

Final Official Statement Dated May 17, 2022

NEW MONEY ISSUE: Book-Entry-Only

RATING: S&P Global Ratings: "AA+"

In the opinion of Bond Counsel, rendered in reliance upon and assuming the accuracy of and continuing compliance by the Town with certain representations and covenants relating to the applicable requirements of the Internal Revenue Code of 1986, as amended (the "Code"), under existing law, interest on the Bonds is excluded from gross income for federal income tax purposes and is not treated as an item of tax preference for purposes of calculating the federal alternative minimum tax under the Code. In the opinion of Bond Counsel, under existing statutes, interest on the Bonds is excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates and is excluded from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay the federal alternative minimum tax. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the accrual or receipt of interest on, the Bonds. (See "Tax Matters" herein.)



Town of Windsor Locks, Connecticut \$20,000,000 General Obligation Bonds, Issue of 2022

Dated: Date of Delivery

**Due: July 15, 2023 - 2051,
as shown on the inside cover:**

The General Obligation Bonds, Issue of 2022 (the "Bonds") will be general obligations of the Town of Windsor Locks, Connecticut (the "Town") and the Town will pledge its full faith and credit to pay the principal of and the interest on the Bonds when due. See "Security and Remedies" herein.

The Bonds will bear interest semiannually January 15 and July 15 in each year until maturity, commencing January 15, 2023. The Bonds are issuable only as fully-registered bonds, without coupons, and, when issued, will be registered in the name of Cede & Co., as Bondowner and nominee for The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository for the Bonds. Purchases of the Bonds will be made in book-entry form, in the denomination of \$5,000 or any integral multiple thereof. Purchasers will not receive certificates representing their ownership interest in the Bonds. So long as Cede & Co. is the Bondowner, as nominee of DTC, reference herein to the Bondowner or owners shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners (as defined herein) of the Bonds. See "Book-Entry-Only Transfer System" herein.

The Bonds are subject to redemption prior to maturity as herein provided. See "Redemption Provisions" herein.

The Registrar, Transfer Agent, Paying Agent and Certifying Agent for the Bonds will be U.S. Bank Trust Company, National Association, CityPlace I, 185 Asylum Street, Hartford, Connecticut 06103.

The Bonds are offered for delivery when, as and if issued, subject to the final approving opinion of Pullman & Comley, LLC, Bond Counsel, of Hartford, Connecticut. It is expected that delivery of the Bonds in book-entry-only form will be made to DTC in New York, New York on or about June 1, 2022.

RAYMOND JAMES & ASSOCIATES, INC.

This cover page and inside cover page contains certain information for a quick reference only. Investors must read the entire official statement to obtain information essential to the making of an informed investment decision.

Town of Windsor Locks, Connecticut
\$20,000,000
General Obligation Bonds, Issue of 2022

Dated: Date of Delivery

Due: July 15, 2023 - 2051,
as shown below:

Year	Principal	Coupon	Yield	CUSIP¹	Year	Principal	Coupon	Yield	CUSIP¹
2023	\$ 690,000	5.000%	2.100%	973653SE9	2035*	\$ 690,000	4.000%	3.750%	973653SS8
2024	690,000	5.000%	2.380%	973653SF6	2036*	690,000	4.000%	3.850%	973653ST6
2025	690,000	5.000%	2.570%	973653SG4	2037*	690,000	4.000%	3.950%	973653SU3
2026	690,000	5.000%	2.620%	973653SH2	2038	690,000	4.000%	4.050%	973653SV1
2027	690,000	5.000%	2.680%	973653SJ8	2039	690,000	4.000%	4.100%	973653SW9
2028	690,000	5.000%	2.810%	973653SK5	2040	690,000	4.000%	4.150%	973653SX7
2029	690,000	5.000%	2.930%	973653SL3	2041	690,000	4.125%	4.200%	973653SY5
2030	690,000	5.000%	3.000%	973653SM1	2042	690,000	4.125%	4.220%	973653SZ2
2031	690,000	5.000%	3.070%	973653SN9	2043	690,000	4.125%	4.250%	973653TA6
2032	690,000	5.000%	3.120%	973653SP4	2044	690,000	4.250%	4.270%	973653TB4
2033*	690,000	5.000%	3.170%	973653SQ2	2045	690,000	4.250%	4.290%	973653TC2
2034*	690,000	5.000%	3.200%	973653SR0					

* Priced assuming redemption on July 15, 2032; however, any such redemption is at the option of the Town.

\$2,070,000 4.250% Term Bond due July 15, 2048 – Yield 4.330% CUSIP¹: 973653TF5

\$2,060,000 4.250% Term Bond due July 15, 2051 – Yield 4.360% CUSIP¹: 973653TJ7

RAYMOND JAMES & ASSOCIATES, INC.

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

No dealer, broker, salesman or other person has been authorized by the Town of Windsor Locks, Connecticut (the "Town") to give any information or to make any representations, other than those contained in this Official Statement; and if given or made, such other information or representation must not be relied upon as having been authorized by the Town. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

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

Set forth in Appendix A – "2021 General Purpose Financial Statements" hereto is a copy of the report of the independent auditors for the Town with respect to the financial statements of the Town included in that appendix. The report speaks only as of its date, and only to the matters expressly set forth therein. The auditors have not been engaged to review this Official Statement or to perform audit procedures regarding the post-audit period, nor have the auditors been requested to give their consent to the inclusion of their report in Appendix A. Except as stated in their report, the auditors have not been engaged to verify the financial information set out in Appendix A and are not passing upon and do not assume responsibility for the sufficiency, accuracy or completeness of the financial information presented in that appendix.

