime Salaries	394	394	-
Non-Certified Clerical	149	149	-
Non-Certified Professional	2,183	2,183	-
Retirements	549	549	-
Life Insurance	822	822	-
Worker's Compensation Insurance	662	662	-
Social Security	921	921	-
Unemployment Compensation	22	22	-
Blue Cross/Blue Shield	3,264	3,264	-
Para Pension	158	158	-
Education Reimbursement	62	62	-
Adult Education Services	60	60	-
Substitute Teaching Services	128	128	-
Marine Science Education	15	15	-
Mental health services	8	8	-
Professional Evaluation	37	37	-
Other Pupil Personnel Services	267	267	-
Special Education Work Study	24	24	-
Consultation Services	15	15	-
Audit Services	4	4	-
Legal Services	393	393	-
Arch/Eng Services	-	-	-

CITY OF MILFORD, CONNECTICUT
SCHEDULE OF EXPENDITURES AND ENCUMBRANCES
COMPARED WITH APPROPRIATIONS (CONTINUED)
BOARD OF EDUCATION
YEAR ENDED JUNE 30, 2023
(IN THOUSANDS)

	Final Appropriations	Expenditures and Encumbrances	Unexpended Balance
Security Services	\$ 471	\$ 471	\$ -
Contracted Services	608	608	-
Management Information Systems	28	28	-
Electricity	763	763	-
Heat Energy - Gas	729	729	-
Water/Sewage	125	125	-
Contracted Maintenance	905	905	-
Repairs to Grounds	150	150	-
Repairs to Buildings	90	90	-
Repairs to Equipment	280	280	-
Preventative Maintenance	112	112	-
Building Projects	283	283	-
Grounds Projects	102	102	-
Gasoline Maintenance	62	62	-
Maintenance Supplies	289	289	-
Custodial Supplies	186	186	-
Transportation Regular	2,334	2,334	-
Transportation Special Education	1,398	1,398	-
Transportation Special Education - Public	380	380	-
Transportation Special Education - Private	1,009	1,009	-
Transportation - Athletics	240	240	-
Transportation - TAG/ECA/AQUA	91	91	-
Transportation - Field Trips	40	40	-
Gasoline - Buses	240	240	-
Transportation - Non-Public	339	339	-
Transportation - Special Education Aide	227	227	-
Transportation - Supplies	5	5	-
Van Driver	147	147	-
Property Liability Insurance	451	451	-
Athletic Insurance	39	39	-
Uninsured Coverage	5	5	-
Postage	26	26	-
Telephone	345	345	-
Advertising	2	2	-
Printing Expense	6	6	-

CITY OF MILFORD, CONNECTICUT
SCHEDULE OF EXPENDITURES AND ENCUMBRANCES
COMPARED WITH APPROPRIATIONS (CONTINUED)
BOARD OF EDUCATION
YEAR ENDED JUNE 30, 2023
(IN THOUSANDS)

	Final Appropriations	Expenditures and Encumbrances	Unexpended Balance
Tuition - Public	\$ 1,138	\$ 1,138	\$ -
Tuition - Non-Public	5,648	5,648	-
Tuition - ECA Program	159	159	-
Tuition - AQUA	85	85	-
Tuition - Vo-Ag	123	123	-
Tuition - Other	55	55	-
Tuition - Bridgeport	69	69	-
Travel Mileage	60	60	-
Non-Instructional Supplies	150	150	-
Instructional Supplies	540	540	-
Health and Medical	15	15	-
Graduation Expense	34	34	-
Textbooks	8	8	-
Text Adoptions	47	47	-
Library Books	59	59	-
Periodicals	6	6	-
Testing Expense	143	143	-
A/V Materials	1	1	-
Other Educational Supplies	4	4	-
Computer Software	396	396	-
Equipment	233	233	-
Furniture and Fixtures	226	226	-
Computers	305	305	-
Lease/Purchase	18	18	-
Capital Equipment	72	72	-
Dues and Fees	84	84	-
Professional Development	265	265	-
Student Activities	89	89	-
Student Athletics	37	37	-
Athletics - Equipment Repair	16	16	-
Athletics - Supplies	59	59	-
Athletics - Equipment	31	31	-
Athletics - Uniforms	46	46	-
Athletics - Miscellaneous - Misc Other	13	13	-
Athletics - Game Operations	73	73	-
	<u>\$ 102,008</u>	<u>\$ 102,008</u>	<u>\$ -</u>
Total	<u>\$ 102,008</u>	<u>\$ 102,008</u>	<u>\$ -</u>

This Page is Intentionally Left Blank

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, 2023
(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	\$ 1,129	\$ 8,773	\$ 44	\$ 318	\$ 707	\$ 420	\$ 456	\$ 1,191	\$ 7,504
Investments	-	-	-	-	-	-	-	-	-	-
Accounts Receivable	-	-	456	-	-	-	-	-	-	358
Due From Other Governments	-	-	52	-	-	-	-	-	504	-
Materials and Supplies	-	-	-	-	-	-	-	-	37	-
Total Assets	\$ 2	\$ 1,129	\$ 9,281	\$ 44	\$ 318	\$ 707	\$ 420	\$ 456	\$ 1,732	\$ 7,862
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES										
LIABILITIES										
Accounts Payable and Accrued Liabilities	\$ -	\$ 15	\$ 1,646	\$ 29	\$ -	\$ -	\$ -	\$ 443	\$ 15	\$ 387
Unearned Revenue	-	-	138	-	-	-	-	-	-	-
Bond Anticipation Notes Payable	-	-	-	-	-	-	-	-	-	-
Other Liabilities	-	-	-	-	-	-	-	-	-	-
Total Liabilities	-	15	1,784	29	-	-	-	443	15	387
DEFERRED INFLOWS OF RESOURCES										
Unavailable Revenue -										
Sewer Use	-	-	-	-	-	-	-	-	-	295
Related to Leases	-	-	288	-	-	-	-	-	-	-
Advance Sewer Collections	-	-	-	-	-	-	-	-	-	311
Total Deferred Inflows of Resources	-	-	288	-	-	-	-	-	-	606
FUND BALANCES										
Nonspendable	-	-	-	-	-	-	-	-	37	-
Restricted	-	-	-	-	-	-	420	-	-	-
Committed	2	1,114	7,209	15	318	707	-	13	1,680	6,869
Unassigned	-	-	-	-	-	-	-	-	-	-
Total Fund Balances	2	1,114	7,209	15	318	707	420	13	1,717	6,869
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 2	\$ 1,129	\$ 9,281	\$ 44	\$ 318	\$ 707	\$ 420	\$ 456	\$ 1,732	\$ 7,862

**CITY OF MILFORD, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2023
(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	\$ 190	\$ 93	\$ 116	\$ 42	\$ 712	\$ 21,697	\$ 2,138	\$ 630	\$ 1,091	\$ -	\$ 25,556
Investments	-	-	-	-	27	27	-	-	-	-	27
Accounts Receivable	-	-	-	-	-	814	-	-	-	-	814
Due From Other Governments	-	-	-	-	-	556	-	-	-	-	556
Materials and Supplies	-	-	-	-	-	37	-	-	-	-	37
Total Assets	<u>\$ 190</u>	<u>\$ 93</u>	<u>\$ 116</u>	<u>\$ 42</u>	<u>\$ 739</u>	<u>\$ 23,131</u>	<u>\$ 2,138</u>	<u>\$ 630</u>	<u>\$ 1,091</u>	<u>\$ -</u>	<u>\$ 26,990</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES											
LIABILITIES											
Accounts Payable and Accrued Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,535	\$ -	\$ 240	\$ 41	\$ -	\$ 2,816
Unearned Revenue	-	-	-	-	-	138	-	-	-	-	138
Bond Anticipation Notes Payable	-	-	-	-	-	-	-	3,731	1,285	-	5,016
Other Liabilities	-	-	-	-	-	-	-	-	12	-	12
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,673</u>	<u>-</u>	<u>3,971</u>	<u>1,338</u>	<u>-</u>	<u>7,982</u>
DEFERRED INFLOWS OF RESOURCES											
Unavailable Revenue -											
Special Assessments	-	-	-	-	-	295	-	-	-	-	295
Leases	-	-	-	-	-	288	-	-	-	-	288
Advance Sewer Collections	-	-	-	-	-	311	-	-	-	-	311
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>894</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>894</u>
FUND BALANCES											
Nonspendable	-	-	-	-	-	37	-	-	-	-	37
Restricted	-	-	-	-	739	1,159	-	149	1,105	-	2,413
Committed	190	93	116	42	-	18,368	2,138	-	-	-	20,506
Unassigned	-	-	-	-	-	-	-	(3,490)	(1,352)	-	(4,842)
Total Fund Balances	<u>190</u>	<u>93</u>	<u>116</u>	<u>42</u>	<u>739</u>	<u>19,564</u>	<u>2,138</u>	<u>(3,341)</u>	<u>(247)</u>	<u>-</u>	<u>18,114</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 190</u>	<u>\$ 93</u>	<u>\$ 116</u>	<u>\$ 42</u>	<u>\$ 739</u>	<u>\$ 23,131</u>	<u>\$ 2,138</u>	<u>\$ 630</u>	<u>\$ 1,091</u>	<u>\$ -</u>	<u>\$ 26,990</u>

**CITY OF MILFORD, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2023
(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	Educational Scholarship and Award
REVENUES											
Property Taxes and Assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,317	\$ -
Fines, Forfeitures, Penalties, and Interest	-	-	-	-	-	-	-	-	-	34	-
Intergovernmental	-	692	1,792	809	73	-	-	6,231	2,967	-	-
Charges for Services	-	-	4,869	-	-	1,154	-	-	386	194	-
Investment Income	-	44	4	-	11	-	-	24	-	310	-
Other Revenues	-	7	-	-	-	-	225	-	-	600	100
Total Revenues	-	743	6,665	809	84	1,154	225	6,255	3,353	9,455	100
EXPENDITURES											
Current:											
General Government	-	-	178	-	-	-	-	-	-	-	-
Public Safety	-	-	2,844	-	-	-	-	-	-	-	-
Public Services	-	-	502	816	-	-	-	-	-	-	-
Education	-	-	1,448	-	-	1,078	133	6,343	3,033	-	12
Health and Welfare	-	1,071	1,255	-	-	-	-	-	-	-	-
Sewer	-	-	-	-	-	-	-	-	-	7,080	-
Capital Outlay	-	-	-	-	-	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-	-	-	-	1,632	-
Total Expenditures	-	1,071	6,227	816	-	1,078	133	6,343	3,033	8,712	12
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	(328)	438	(7)	84	76	92	(88)	320	743	88
OTHER FINANCING USES											
Issuance of Bonds and Notes	-	-	-	-	-	-	-	-	-	-	-
Transfers In	-	454	10	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	(19)	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	454	10	(19)	-	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES	-	126	448	(26)	84	76	92	(88)	320	743	88
Fund Balances - Beginning of Year	2	988	6,761	41	234	631	328	101	1,397	6,126	102
FUND BALANCES - END OF YEAR	\$ 2	\$ 1,114	\$ 7,209	\$ 15	\$ 318	\$ 707	\$ 420	\$ 13	\$ 1,717	\$ 6,869	\$ 190

**CITY OF MILFORD, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
YEAR ENDED JUNE 30, 2023
(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	\$ -	\$ -	\$ -	\$ -	\$ 8,317	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,317
Fines, Forfeitures, Penalties, and Interest	-	-	-	-	34	-	-	-	-	-	34
Intergovernmental	-	-	-	-	12,564	-	392	-	392	-	12,956
Charges for Services	-	-	-	1,570	8,173	38	-	-	-	-	8,211
Investment Income	4	-	2	-	399	82	-	-	-	-	481
Other Revenues	-	-	-	-	932	58	-	-	-	-	990
Total Revenues	4	-	2	1,570	30,419	178	392	-	392	-	30,989
EXPENDITURES											
Current:											
General Government	-	-	-	-	178	-	-	-	-	-	178
Public Safety	-	-	-	-	2,844	-	-	-	-	-	2,844
Public Services	-	-	-	-	1,318	-	-	-	-	-	1,318
Education	-	-	-	1,447	13,494	-	-	-	-	-	13,494
Health and Welfare	10	-	-	-	2,336	-	-	-	-	-	2,336
Sewer	-	-	-	-	7,080	-	-	-	-	-	7,080
Capital Outlay	-	-	-	-	-	-	1,812	239	2,051	-	2,051
Debt Service	-	-	-	-	1,632	321	-	-	-	-	1,953
Total Expenditures	10	-	-	1,447	28,882	321	1,812	239	2,051	-	31,254
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(6)	-	2	123	1,537	(143)	(1,420)	(239)	(1,659)	-	(265)
OTHER FINANCING USES											
Issuance of Bonds and Notes	-	-	-	-	-	-	161	415	576	-	576
Transfers In	-	-	-	-	464	-	-	-	-	(19)	445
Transfers Out	-	-	-	-	(19)	-	(123)	(77)	(200)	19	(200)
Total Other Financing Sources (Uses)	-	-	-	-	445	-	38	338	376	-	821
NET CHANGE IN FUND BALANCES	(6)	-	2	123	1,982	(143)	(1,382)	99	(1,283)	-	556
Fund Balances - Beginning of Year	99	116	40	616	17,582	2,281	(1,959)	(346)	(2,305)	-	17,558
FUND BALANCES - END OF YEAR	<u>\$ 93</u>	<u>\$ 116</u>	<u>\$ 42</u>	<u>\$ 739</u>	<u>\$ 19,564</u>	<u>\$ 2,138</u>	<u>\$ (3,341)</u>	<u>\$ (247)</u>	<u>\$ (3,588)</u>	<u>\$ -</u>	<u>\$ 18,114</u>