Bond Counsel is not passing on and does not assume any responsibility for the accuracy or completeness of the statements made in this Official Statement, (other than matters expressly set forth as its opinion in Appendix B "Form of Opinion of Bond Counsel" herein), and makes no representation that it has independently verified the same.

The Town deems this official statement to be "final" for the purposes of Securities and Exchange Commission Rule 15c2-12(b)(1), but is subject to revision or amendment.

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

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Bond Issue Summary

The information in this Bond Issue Summary and the front cover page is qualified in its entirety by the detailed information and financial statements appearing elsewhere in this Official Statement. Investors must read the entire Official Statement to obtain information essential to the making of an informed decision. This Official Statement speaks only as of its date and the information herein is subject to change.

Date of Sale:	Tuesday, May 17, 2022 at 11:30 A.M. (Eastern Time).
Location of Sale:	Offices of Pullman & Comley LLC, 90 State House Square, Hartford, Connecticut 06103.
Issuer:	Town of Windsor Locks, Connecticut (the "Town").
Issue:	\$20,000,000 General Obligation Bonds, Issue of 2022 (the "Bonds").
Dated Date:	June 1, 2022.
Principal and Interest Due:	Principal due July 15, 2023 through July 15, 2051. Interest due January 15 and July 15 in each year until maturity, commencing January 15, 2023.
Authorization and Purpose:	The Bonds are being issued to fund various general purpose projects. See "Authorization and Use of Proceeds".
Redemption:	The Bonds are subject to redemption prior to maturity. See "Redemption Provisions" herein
Security:	The Bonds will be general obligations of the Town, and the Town will pledge its full faith and credit to the payment of principal of and interest on the Bonds when due.
Credit Rating:	The Town received a "AA+" rating from S&P Global Ratings ("S&P") on the Bonds.
Tax Exemption:	See "Tax Matters" herein.
Bank Qualification:	The Bonds <u>shall NOT</u> be designated by the Town as qualified tax-exempt obligations under the provision of Section 265(b) of the Internal Revenue Code of 1986, as amended, for purposes of the deduction by financial institutions of interest expense allocable to the Bonds.
Continuing Disclosure:	In accordance with the requirements of Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission, the Town will agree to provide, or cause to be provided, (i) annual financial and operating data, (ii) timely notice of the occurrence of certain events not in excess of 10 business days after the occurrence of such events and (iii) timely notice of a failure by the Town to provide the required annual financial information and operating data with respect to the Bonds pursuant to a Continuing Disclosure Agreement to be executed by the Town substantially in the form attached as Appendix C to this Official Statement.
Registrar, Transfer Agent, Certifying Agent and Paying Agent:	U.S. Bank Trust Company, National Association, CityPlace I, 185 Asylum Street, Hartford, Connecticut 06103.
Municipal Advisor:	Phoenix Advisors, LLC, of Milford, Connecticut. Telephone (203) 283-1110.
Legal Opinion:	Pullman & Comley, LLC, of Hartford, Connecticut.
Delivery and Payment:	It is expected that delivery of the Bonds in book-entry-only form will be made to The Depository Trust Company on or about June 1, 2022. Delivery of the Bonds will be made against payment in Federal Funds.
Issuer Official:	Questions concerning the Town should be directed to Amanda Moore, Finance Director, Town Hall, 50 Church Street, Windsor Locks, Connecticut 06096, Telephone: (860) 627-1449.

I. Bond Information

Introduction

This Official Statement, including the cover page and appendices, is provided for the purpose of presenting certain information relating to the Town of Windsor Locks, Connecticut (the “Town”), in connection with the issuance and sale of \$20,000,000 General Obligation Bonds, Issue of 2022 (the “Bonds”) of the Town.

This Official Statement is not to be construed as a contract or agreement between the Town and the purchasers or holders of any of the Bonds. Any statements made in this Official Statement involving matters of opinion or estimates are not intended to be representations of fact, and no representation is made that any such opinion or estimate will be realized. No representation is made that past experience, as might be shown by financial or other information herein, will necessarily continue or be repeated in the future. All quotations from and summaries and explanations of provisions of Statutes, Charters, or other laws and acts and proceedings of the Town contained herein do not purport to be complete, are subject to repeal or amendment, and are qualified in their entirety by reference to such laws and the original official documents. All references to the Bonds and the proceedings of the Town relating thereto are qualified in their entirety by reference to the definitive form of the Bonds and such proceedings.

U.S. Bank Trust Company, National Association will certify and act as Registrar, Transfer Agent, Paying Agent and Certifying Agent for the Bonds.

The presentation of information in this Official Statement is intended to show recent historical trends and is not intended to indicate future or continuing trends in the financial or other positions of the Town.

The Town deems this Official Statement to be “final” for the purposes of Securities and Exchange Commission Rule 15c2-12(b)(1), but it is subject to revision or amendment.