NONMAJOR PROPRIETARY FUNDS

This Page is Intentionally Left Blank

CITY OF MILFORD, CONNECTICUT
COMBINING STATEMENT OF NET POSITION
NONMAJOR PROPRIETARY FUNDS
JUNE 30, 2023
(IN THOUSANDS)

	Milford Golf Course	Harbor Management	Total
ASSETS			
Current:			
Cash and Cash Equivalents	\$ 256	\$ 594	\$ 850
Accounts Receivable	20	-	20
	<u>276</u>	<u>594</u>	<u>870</u>
Total Current Assets	276	594	870
Noncurrent Assets:			
Capital Assets:			
Not Being Depreciated	569	1,112	1,681
Being Depreciated, Net	476	347	823
Total Noncurrent Assets	<u>1,045</u>	<u>1,459</u>	<u>2,504</u>
Total Assets	1,321	2,053	3,374
LIABILITIES			
Current:			
Accounts Payable and Accrued Liabilities	12	18	30
NET POSITION			
Invested in Capital Assets	1,045	1,459	2,504
Unrestricted	<u>264</u>	<u>576</u>	<u>840</u>
Total Net Position	<u>\$ 1,309</u>	<u>\$ 2,035</u>	<u>\$ 3,344</u>

CITY OF MILFORD, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
NONMAJOR PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2023
(IN THOUSANDS)

	Milford Golf Course	Harbor Management	Total
OPERATING REVENUES			
Charges for Services	\$ 93	\$ 354	\$ 447
Total Operating Revenues	93	354	447
OPERATING EXPENSES			
Salaries	-	129	129
Operations and Supplies	55	56	111
Insurance	-	91	91
Depreciation	21	43	64
Total Operating Expenses	76	319	395
OPERATING INCOME (LOSS)	17	35	52
NONOPERATING REVENUE			
Interest Income	8	1	9
OPERATING INCOME BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	25	36	61
CAPITAL CONTRIBUTIONS AND TRANSFERS			
Capital Contribution	-	29	29
Transfers Out	-	-	-
Total Capital Contributions and Transfers	-	29	29
CHANGE IN NET POSITION	25	65	90
Total Net Position - Beginning of Year	1,284	1,970	3,254
TOTAL NET POSITION - END OF YEAR	<u>\$ 1,309</u>	<u>\$ 2,035</u>	<u>\$ 3,344</u>

CITY OF MILFORD, CONNECTICUT
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2023
(IN THOUSANDS)

	Business-Type Activities		
	Milford Golf Course	Harbor Management	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received From Contributions and Charges for Services	\$ 73	\$ 354	\$ 427
Cash Paid to Employees	-	(129)	(129)
Cash Paid to Vendors	(44)	(145)	(189)
Net Cash Provided (Used) by Operating Activities	29	80	109
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers to/from Other Funds	-	-	-
CASH FLOWS FROM CAPITAL ACTIVITIES			
Purchase of Capital Assets	(6)	-	(6)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest and Dividends Received	8	1	9
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	31	81	112
Cash and Cash Equivalents - Beginning of Year	225	513	738
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 256</u>	<u>\$ 594</u>	<u>\$ 850</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating Income (Loss)	\$ 17	\$ 35	\$ 52
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	11	2	13
Net Cash Provided (Used) by Operating Activities	<u>\$ 29</u>	<u>\$ 80</u>	<u>\$ 109</u>
SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING ACTIVITIES			
Capital Asset Transfer	<u>\$ -</u>	<u>\$ 29</u>	<u>\$ 29</u>

This Page is Intentionally Left Blank

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, 2023
(IN THOUSANDS)

	Health Insurance Fund	Workers' Compensation Fund	Property and Casualty Fund	Total
ASSETS				
Cash and Cash Equivalents	\$ 8,870	\$ 3,151	\$ 2,803	\$ 14,824
Accounts Receivable	75	-	-	75
Total Assets	<u>8,945</u>	<u>3,151</u>	<u>2,803</u>	<u>14,899</u>
LIABILITIES				
Accounts Payable and Accrued Liabilities	13	4	7	24
Accrued Claims:				
Current	108	300	-	408
Noncurrent	2,055	4,141	50	6,246
Total Liabilities	<u>2,176</u>	<u>4,445</u>	<u>57</u>	<u>6,678</u>
NET POSITION				
Unrestricted	<u>6,769</u>	<u>(1,294)</u>	<u>2,746</u>	<u>8,221</u>
Total Net Position	<u><u>\$ 6,769</u></u>	<u><u>\$ (1,294)</u></u>	<u><u>\$ 2,746</u></u>	<u><u>\$ 8,221</u></u>

CITY OF MILFORD, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2023
(IN THOUSANDS)

	Health Insurance Fund	Workers' Compensation Fund	Property and Casualty Fund	Total
OPERATING REVENUES				
Employer Contributions	\$ 39,093	\$ 1,596	\$ 1,137	\$ 41,826
Employee Contributions	7,257	-	-	7,257
Other	2,016	275	200	2,491
Total Operating Revenues	48,366	1,871	1,337	51,574
OPERATING EXPENSES				
Insurance Premiums and Claims Expense	41,861	1,331	1,213	44,405
NET INCOME (LOSS)	6,505	540	124	7,169
Net Position - Beginning of Year	264	(1,834)	2,622	1,052
NET POSITION - END OF YEAR	<u>\$ 6,769</u>	<u>\$ (1,294)</u>	<u>\$ 2,746</u>	<u>\$ 8,221</u>

CITY OF MILFORD, CONNECTICUT
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2023
(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	\$ 48,345	\$ 1,871	\$ 1,337	\$ 51,553
Cash Payments for Claims Paid	(43,192)	(1,999)	(1,299)	(46,490)
Net Cash Provided (Used) by Operating Activities	5,153	(128)	38	5,063
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	5,153	(128)	38	5,063
Cash and Cash Equivalents - Beginning of Year	3,717	3,279	2,765	9,761
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 8,870</u>	<u>\$ 3,151</u>	<u>\$ 2,803</u>	<u>\$ 14,824</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating Income (Loss)	\$ 6,505	\$ 540	\$ 124	\$ 7,169
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
(Increase) Decrease in Accounts Receivable	(21)	-	-	(21)
Increase (Decrease) in Accounts Payable and Accrued Liabilities	(1,331)	(668)	(86)	(2,085)
Net Cash Provided (Used) by Operating Activities	<u>\$ 5,153</u>	<u>\$ (128)</u>	<u>\$ 38</u>	<u>\$ 5,063</u>