Global Health Emergency Risk

The COVID-19 Outbreak

The outbreak of COVID-19 was declared a Public Health Emergency of International Concern by the World Health Organization. On March 13, 2020, the President of the United States declared a national emergency as a result of the COVID-19 outbreak. The outbreak of the virus has affected travel, commerce and financial markets globally. There can be no assurances that the continuing prevalence of COVID-19 will not materially affect local, state, national, and global activity; increase public health emergency response costs; and materially adversely impact the financial condition of the Town.

Federal Response to COVID-19's Impact on the Economy

On March 11, 2021, President Biden signed into law the \$1.9 trillion American Rescue Plan Act of 2021 (the “Rescue Plan”). The Rescue Plan relief package includes, among other provisions, \$350 billion in state and local government aid. Of the \$350 billion, the State of Connecticut and its local governments are expected to receive approximately \$4.2 billion as a result of this legislation, with \$2.6 billion in State relief and another \$1.6 billion in relief for local governments.

The Rescue Plan relief package also includes approximately \$123 billion to allow for a return to full-time, in-person teaching at elementary and high schools, which funds may be used for numerous purposes, including but not limited to expanding testing, modifying classrooms, improving ventilation, and hiring more custodial staff. The State’s K-12 schools are expected to receive approximately \$1.1 billion.

The Rescue Plan relief package includes another \$160 billion dedicated to COVID-19 vaccination development and distribution.

State and Local Responses to COVID-19's Impact on the Economy

Governor Lamont also declared a state of emergency throughout the State of Connecticut and took steps to mitigate the spread and impact of COVID-19. Public schools began to operate remotely and many businesses, with the exception of those deemed to be essential, were required to operate in a limited capacity, if not required to temporarily close altogether. Connecticut's COVID-19 vaccination plan commenced on December 14, 2020, and today the vaccine is widely available to all individuals aged 5 and over. As of February 28, 2022, the State has lifted nearly all restrictions put in place during the height of the pandemic. The State will continue to evaluate the need for additional restrictions on an on-going basis. For up-to-date information concerning the State's actions in response to COVID-19, see <https://portal.ct.gov/coronavirus>. Neither the Town, nor the parties involved with the issuance of the Bonds, has reviewed the information provided by the State on its website and such parties take no responsibility for the accuracy thereof.

The extent to which COVID-19 impacts the State's operations and its financial condition will depend on future developments, which are uncertain and cannot be fully predicted with confidence at this time, including the duration of the outbreak, new information which may emerge concerning the severity of COVID-19 and the actions to contain COVID-19 or treat its impact, among others. There can be no assurances that the outbreak will not further materially adversely affect the financial condition of the State or the Town.

To date, the Town's revenues have not experienced a material negative impact as a result of COVID-19. The Town collected approximately 97.4% of the Fiscal Year 2021 General Fund current levy, with 96.8% having been collected for Fiscal Year 2020 and 97.9% having been collected for Fiscal Year 2019.

Within the year, the Town expects to receive the second payment of \$1,902,074 in federal funding as a result of the Rescue Plan. The Town has received approximately 50%, or \$1,902,074, in funding from this program. The Town has developed a plan for the use of such funds that will focus on community support for residents and businesses that comply with the program eligibility criteria. The Board of Education has been allocated separate funds to be used for designated uses in the school system. Total Board of Education funding is estimated to be \$2,389,936.

Climate Change

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

Cybersecurity

The Town, like many other public and private entities, relies on technology to conduct its operations. The Town and its departments face cyber threats from time to time, including but not limited to hacking, viruses, malware, phishing, and other attacks on computers and other sensitive digital networks and systems. To reduce the risk of a successful cyber security threat the Town has invested in IT security firewalls, staff training programs, anti-virus software, and anti-malware software. All of the Town computers and computer servers are protected by this security software and firewalls. These security protection systems are evaluated annually for upgrades or replacements.

To mitigate the risk of business operations impact and/or damage from cyber security incidents or cyber-attacks, the Town has invested in disaster recovery systems and a continuity of IT operations plan which leverages regular daily system backups. In the event of a cybersecurity incident recovery from an earlier state for any enterprise application system is possible. The Town currently has a cybersecurity insurance policy. No assurances can be given, however, that such security and operational control measures will be completely successful to guard against cyber threats and attacks. The results of any such attack could impact financial operations and/or damage the Town's digital networks and systems and the costs of remedying any such damage could be substantial.

Municipal Advisor

Phoenix Advisors, LLC, of Milford, Connecticut serves as Municipal Advisor to the Town with respect to the issuance of the Bonds (the "Municipal Advisor"). The information in this Official Statement has been prepared by the Town of Windsor Locks, with the help of the Municipal Advisor. The Municipal Advisor is not obligated to undertake, and has not undertaken, either to make an independent verification of or to assume responsibility for the accuracy, completeness, or fairness of the information contained in the Official Statement and the appendices hereto. The Municipal Advisor is an independent firm and is not engaged in the business of underwriting, trading or distributing municipal securities or other public securities.

Description of the Bonds

The Bonds will mature on July 15 in each of the years as set forth on the cover page of this official statement. The Bonds will be dated the date of delivery and bear interest at the rates per annum specified on the cover page, payable semiannually on January 15 and July 15 in each year until maturity, commencing January 15, 2023. Interest will be calculated on the basis of a 360-day year, consisting of twelve 30-day months. Interest is payable to the registered owner as of the close of business on the last business day of June and December, in each year, by check mailed to the registered owner; or so long as the Bonds are registered in the name of Cede & Co., as nominee of DTC, by such other means as DTC, the Paying Agent and the Town shall agree.

Redemption Provisions

Bonds maturing on or before July 15, 2032 are not subject to redemption prior to maturity. Bonds maturing on July 15, 2033 and thereafter are subject to redemption prior to maturity, at the option of the Town, on or after July 15, 2032 at any time, either in whole or in part, in such amounts and in such order of maturity, (but by lot within a maturity) as the Town may determine, at the redemption price or prices (expressed as a percentage of the principal amount of the Bonds to be redeemed), set forth in the following table, plus interest accrued and unpaid to the redemption date:

<u>Redemption Date</u>	<u>Redemption Price</u>
July 15, 2032 and thereafter	100%

Notice of redemption shall be given by the Town or its agent by mailing a copy of the redemption notice by first-class mail not less than thirty (30) days prior to the redemption date to the registered owner of the Bonds at the address of such registered owner as the same shall last appear on the registration books for the Bonds kept for such purpose. Failure to give such notice by mailing to any registered owner, or any defect therein, shall not affect the validity of the redemption of any other Bonds. Upon the giving of such notice, if sufficient funds available solely for redemption are on deposit with the Paying Agent, the Bonds or portions thereof so called for redemption will cease to bear interest after the specified redemption date.

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

The Town, so long as Cede & Co., as nominee of the Depository Trust Company ("DTC"), is the registered owner of the Bonds, will send any notice of redemption only to DTC (or successor securities depository) or its successor nominee. Any failure of DTC to advise any Direct Participant, or of any Direct Participant or Indirect Participant to notify any Indirect Participant or Beneficial Owner, of any such notice and its contents or effect will not affect the validity of the redemption of such Bonds called for redemption. Redemption of a portion of the Bonds of any maturity by the Town will reduce the outstanding principal amount of Bonds of such maturity held by DTC. In such event it is the current practice of DTC to allocate by lot, through its book-entry system, among the interests held by Direct Participants in the Bonds to be redeemed, the interest to be reduced by such redemption in accordance with its own rules or other agreements with Direct Participants. The Direct Participants and Indirect

Participants may allocate reductions of the interest in the Bonds to be redeemed held by the Beneficial Owners. Any such allocations of reductions of interests in the Bonds to be redeemed will not be governed by the determination of the Town authorizing the issuance of the Bonds and will not be conducted by or the responsibility of the Town, the Registrar or Paying Agent.

Mandatory Sinking Fund Redemption

The Bonds maturing July 15, 2048 and July 15, 2051 are subject to mandatory sinking fund redemption in part on July 15 of the respective years shown below in the principal amount shown below, without premium, from sinking fund installments deposited with the Paying Agent which are required to be made in amounts sufficient to redeem such Bonds (or to pay such Bonds at maturity in the case of the final sinking fund installment for the Bonds) in the principal amounts shown below:

\$2,070,000		\$2,060,000	
Maturing July 15, 2048		Maturing July 15, 2051	
Due	Sinking Fund Installments	Due	Sinking Fund Installments
2046	\$ 690,000	2049	\$ 690,000
2047	690,000	2050	685,000
2048 ¹	690,000	2051 ¹	685,000

¹ Final Maturity

Authorization and Use of Proceeds

The Bonds are issued pursuant to the General Statutes of Connecticut, as amended, the Charter of the Town of Windsor Locks, and to borrowing resolutions approved by the voters of the Town.

Project	Amount Authorized	This Issue: The Bonds
New Police Headquarters	\$ 15,150,000	\$ 10,000,000
Senior Center	12,910,000	10,000,000
Total.....	\$ 28,060,000	\$ 20,000,000

Book-Entry-Only Transfer System

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

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

through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

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

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

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of the Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

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

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

Principal and Interest on, and redemption premium, if any, with respect to the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC’s practice is to credit Direct Participants’ accounts upon DTC’s receipt of funds and corresponding detail information from the Town or the Paying Agent, on payable date in accordance with their respective holdings shown on DTC’s records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with Bonds held for the accounts of customers in bearer form or registered in “street name,” and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the Town, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest, and redemption premium, if any, to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Town or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

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

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

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

DTC Practices

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

Replacement Securities

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

Security and Remedies

The Bonds will be general obligations of the Town and the Town will pledge its full faith and credit to pay the principal of and interest on the Bonds when due. Unless paid from other sources, the Bonds are payable from general property tax revenues of the Town. The Town has the power under Connecticut statutes to levy ad valorem taxes on all taxable property in the Town without limit as to rate or amount, except as to certain classified property such as certified forest land taxable at a limited rate and dwelling houses of qualified elderly persons of low income or qualified disabled persons taxable at limited amounts. The Town may place a lien on the property for the amount of tax relief granted, plus interest, with respect to dwelling houses of qualified elderly persons of low income or qualified disabled persons. Under existing statutes, the State of Connecticut is obligated to pay the Town the amount of the tax revenue which the Town would have received except for the limitation under certain of the statutes upon its power to tax dwelling houses of qualified elderly persons of low income.

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

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

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

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

THE TOWN HAS NEVER DEFAULTED IN THE PAYMENT OF PRINCIPAL OR INTEREST ON ITS BONDS OR NOTES.