This Page is Intentionally Left Blank

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									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Governmental Activities:										
Net Investments in Capital Assets	\$ 162,099	\$ 156,220	\$ 163,570	\$ 167,039	\$ 164,069	\$ 215,426	\$ 203,122	\$ 194,944	\$ 174,139	\$ 166,869
Restricted	1,159	944	7,941	5,402	-	-	-	-	-	-
Unrestricted	(353,319)	(369,080)	(386,211)	(434,694)	(405,490)	(392,473)	(135,453)	(107,907)	(83,172)	(71,768)
Total Governmental Activities Net Position	(190,061)	(211,916)	(214,700)	(262,253)	(241,421)	(177,047)	67,669	87,037	90,967	95,101
Business-Type Activities:										
Investments in Capital Assets	2,504	2,533	2,584	2,226	2,247	3,351	3,400	3,444	3,361	3,126
Unrestricted	840	721	611	535	541	515	474	510	569	513
Total Business-Type Net Position	3,344	3,254	3,195	2,761	2,788	3,866	3,874	3,954	3,930	3,639
Primary Government:										
Net Investments in Capital Assets	164,603	158,753	166,154	169,265	166,316	218,777	206,522	198,388	177,500	169,995
Restricted	1,159	944	7,941	5,402	-	-	-	-	-	-
Unrestricted	(352,479)	(368,359)	(385,600)	(434,159)	(404,949)	(391,958)	(134,979)	(107,675)	(82,603)	(71,551)
Total Primary Government Net Position	<u>\$ (186,717)</u>	<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>

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									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Expenses:										
General Government	\$ 44,391	\$ 11,690	\$ 8,776	\$ 25,812	\$ 19,328	\$ 20,608	\$ 22,007	\$ 22,299	\$ 13,004	\$ 9,770
Administration	7,318	5,459	3,608	3,619	3,814	3,206	3,505	3,280	3,882	3,803
Public Safety	37,949	37,828	31,462	39,632	44,567	36,630	39,698	38,986	38,754	38,410
Public Services	19,924	25,488	26,699	18,467	18,639	27,502	20,819	21,776	18,586	27,538
Education	159,875	173,657	144,696	177,295	157,377	173,258	172,388	159,930	149,823	142,617
Health and Welfare	5,563	5,248	4,265	3,431	3,319	2,449	3,825	4,054	4,183	5,503
Sewer**	7,080	7,127	8,528	6,315	6,285	5,116	5,964	5,783	-	-
General Charges*	-	-	-	-	-	-	-	-	-	-
Grants to Agencies	-	-	-	-	-	-	-	-	3,073	9,072
Interest on Long-Term Debt	4,667	2,998	2,160	5,241	5,230	5,087	4,834	2,810	4,653	2,711
Total Governmental Activities Expenses	286,767	269,495	230,194	279,812	258,559	273,856	273,040	258,918	235,958	239,424
Business-Type Activities:										
Milford Golf Course	76	71	56	72	67	69	78	81	64	64
Harbor Management	319	297	297	231	240	256	250	234	235	242
Total Business-Type Activities Expenses	395	368	353	303	307	325	328	315	299	306
Total Primary Government Expenses	287,162	269,863	230,547	280,115	258,866	274,181	273,368	259,233	236,257	239,730
Program Revenues:										
Governmental Activities:										
Charges for Services:										
General Government	2,350	3,357	2,706	2,365	2,137	1,956	1,798	1,858	1,779	1,125
Public Service	1,192	880	494	484	1,084	1,469	1,399	1,778	1,432	1,627
Education	3,110	2,297	1,351	1,688	2,334	2,491	2,301	2,672	2,435	1,627
Sewer**	194	130	128	102	127	56	98	-	-	-
Other	7,576	7,296	6,030	6,124	5,947	5,519	4,614	4,100	4,166	3,374
Operating Grants and Contributions	44,025	33,750	53,939	41,119	23,621	39,562	39,753	31,072	29,527	36,980
Capital Grants and Contributions	13,911	18,613	9,640	5,893	4,568	6,149	4,453	18,527	3,046	115
Total Governmental Activities Program Revenues	72,358	66,323	74,288	57,775	39,818	57,202	54,416	60,007	42,385	44,848
Business-Type Activities:										
Charges for Services:										
Golf Fees	93	79	64	80	90	89	89	87	85	84
Harbor Fees	354	343	333	242	241	260	253	248	242	249
Operating Grants and Contributions	-	-	-	-	-	-	-	26	-	-
Capital Grants and Contributions	29	13	420	-	-	-	5	-	272	-
Total Business-Type Activities Program Revenues	476	435	817	322	331	349	347	361	599	333
Total Primary Government Program Revenues	72,834	66,758	75,105	58,097	40,149	57,551	54,763	60,368	42,984	45,181

**TABLE 2
(CONTINUED)**

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

	FISCAL YEAR									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Net (Expense) Revenue:										
Governmental Activities	\$ (214,409)	\$ (203,172)	\$ (155,906)	\$ (222,037)	\$ (218,741)	\$ (216,654)	\$ (218,624)	\$ (198,911)	\$ (193,573)	\$ (194,576)
Business-Type Activities	81	67	464	19	24	24	19	46	300	27
Total Primary Government Net Expense	(214,328)	(203,105)	(155,442)	(222,018)	(218,717)	(216,630)	(218,605)	(198,865)	(193,273)	(194,549)
General Revenues and Other Changes in Net Position:										
Governmental Activities:										
Property Taxes	219,901	194,731	193,055	188,145	189,182	191,359	187,587	185,435	180,864	174,885
Grants and Contributions Not Restricted to Specific Programs	3,680	2,609	2,198	2,220	2,247	9,340	10,965	9,125	8,321	8,693
Unrestricted Investment Earnings	4,237	254	115	1,626	1,692	1,045	402	188	49	72
Other General Revenues	8,446	8,353	8,061	8,480	8,435	136	202	210	195	718
Transfers In	-	9	30	50	24	35	100	23	10	260
Gain on Sale of Capital Assets	-	-	-	-	-	-	-	-	-	-
Special Item - Write Down of Capital Assets	-	-	-	-	(47,213)	-	-	-	-	-
Total Governmental Activities	236,264	205,956	203,459	200,521	154,367	201,915	199,256	194,981	189,439	184,628
Business-Type Activities:										
Unrestricted Investment Earnings	9	1	-	4	-	-	-	-	-	-
Transfers Out	-	(9)	(30)	(50)	(24)	(32)	(99)	1	(9)	(259)
Contributed Assets	-	-	-	-	-	-	-	(23)	-	-
Special Item - Write Down of Capital Assets	-	-	-	-	(1,082)	-	-	-	-	-
Total Business-Type Activities	9	(8)	(30)	(46)	(1,106)	(32)	(99)	(22)	(9)	(259)
Total Primary Government	236,273	205,948	203,429	200,475	153,261	201,883	199,157	194,959	189,430	184,369
Change in Net Position:										
Governmental Activities	21,855	2,784	47,553	(21,516)	(64,374)	(14,739)	(19,368)	(3,930)	(4,134)	(9,948)
Business-Type Activities	90	59	434	(27)	(1,082)	(8)	(80)	24	291	(232)
Total Primary Government	<u>\$ 21,945</u>	<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>