Qualification for Financial Institutions

The Bonds shall NOT be designated by the Town as qualified tax-exempt obligations under the provisions of Section 265(b) of the Internal Revenue Code of 1986, as amended, for purposes of the deduction by financial institutions for interest expense allocable to the Bonds.

Availability of Continuing Disclosure Information

The Town prepares, in accordance with state law, annual audited financial statements and files such annual audits with the State of Connecticut, Office of Policy and Management.

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

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

The Town currently files its official statements for primary offerings with the Municipal Securities Rulemaking Board's EMMA system.

Rating

The Town received a rating of "AA+" on the Bonds from S&P Global Ratings ("S&P"). The Town furnished the rating agency certain information and materials, some of which may not have been included in this Official Statement. The rating reflects only the views of the rating agency and an explanation of the significance of the rating may be obtained from such rating agency. There is no assurance that the rating will continue for any given period of time or that it will not be revised or withdrawn entirely if in the judgment of such rating agency, circumstances so warrant. A revision or withdrawal of the rating may have an effect on the market price of the Town's bonds and notes, including the Bonds.

Tax Matters

Federal Taxes. In the opinion of Bond Counsel, under existing law, (i) interest on the Bonds is excluded from gross income for federal income tax purposes, and (ii) such interest is not an item of tax preference for purposes of the federal alternative minimum tax.

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

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

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

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

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

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

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

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

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

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

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

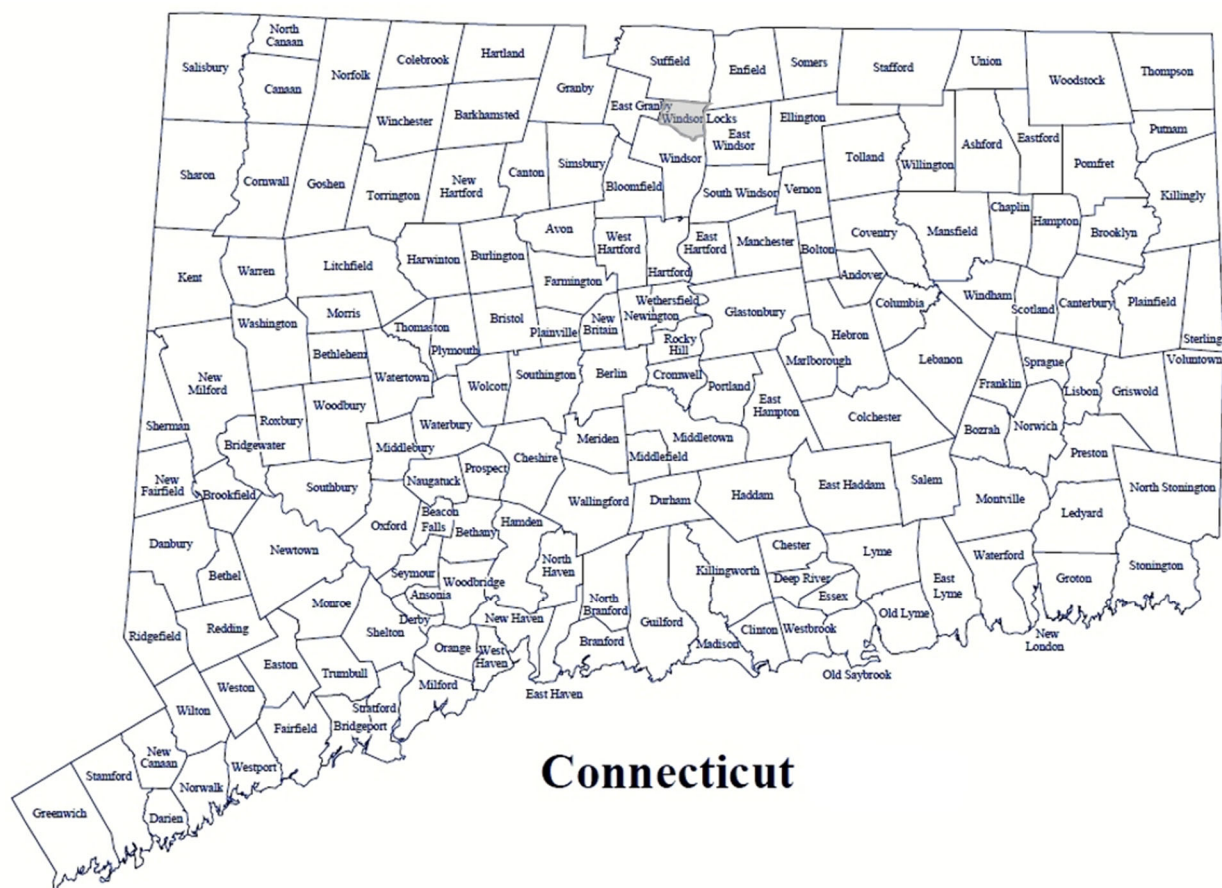
Changes in Federal and State Tax Law. Legislation affecting tax-exempt obligations is regularly considered by the United States Congress. Court proceedings may also be filed, the outcome of which could modify the tax treatment of obligations such as the Bonds. There can be no assurance that legislation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

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

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

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

II. The Issuer



Description of the Municipality

Windsor Locks, settled as part of Windsor in 1663, was incorporated as a separate town in 1854. It covers 9.6 square miles divided approximately as follows: three square miles for Bradley International Airport, three square miles of industrial and commercial zones, and three-square miles of residential zone. The Town is located on the west bank of the Connecticut River, 12 miles north of Hartford, Connecticut and 13 miles south of Springfield, Massachusetts.