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									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
General Fund:										
Nonspendable	\$ 21	\$ 21	\$ 21	\$ 21	\$ 21	\$ 21	\$ 21	\$ 21	\$ 21	\$ 21
Committed	1,517	1,600	1,487	1,359	1,283	1,368	1,383	1,090	1,055	1,054
Assigned	12,729	6,967	13,882	12,350	14,262	11,700	9,748	8,094	7,696	6,959
Unassigned	21,724	24,544	20,659	23,477	27,002	30,240	25,605	20,668	16,336	14,814
Total General Fund	<u>\$ 35,991</u>	<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>
All Other Governmental Funds:										
Nonspendable	\$ 37	\$ 65	\$ 37	\$ 46	\$ 28	\$ 38	\$ 23	\$ 30	\$ 41	\$ 71
Restricted	6,378	7,934	6,669	5,402	776	941	360	358	468	3,845
Committed	25,296	21,602	21,222	23,595	15,851	14,688	13,949	14,224	18,508	19,068
Assigned	-	-	-	-	-	-	-	-	-	86
Unassigned	(10,934)	(5,198)	(30,273)	(28,016)	(16,534)	(27,774)	(19,123)	(10,919)	(16,238)	(24,557)
Total All Other Governmental Funds	<u>\$ 20,777</u>	<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>

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									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
REVENUES										
Property Taxes and Assessments	\$ 218,241	\$ 194,328	\$ 192,173	\$ 190,438	\$ 188,681	\$ 189,054	\$ 187,082	\$ 184,213	\$ 178,740	\$ 173,069
Fines, Forfeitures, Penalties, and Interest	1,388	952	1,374	1,683	1,280	1,783	1,687	1,293	1,239	1,058
Intergovernmental	56,716	60,701	44,708	40,665	39,204	37,916	47,341	51,231	34,119	39,265
Charges for Services	14,310	13,874	10,670	12,083	11,587	9,460	8,362	8,299	7,744	6,737
Investment Income	4,237	254	115	1,626	1,692	1,045	457	243	98	117
Other	8,504	8,408	8,126	8,542	8,491	10,677	10,056	10,145	8,979	8,503
Total Revenues	303,396	278,517	257,166	255,037	250,935	249,935	254,985	255,424	230,919	228,749
EXPENDITURES										
General Government	42,637	8,812	4,243	4,249	5,497	4,676	5,012	4,775	4,219	4,672
Administration	3,616	3,393	3,118	3,023	3,102	2,747	2,772	2,493	2,496	2,529
Public Safety	34,001	36,849	29,936	30,325	30,501	29,269	27,921	27,503	27,137	25,937
Public Services	14,273	13,924	12,211	12,262	12,705	12,569	12,586	12,582	12,058	12,238
Education	158,399	168,839	143,450	143,200	139,608	133,257	140,613	135,818	128,303	130,942
Health and Welfare	4,300	3,942	2,925	3,221	3,185	3,358	4,062	3,826	3,479	3,733
Sewer*	7,080	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
Other	-	-	2,675	2,659	2,651	2,628	2,611	2,606	2,651	2,642
Capital Outlay	27,887	20,668	34,194	20,187	14,023	33,991	31,237	24,231	19,395	31,345
Debt Service - Principal	14,835	11,495	13,895	13,891	12,532	12,137	11,088	8,910	10,804	8,825
Debt Service - Interest	6,746	7,228	5,051	5,727	5,500	5,342	5,146	6,569	5,028	3,823
Total Expenditures	313,774	282,278	286,450	271,860	261,585	271,357	273,861	258,928	239,205	248,647
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	(10,378)	(3,761)	(29,284)	(16,823)	(10,650)	(21,422)	(18,876)	(3,504)	(8,286)	(19,898)
OTHER FINANCING SOURCES (USES)										
Issuance of Bonds	8,060	25,700	22,560	9,680	21,287	18,735	16,440	8,350	14,195	16,000
Issuance of Leases and SBITAs	1,257	-	-	1,604	-	-	-	-	-	-
Issuance of Refunding Bonds	-	3,715	34,020	-	-	13,130	-	16,015	14,935	-
Payment to Refunded Bond Escrow Agent	-	(4,690)	(40,403)	-	-	(14,948)	-	(18,698)	(17,312)	-
Premium on Issuance of Debt	294	2,858	8,547	350	806	3,741	736	3,391	3,004	-
Transfers In	1,541	1,170	1,948	3,241	1,285	911	2,402	3,165	1,344	2,968
Transfers Out	(1,541)	(1,161)	(1,918)	(3,191)	(1,261)	(891)	(2,302)	(3,040)	(1,354)	(2,964)
Total Other Financing Sources	9,611	27,592	24,754	11,684	22,117	20,678	17,276	9,183	14,812	16,004
NET CHANGE IN FUND BALANCES	<u>\$ (767)</u>	<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>
Debt Service as a Percentage of Noncapital Expenditures	7.3 %	6.9 %	7.2 %	7.6 %	7.4 %	6.9 %	6.6 %	6.5 %	7.0 %	5.8 %

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

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

CITY OF MILFORD, CONNECTICUT
TEN YEAR SUMMARY OF AUDITED REVENUES AND EXPENDITURES, NEXT FISCAL YEAR BUDGET
FISCAL YEAR 2014-2023
(IN THOUSANDS)

	Adopted Budget 2023-24	Actual 6/30/2023	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	\$ 212,414	\$ 209,924	\$ 187,069	\$ 184,444	\$ 182,570	\$ 180,714	\$ 181,284	\$ 179,444	\$ 177,034	\$ 171,858	\$ 165,899
Intergovernmental Revenue	12,638	31,557	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	1,354	919	1,324	1,634	1,244	1,732	1,624	1,244	1,199	1,058
Investment Income	900	2,521	146	91	1,282	1,263	806	356	191	89	75
Other	25,554	13,392	14,505	12,590	11,818	11,976	11,703	10,979	11,089	8,962	8,236
Total Revenues	253,006	258,748	231,788	226,205	226,160	215,542	229,067	226,887	214,644	206,362	203,027
EXPENDITURES											
General Government*	4,997	42,459	8,693	4,107	3,941	4,222	4,147	4,212	3,951	3,930	3,885
Administration	3,731	3,616	3,393	3,118	3,023	3,102	2,747	2,772	2,493	2,496	2,529
Public Safety	31,408	31,157	34,090	27,336	27,529	27,688	26,464	25,662	25,376	24,393	23,686
Public Services	12,903	12,955	13,499	11,735	11,472	11,887	11,621	11,742	11,832	11,272	11,691
Education	139,770	144,905	156,076	133,160	134,276	122,831	133,893	131,763	124,576	119,634	123,068
Health and Welfare	2,083	1,964	1,912	1,613	1,645	1,713	1,573	1,725	1,640	1,615	1,645
General Charges*	40,601	-	-	27,797	26,801	25,997	25,112	24,697	23,832	23,635	21,961
Grants to Agencies*	3,185	-	-	2,675	2,659	2,651	2,628	2,611	2,606	2,651	2,642
Debt Service	14,328	19,628	17,764	16,868	17,563	15,937	15,342	14,153	13,466	13,839	12,648
Capital Outlay	-	1,257	-	-	-	-	-	-	-	-	-
Total Expenditures	253,006	257,941	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>	807	(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	294	2,858	8,547	-	806	3,741	736	3,391	3,004	-	-
Lease and SBITAs Issuance	1,257	-	-	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-	-	-	-
Transfers In	1,021	-	-	57	50	-	44	-	-	-	1,327
Transfers Out	(520)	(1,161)	(1,118)	(3,019)	(1,131)	(891)	(1,446)	(815)	(1,264)	(1,625)	-
Net Other Financing Uses	2,052	722	1,046	(2,612)	(275)	1,032	(666)	(107)	(637)	(298)	-
NET CHANGE IN FUND BALANCE	2,859	(2,917)	(1,158)	(5,361)	(761)	6,572	6,884	4,765	2,260	(1,026)	-
Fund Equity - Beginning of Year	33,132	36,049	37,207	42,568	43,329	36,757	29,873	25,108	22,848	23,874	-
FUND EQUITY - END OF YEAR	<u>\$ 35,991</u>	<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	\$ 21
Committed	1,517	1,600	1,487	1,359	1,283	1,368	1,383	1,090	1,055	1,054	-
Assigned	12,729	6,967	13,882	12,350	14,262	11,700	9,748	8,094	7,696	6,959	-
Unassigned	21,724	24,544	20,659	23,477	27,002	30,240	25,605	20,668	16,336	14,814	-
Fund Equity	<u>\$ 35,991</u>	<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>	-