Interstate Highway 91 traverses Windsor Locks, running from New Haven north through Hartford, onto Massachusetts and Vermont to the Canadian border. State routes 20, 75, 140 and 159 pass through the Town. Rail service is provided by the north-south ConRail tracks with spurs into Bradley International Airport and two industrial parks adjacent to the airport.

The Town is home of Bradley International Airport. The second largest airport in New England in passenger and cargo volume. Bradley proudly has been voted a Top 10 Airport by USA Today and Condé Nast Traveler in 2021. The airport is served on a daily basis by 11 major airlines with nonstop transcontinental service as well as domestic and local service carriers. With the continued partnership with Air Lingus, Bradley proudly provides non-stop service to Europe.

Bradley International Airport's location and infrastructure make it a great option for freight forwarders and other cargo professionals. Amazon Air, DHL Aviation, FedEx Express, UPS Airlines, as well as 5 Airline cargo services call Bradley home with several flights in and out of the airport every day.

Economic Development

Bradley International Airport – As the home of Bradley International Airport, New England’s second largest airport, the Town serves as a major northeastern distribution center (home to regional American Honda, Federal Express, and UPS facilities) and as a home for aerospace products (Collins Aerospace) and many manufacturers of paper goods (Ahlstrom-Dexter, LLC). The Town has a favorable location on the north-south I-91 corridor that stretches from the Canadian border to Long Island Sound.

Main Street Revitalization – Relocation of the Hartford Line commuter rail station to the center of Town is the catalyst for the Main Street revitalization efforts. The Connecticut Department of Transportation (DOT) has fully funded and completed the design work for the station. Site engineering work is underway. Funding for the station is included within the initial “ramp-up” phase of the Hartford Line project approved by the DOT. DOT has informed the Town that it has requested that State bonding for the project be issued in the coming months and that construction will begin in the Summer of 2022.

Chestnut Street Hill Stabilization and Parking Project. – This project supports the redevelopment of three parcels on the west side of Main Street. The project is already under way. The Department of Economic Development and the Office of Policy and Management recently approved adjustments to the project budget giving the town the green light to proceed with the revised plan.

Windsor Locks Main Street Complete Streets Project and Community Connectivity Grant - The Complete Streets project for the rebuilding of Main Street from Church Street to Suffield Street involves installation of new wide sidewalks, traffic calming measures, street lighting, crosswalks, bicycle lanes and new on-street parking areas. Phase I has been issued a commitment to fund by DOT. Because of its proximity to the Route 140 Bridge, DOT has taken over both the design and construction of Phase II of the Complete Streets project. Grants will fund construction of a pedestrian and bicycle connection from the new Hartford Line commuter rail station along the east side of Main Street to the Montgomery Mill redevelopment on the canal bank. The design and construction of the Community Connectivity project has also been taken over by DOT.

Montgomery Mill Apartments – The conversion of this former thread and wire mill into 160 one and two-bedroom apartments is complete. The building is nearly 100 percent rented and sits between the Connecticut River, the rail line and the Town Center. The mixed income project has been very successful. The positive economic impact produced by the new residents is already being enjoyed by business owners throughout town.

Tax Increment Financing (TIF) – The Town has established 3 TIF Districts to support downtown revitalization and the development of 2 other key locations in Town. The Windsor Locks Downtown TIF District has begun to produce new revenue. It is projected this year, over \$200,000 in new revenue will be produced by the TIF District and those funds will be available to support further Downtown revitalization efforts. These efforts include Main Street beautification, seasonal staff, and low interest loans for small Main Street businesses locating in the TIF district.

Historic Station Restoration – The Historic Station is the only building remaining from the “old” downtown and efforts to restore it have been ongoing. In the last six years, restoration of the roof, dormers and chimneys was completed. Last year the Town completed the restoration of all exterior masonry. The restoration of the historic station is an ongoing effort with work continuing outside now that the weather has warmed up. The Town has received inquiries about locating a coffee shop/bistro in the restored station once completed. That use would supplement the station’s use as a welcome center.

All Sports Village – The Town has initially approved a significant development opportunity for a \$200 million youth sports tourism facility on a 76-acre parcel in the southeast corner of Town. A general plan of development and land use approvals are expected in May 2022. The facility will include ten lighted turf fields to host soccer, lacrosse, field hockey and flag football tournaments, 20 indoor basketball courts convertible to 40 volleyball courts, a championship arena, retail, restaurant, cafeteria, entertainment facilities and two hotels. The State of Connecticut DOT has approved changes to the Route-20 off-ramp to facilitate entry to the parcel. The State of Connecticut Department of Economic & Community Development has offered sales tax relief on construction expenses and the Connecticut Convention and Sports Bureau is a strong supporter of the project. A tax increment financing district was approved by Town meeting to facilitate a public private partnership with the developer. The Town will rebate a portion of the real property taxes received from the facility under development. An economic impact analysis performed by a third-party consultant estimated spending at local hotels, restaurants and other businesses will increase by more than \$15 million in year one and more than \$39 million by year twenty. The net real property taxes the town will retain are more than the town would receive in total from most other uses of the property. Additionally, the Town will share equally in the revenue the facility operator derives from hotel stays. Construction of the facility is expected to begin in the spring of 2022.

Form of Government

Pursuant to its home-rule charter, Windsor Locks has a Town Meeting form of government with a three-member Board of Selectmen and a Board of Finance consisting of six members. Elections are held biennially in November in every odd-numbered year. The inhabitants have the powers and privileges conferred and granted to towns and cities under the Constitution and the General Statutes of the State of Connecticut.

The First Selectman is the full-time chief executive and administrative officer of the Town and oversees the execution of all laws and ordinances governing the Town. The First Selectman presides over the Board of Selectmen and has full voting privileges on the Board. The First Selectman, with the approval of the Board of Selectmen, appoints members to various commissions and boards.

The Board of Finance is responsible for proposing annual budgets and special appropriations for approval by the town meeting.

The Town's full-time professional staff includes a Finance Director who is responsible for the coordination of the activities of the accounting staff and treasury management functions of the Town. In addition, the Finance Director is responsible for assisting the Board of Finance in the preparation of the annual budget; the day-to-day administration of the adopted budget; the maintenance of the general ledgers of the various funds and account groups of the Town; financial planning and cost accounting; data processing; financial report preparation; and supervision of the annual independent audit. The Finance Director is also responsible for the investment of all Town funds.

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Town Officials

Office	Name	Manner of Selection	Expiration of Term
First Selectman	Paul M. Harrington	Elected / 2 Years	11/23
Selectman	Scott A. Storms	Elected / 2 Years	11/23
Selectman	Jonathan W. Savino	Elected / 2 Years	11/23
Finance Director/Deputy Treasurer	Amanda Moore	Appointed / Indefinite	N/A
Chairman, Board of Finance	Norman Boucher	Elected / 6 Years	11/27
Town Clerk	Christopher Latournes	Elected / 4 Years	11/25
Town Treasurer	Christopher Latournes	Elected / 2 Years	11/23
Tax Collector	Peter Juszczyński	Elected / 2 Years	11/23
Superintendent of Schools	Shawn Parkhurst	Appointed / Indefinite	N/A

Municipal Services

Police Protection: The Windsor Locks Police Department is a full service municipal law enforcement agency that currently has an authorized strength of twenty-nine (29) sworn officers and eleven (11) non-sworn positions. The Department strives to provide professional service to the community with 24-hour patrol services and support services such as Detective Division, School Resource Officer (SRO), Police K-9, a Police Explorers Post, and anti-crime patrols. The Police Department is located at the Public Safety Complex at 4 Volunteer Drive, Windsor Locks, Connecticut.

Fire Protection: The Windsor Locks Volunteer Fire Department operates one central station. Apparatus includes three “Class A” pumpers, one aerial truck, and a rescue unit. The department’s volunteer force has a staff of 54 which includes nine officers. The homes of the volunteer force are equipped with radio monitors.

Sewage Disposal: The treatment facility treats approximately 1.2 million gallons of sewage per day. The plant has a total capacity of 2.1 million gallons per day.

Solid Waste: The Town has executed a Service Contract (the “Service Contract”) with All American Waste, LLC for municipal solid waste and recycling collection and disposal services. The Service Contract became effective upon execution December 30, 2014 and was most recently amended and extended effective January 1, 2020. The contract expires December 31, 2024. The town’s tipping fee for fiscal year 2022 is \$101.00 per ton. The tipping fee will be \$101.00, \$106.00 and \$110.24 for fiscal years 2023, 2024 and 2025, respectively. The Town continues to expand its recycling with alternative recycling programs such as metals, electronics and textile recycling.

Water: Windsor Locks is one of 60 communities served by the Connecticut Water Company, which serves nearly 105,000 customers, 5,075 of which are served by over 64 miles of pipe in Windsor Locks.

Utilities: Electricity for the Town is provided by Eversource.

Human Services: The Human Services Department is responsible for providing a wide variety of social services to Town residents of all age groups. Among the programs administered by the department are: general assistance, energy assistance, renters rebate program, and the food pantry. Discretionary assistance is also available to those who do not qualify for other programs.

Health Services: Windsor Locks is a member of the North Central Health District with offices in Enfield. Each member town contributes financially to the operation of the district based on its respective population. Numerous services are provided under several programs including Home Health, Community Health, Mental Health, Home Maintenance Management and the Meals on Wheels Program. Within these programs, special services are also available including Hospice, Mental Health After Care, Alzheimer’s, Private Duty Registry, Maternal Child Health, Senior Citizen Health and the Substance Abuse Program.

Senior Citizens: A Senior Citizens Center is available to the residents of Windsor Locks. Various recreational programs as well as a daily lunch program are provided. The Town also has available a mini-bus service for its senior and handicapped citizens.