* Starting with FY2023, actual expenditures are allocated to general government function

**CITY OF MILFORD, CONNECTICUT
CAPITAL IMPROVEMENT PROGRAM
2023-2027
(UNAUDITED)
(IN THOUSANDS)**

	2023-2024	2024-2025	2025-2026	2026-2027	Total
Proposed Projects:					
Education	\$ 34,000	\$ 12,500	\$ 24,300	\$ 27,000	\$ 97,800
Sewers	6,300	6,200	3,600	4,700	20,800
Fire	1,100	400	800	-	2,300
Police	80	1,000	6,000	-	7,080
P.W. Roads/Drains	3,480	3,040	3,050	3,020	12,590
P.W. Bridges	655	-	-	-	655
P.W. Buildings	-	-	-	-	-
PW Erosion Control	500	400	400	400	1,700
Recreation	3,000	1,000	1,500	10,000	15,500
Total Proposed Projects	<u>\$ 49,115</u>	<u>\$ 24,540</u>	<u>\$ 39,650</u>	<u>\$ 45,120</u>	<u>\$ 158,425</u>
Proposed Funding:					
Pay-As-You-Go	\$ 80	\$ -	\$ -	\$ -	\$ 80
Bonds	36,072	20,023	29,698	36,871	122,664
Grants	12,963	4,517	9,952	8,249	35,681
Total Proposed Funding	<u>\$ 49,115</u>	<u>\$ 24,540</u>	<u>\$ 39,650</u>	<u>\$ 45,120</u>	<u>\$ 158,425</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								
2023	2021	\$ 5,608,258	\$ 1,379,242	\$ -	\$ 487,505	\$ 566,717	\$ 8,041,722	\$ 148,489	\$ 7,893,233	26.65	\$ 11,276,047	70.00%
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

TABLE 8

**CITY OF MILFORD, CONNECTICUT
PRINCIPAL PROPERTY TAXPAYERS
FY 2023 AND FY 2014
(UNAUDITED)
(IN THOUSANDS)**

Taxpayers	Nature of Business	2023			2014		
		Taxable Assessed Value	Rank	Percentage of Net Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Net Taxable Assessed Value
Connecticut Post Limited Partnership	Regional Shopping Mall	\$ 127,824	1	1.62 %	\$ 148,237	1	2.31 %
Connecticut Light and Power Company	Utility	107,933	2	1.37	113,107	2	1.76
Metro Star Properties (Smith Craft Real Estate)	Office/Apartments	50,330	3	0.64	64,202	4	1.00
Par LLC (formerly Smith/Craft and Wolff)	Office/Retail/Apartments	49,837	4	0.63	-		
Milford Crossing Investors LLC	Retail	38,383	5	0.49	68,599	3	1.07
Woodmont Road Owner LLC (Avalon Bay)	Apartments	33,947	6	0.43	28,201	6	0.44
United Illuminating	Utility	33,430	7	0.42	-		-
Milford Developers LLC	Apartments	23,988	8	0.30	-		-
Devon Power	Utility	22,783	9	0.29	20,078	9	0.31
Crown Milford LLC	Office	21,823	10	0.28	34,249	5	0.53
Schick Manufacturing Inc.	Manufacturer - Razors	21,367		-	22,719	8	0.35
BLR Realty Company	Retail (Milford Marketplace)	20,650		-	-		
D'Amato Investments, LLC	Real Estate Development	-		-	24,205	7	0.38
Keystone Milford	Retail (Stop & Shop)	-		-	17,582	10	0.27
TOTAL		<u>\$ 552,295</u>		6.47%	<u>\$ 541,179</u>		8.42%

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 (6/30/23)	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2023	26.65	\$ 211,284	\$ 208,628	98.74 %	\$ -	\$ 208,628	98.74 %
2022	27.65	187,581	185,638	98.96	932	186,570	99.46
2021	27.68	184,793	182,677	98.85	1,224	183,901	99.52
2020	27.71	183,068	180,261	98.47	1,525	181,786	99.30
2019	27.74	182,170	178,970	98.24	1,552	180,522	99.10
2018	27.79	183,139	178,854	97.66	1,180	180,034	98.30
2017	27.84	179,148	175,991	98.24	2,434	178,425	99.60
2016	27.88	178,307	174,556	97.90	3,706	178,262	99.97
2015	27.22	173,728	169,954	97.83	2,566	172,520	99.30
2014	26.28	168,390	164,519	97.70	1,571	166,090	98.63

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

Fiscal Year	Governmental Activities		Long-Term Notes Payable	Leases and Subscriptions Payable	Ratio of Debt to Taxable Assessed Value	Debt Per Capita		
	General Obligation Bonds							
2023	\$	188,501	\$	1,317	\$	585	2.37	3,640
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

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, 2023
(UNAUDITED)
(IN THOUSANDS)

Total tax collections (including interest and lien fees) received by Treasurer for year ended June 30, 2022

\$ 187,923

	General Purpose	Schools	Sewers	Urban Renewal	Pension Bonds
Debt Limitation:					
2-1/4 Times Base	\$ 422,827	\$ -	\$ -	\$ -	\$ -
4-1/2 Times Base	-	845,654	-	-	-
3-3/4 Times Base	-	-	704,711	-	-
3-1/4 Times Base	-	-	-	610,750	-
3 Times Base	-	-	-	-	563,769
Total Debt Limitation	<u>422,827</u>	<u>845,654</u>	<u>704,711</u>	<u>610,750</u>	<u>563,769</u>
Indebtedness:					
Bonds Payable	76,352	49,738	50,620	-	-
Notes Payable	1,317	-	-	-	-
Lease Payable	306	-	-	-	-
Authorized, Unissued Debt	<u>27,540</u>	<u>26,779</u>	<u>7,925</u>	<u>-</u>	<u>-</u>
Total Indebtedness	<u>105,515</u>	<u>76,517</u>	<u>58,545</u>	<u>-</u>	<u>-</u>
Debt Limitation in Excess of Outstanding and Authorized Debt	<u>\$ 317,312</u>	<u>\$ 769,137</u>	<u>\$ 646,166</u>	<u>\$ 610,750</u>	<u>\$ 563,769</u>

Note 1: In no case shall total indebtedness exceed seven times annual receipts from taxation (\$1,315,461).

Note 2: The authorized/unissued debt has been reduced by grant proceeds of \$26,529 relative to general purpose and school construction projects.

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

	FISCAL YEAR									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Debt Limit	\$ 1,315,461	\$ 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
Total Net Debt Applicable to Limit	240,577	260,111	245,151	241,348	237,413	242,628	264,401	242,207	209,101	221,221
Legal Debt Margin	<u>\$ 1,074,884</u>	<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>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	18.29 %	19.98 %	19.03 %	18.98 %	18.47 %	19.16 %	20.92 %	19.49 %	17.41 %	18.97 %

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, 2023
(UNAUDITED)
(IN THOUSANDS)

Long-Term Bonded (1)		
Bonds:		
Public Improvement	\$	76,352
Schools		49,738
Sewers		50,620
Lease Payable		306
Bond Premiums		11,791
Long-Term Notes Payable		<u>1,317</u>
Total Long-Term Bonded Debt		190,124
Short-Term Debt:		
Bond Anticipation Notes		<u>17,355</u>
Total Direct Debt	\$	<u><u>207,479</u></u>

Note: The City has no overlapping or underlying debt.

Population (2)	52,308
Net Taxable Grand List (10/01/21)	\$ 7,893,233
Estimated Full Value (70%)	11,276,047
Equalized Grand List (10/1/21) (3)	11,282,168
Money Income Per Capita (2020) (4)	54,069

	Total Direct Debt	Total Net Direct Debt
	<u> </u>	<u> </u>
Per Capita	\$ 3,966	\$ 3,966
Ratio to Net Taxable Grand List	2.63%	2.63%
Ratio to Estimated Full Value	1.84%	1.84%
Ratio to Equalized Grand List	1.84%	1.84%
Debt per Capita to Money Income per Capita	7.34%	7.34%

*Presented in Thousands

(1) Excludes leases and SBITAs

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

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

(4) U.S. Census Bureau/American Community Survey 2015-2019, used for FY2023 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)					
2023	2021	\$ 7,893,233	\$ 11,276,047	\$ 188,501	2.39	1.67	52,308	\$ 3,604	6.66
2022	2020	6,751,219	9,659,463	196,350	2.91	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

(1) Assessment Ratio 70%

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

(3) 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, 2023
(UNAUDITED)**

Project	Total Amount of Authorization	Bonds Issued	Statutory Paydown	Grants	Note Payable Due 10/30/2023	The Bonds	Authorized But Unissued		
							General Purpose	Schools	Sewers
Various Public Improvements (Feb. 2012)	\$ 5,969,000	\$ 2,696,000	\$ -	\$ 614,291	\$ -	\$ -	\$ 2,658,709	\$ -	\$ -
Various Public Improvements (Feb. 2014)	7,717,500	5,677,000	-	209,050	25,000	-	1,806,450	-	-
Various Public Improvements (Feb. 2015)	11,307,230	5,422,000	-	3,978,617	500,000	-	1,406,613	-	-
Various Public Improvements (Feb. 2016)	12,889,500	7,666,000	-	772,013	-	-	4,451,487	-	-
Various Public Improvements (Jan. 2017)	9,671,200	8,847,000	-	-	-	-	824,200	-	-
April 2017 Gulf Street Road Construction	3,300,000	60,000	-	2,488,920	-	-	751,080	-	-
Naugatuck Ave Drainage Imp- Ph. 2. (Sept. 2015)	3,759,266	1,168,039	-	2,591,228	-	-	-	-	-
Various Public Improvements (Feb. 2018)	6,875,000	6,062,500	-	-	80,000	-	732,500	-	-
Various Public Improvements (Feb. 2019)	10,065,000	7,447,000	-	1,688,668	150,000	-	779,332	-	-
Various Public Improvements (Feb. 2020)	14,588,816	12,678,000	-	-	355,000	-	1,555,816	-	-
Various Public Improvements (Feb. 2021)	12,715,196	8,495,000	-	-	750,000	-	3,470,196	-	-
Various Public Improvements (Feb. 2022)	6,006,000	2,160,000	-	-	600,000	-	3,246,000	-	-
Various Public Improvements (Feb. 2023)	5,857,500	-	-	-	-	-	5,857,500	-	-
Subtotal General Improvement	110,721,208	68,378,539	-	12,342,787	2,460,000	-	27,539,883	-	-
Various School Improvements (Feb. 2015)	9,193,356	5,000,583	-	2,408,300	-	-	-	1,784,473	-
Various School Improvements (Feb. 2016)	4,742,842	2,358,000	-	1,666,327	-	-	-	718,515	-
Various School Improvements (Jan. 2017)	23,062,859	14,365,500	-	7,533,819	-	-	-	1,163,540	-
Various School Improvements (Feb. 2018)	4,051,421	2,600,000	-	7,162	1,030,000	-	-	414,259	-
Various School Improvements (Feb. 2019)	3,270,431	1,885,000	-	363,026	235,000	-	-	787,404	-
Various School Improvements (Feb. 2020)	5,367,620	2,100,000	-	392,489	2,311,000	-	-	564,131	-
Various School Improvements (Feb. 2021)	2,725,000	160,000	-	-	1,815,000	-	-	750,000	-
Pumpkin Delight School Improvements (May 2021)	15,440,894	5,280,000	-	-	6,000,000	-	-	4,160,894	-
Various School Improvements (Feb. 2022)	10,290,000	435,000	-	-	2,219,000	-	-	7,636,000	-
Various School Improvements (Feb. 2023)	8,800,000	-	-	-	-	-	-	8,800,000	-
Subtotal Schools	86,944,423	34,184,083	-	12,371,123	13,610,000	-	-	26,779,216	-
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	530,000	-	-	20,000	-	-	-	115,000
Sanitary Sewer Pump Station Upgrades No. 1-Various	1,995,000	-	-	1,815,000	-	-	-	-	180,000
Rogers Ave Sanitary Pump Station Upgrade (Feb. 2022)	3,811,500	5,000	-	-	1,000,000	-	-	-	2,806,500
Housatonic Wastewater Plant Upgrades: (Feb. 2023)	1,870,000	-	-	-	-	-	-	-	1,870,000
Sanitary Sewers Pump Station Upgrades (Feb. 2023)	2,805,000	-	-	-	-	-	-	-	2,805,000
Subtotal Sewers	12,671,842	1,647,000	-	1,815,000	1,285,000	-	-	-	7,924,842
Total	\$ 210,337,473	\$ 104,209,622	\$ -	\$ 26,528,910	\$ 17,355,000	\$ -	\$ 27,539,883	\$ 26,779,216	\$ 7,924,842

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

<u>Calendar Year</u>	<u>Population(1)</u>	<u>Per Capita Income(2)</u>	<u>Total Personal Income</u>	<u>Median Age(2)</u>	<u>School Enrollment(3)</u>	<u>Unemployment Rate(4)</u>
2023	52,308	\$ 54,069	\$ 2,828,241,252	45	5,338	3
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	2,509,495,040	45	5,587	10
2019	53,120	47,242	2,192,110,480	45	5,598	4
2018	52,970	43,408	2,174,149,824	44	5,791	3
2017	52,536	41,384	2,163,832,083	44	5,885	4
2016	53,039	40,797	2,100,968,898	44	6,125	5
2015	52,759	39,822	2,100,968,898	43	6,245	5
2014	52,759	39,822	2,023,360,409	43	6,602	6

(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 FY2023 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
2023 AND 2014
(UNAUDITED)
(IN THOUSANDS)**

Business Name	Nature of Business	2023			2014		
		Employees	Rank	Percentage of Total Town Employment	Employees	Rank	Percentage of Total Town Employment
City of Milford Board of Education	Municipal School System	1,030	1	3.44 %	1,076	1	3.83 %
Schick (Edgewell Personal Care)	Manufacturer-Razors	738	2	2.47	696	4	2.48
City of Milford	Municipal Government	532	3	1.78	542	5	1.93
Bridgeport Hospital Milford Campus	Healthcare	517	4		774	3	2.76
Inline Plastics Corp	Manufacturer-Healthcare	295	5	0.99			-
Walmart	Retail Department Store-Grocery	275	6	0.92			-
Alinibal Holdings Corp.	Manufacturer	248	7	0.83	226	10	0.81
Quadient Inc.	US Corporate HQ-Manufacturer	247	8	0.83			
West River Rehab Center	Healthcare	219	9	0.73			-
Super Stop & Shop	Food Retail-Grocery	215	10	0.72	288	8	1.03
Subway World Headquarters	Corporate Headquarters - Food Franchiser				870	2	3.10
Macy's (Filene's)	Retail Department Store	-		-	325	7	1.16
Neopost Hasler Inc.	Postage Meter Company	-		-	390	6	1.39
Costco	Wholesale Club	-		-	240	9	0.86
Total		<u>4,316</u>		14.43	<u>5,427</u>		19.34
Total Employment		<u><u>29,904</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									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
General Government	141	145	142	133	136	109	135	119	130	128
Police	142	140	139	140	140	138	133	137	129	127
Fire	108	112	112	112	112	113	117	121	121	121
Refuse Collection	17	17	18	17	19	21	22	27	29	31
Other Public Works	70	67	63	71	74	102	76	79	74	77
Wastewater	30	30	30	30	30	31	31	31	31	31
Parks and Recreation	6	5	5	5	6	6	5	6	6	6
Library	18	17	18	18	18	19	19	19	19	20
Education	<u>1,204</u>	<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>
Total	<u><u>1,736</u></u>	<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>

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									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
General Government:										
Building Permits Issued	45	73	53	76	92	90	63	71	60	71
All Other Permits	1,204	1,263	1,281	1,118	1,264	1,395	1,244	1,246	1,019	994
Building Inspections Conducted	5,248	4,980	5,199	6,293	6,617	6,794	6,381	5,756	4,994	5,923
Police:										
Physical Arrests	1,371	1,058	970	1,182	1,454	1,286	1,339	1,541	988	1,267
Parking Violations	1,557	964	1,849	2,273	1,947	1,758	1,108	1,337	1,270	900
Traffic Violations	2,953	1,858	1,535	3,341	3,185	4,260	4,401	2,899	4,112	2,260
Fire:										
Emergency Responses	8,689	8,778	8,210	7,883	8,850	8,042	8,500	7,900	7,854	7,617
Fires Extinguished	159	112	152	157	114	143	140	259	148	140
Refuse & Recycling Collection:										
Refuse Collected (Tons Per FY)	24,153	21,739	21,147	17,521	16,843	16,723	15,757	16,595	14,611	15,597
Recyclables Collected (Tons Per FY)	3,565	3,900	4,200	4,181	3,981	4,131	4,317	4,090	3,946	4,224
Other Public Works:										
Street Resurfacing (Miles)	3.62	16.40	22.00	12.00	11.50	21.00	20.00	12.68	8.30	4.7
Parks and Recreation:										
Athletic Field Permits Issued	1,835	1,525	1,250	1,455	1,385	1,260	1,260	1,200	1,200	1,200
Community Center Admissions	6,950	4,850	2,850	5,950	6,860	6,235	6,235	5,939	5,939	5,939
Tennis / Pickleball Permits	9,991	-	-	-	-	-	-	-	-	-
Library:										
Volumes in Collection	122,072	123,443	126,518	126,783	125,278	125,032	130,394	125,852	129,341	127,773
Total Volumes Borrowed	237,440 *	230,002	178,442	157,619	243,240	184,232	172,909	171,632	183,797	193,511
Wastewater:										
Average Daily Sewage Treatment (Thousands of Gallons)	7,580	10,020	8,980	8,150	9,750	8,562	7,452	6,876	7,235	8,700

* Includes physical items only, not downloadable content

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									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Vehicular Patrol Units	43	43	43	42	41	42	42	43	42	42
Fire Stations	4	4	4	4	4	4	4	6	4	4
Refuse Collection:										
Collection Trucks	19	17	19	17	16	15	15	13	13	13
Other Public Works:										
Streets (Miles)	206	206	206	205	205	204	204	204	199	199
Traffic Signals	49	49	48	48	48	132	137	137	136	136
Parks and Recreation:										
Open Space Parks	9	9	9	8	8	8	8	8	8	8
Ball/Soccer/Football Fields	40	40	40	40	40	40	40	38	38	38
Playgrounds	21	21	21	20	20	20	20	20	20	20
Swimming Pools	2	2	2	2	2	2	2	2	2	2
Splash Pad	1	1	1	1	1	1				
Tennis Courts	23	25	25	25	25	25	25	25	25	25
Pickle Ball Courts	18	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	1,442	1,436	1,435	1,436	1,426	1,426	1,425	1,689	1,415	1,404
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	263	262	262
Treatment Capacity (Thousands of Gallons)	11,300	11,300	11,300	11,300	11,300	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*
2023	38	\$ 11,198	7	\$ 13,460	1,204	\$ 64,421	1,249	\$ 89,079
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

(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.