**Educational Services
School Enrollment**

School Year	Grades Pre-K - 5	Grades 6 - 8	Grades 9 - 12	Outplaced	Total
Historical					
2012–13	788	372	552	151	1,863
2013–14	807	359	517	26	1,709
2014–15	810	355	457	130	1,752
2015–16	809	348	465	142	1,764
2016–17	780	345	449	154	1,728
2017–18	713	354	457	155	1,679
2018–19	757	346	467	167	1,737
2019–20	789	341	469	154	1,753
2020–21	739	324	471	155	1,689
2021–22	712	317	494	165	1,688
Projected					
2022–23	717	313	488	165	1,683
2023–24	711	321	471	165	1,668
2024–25	689	323	495	165	1,672

Source: Town of Windsor Locks, Board of Education.

School Facilities

School	Grades	Date of Construction (Latest Additions)	Number of Classrooms	Enrollment as of 10/1/2021	Operating Capacity
North School	Pre-K–2	1958 (1997)	28	388	592
South School	3–5	1964 (1997)	29	318	533
Middle School	6–8	1954 (1997)	42	356	648
High School	9–12	1963 (1997)	35	448	1,116
Pine Meadow	9–12	Located in Middle School	5	40	40
SISU Academy	K-5	Located in South School	4	7	10
R.I.S.E. ¹	12+	2017	2	21	30
Total			145	1,578	2,969

¹ RISE located in leased building

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**Employee Relations and Collective Bargaining
Municipal Employees**

	<u>2021-22</u>	<u>2020-21</u>	<u>2019-20</u>	<u>2018-19</u>	<u>2017-18</u>
General Government	98	89	91	88	90
Board of Education	433	439	444	432	405
Total	531	528	535	520	495

Employee Relations

<u>Bargaining Unit</u>	<u>Number of Members</u>	<u>Contract Expiration Date</u>
<u>General Government</u>		
Highway – N.A.G.E., RI-177	19	6/30/2024
Police – International Brotherhood of Police Officers, Local 523	29	6/30/2023
Water Pollution Control Authority – N.A.G.E., RI-177	7	6/30/2024
Dispatchers – Teamsters 671	6	6/30/2023
Clerical, Town Hall – N.A.G.E., RI-177	14	6/30/2024
Total Organized	75	
Non-Union	23	
Total.....	98	
<u>Board of Education</u>		
Administrators – Windsor Locks Administrators Association	10	6/30/2023
Teachers – Windsor Locks Teachers Association	193	6/30/2025
Custodians – United Public Service Employees Union, Local 424 - Unit 119	13	6/30/2024
Admin Assistants – Service Employees International Union, Windsor Locks Unit	12	6/30/2023
Nurses- CT Health Care Associates, Nationa Union of Hospital and Health Care Employees	6	6/30/2023
Food Service- United Public Service Employees Union, Local 424, Unit 26	12	6/30/2023
Special Education Paraprofessionals – UE Local 222, CILU/CIPU, CILU #4	48	6/30/2023
Total Organized	294	
Non-Union	139	
Total.....	433	

Binding Arbitration

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

III. Economic and Demographic Information

Population and Density

Year	Actual		
	Population ¹	% Increase	Density ²
2020	12,613	0.9%	1,398.3
2010	12,498	3.8%	1,385.6
2000	12,043	-2.5%	1,335.1
1990	12,358	1.4%	1,370.1
1980	12,190	-19.2%	1,351.4
1970	15,080	32.2%	1,671.8
1960	11,411	--	1,265.1

¹ U.S. Department of Commerce, Bureau of Census.

² Per square mile: 9.02 square miles.

Age Distribution of the Population

Age	Town of Windsor Locks		State of Connecticut	
	Number	Percent	Number	Percent
Under 5 years	633	5.0%	182,708	5.1%
5 to 9 years	672	5.3	192,321	5.4%
10 to 14 years	731	5.7	221,648	6.2%
15 to 19 years	779	6.1	241,286	6.8%
20 to 24 years	763	6.0	243,381	6.8%
25 to 34 years	1,255	9.9	443,917	12.4%
35 to 44 years	1,705	13.4	426,097	11.9%
45 to 54 years	1,786	14.0	493,186	13.8%
55 to 59 years	1,188	9.3	267,164	7.5%
60 to 64 years	1,012	7.9	243,375	6.8%
65 to 74 years	1,104	8.7	345,407	9.7%
75 to 84 years	635	5.0	175,909	4.9%
85 years and over	469	3.7	94,150	2.6%
Total.....	12,732	100%	3,570,549	100%
Median Age (Years) 2020.....	43.3		41.1	
Median Age (Years) 2010 ¹	43.0		40.0	

¹ U.S. Department of Commerce, Bureau of Census, 2010.

Source: American Community Survey 2016-2020.

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Income Distribution

Income	Town of Windsor Locks		State of Connecticut	
	Families	Percent	Families	Percent
\$ 0 - \$ 9,999.....	52	1.5%	24,418	2.7%
10,000 - 14,999.....	-	0.0	14,648	1.6%
15,000 - 24,999.....	322	9.2	38,026	4.2%
25,000 - 34,999.....	57	1.6	46,409	5.1%
35,000 - 49,999.....	195	5.6	75,375	8.3%
50,000 - 74,999.....	709	20.2	129,070	14.3%
75,000 - 99,999.....	558	15.9	113,813	12.6%
100,000 - 149,999.....	858	24.4	189,460	21.0%
150,000 - 199,999.....	495	14.1	110,975	12.3%
200,000 and over.....	266	7.6	160,802	17.8%
Total.....	3,512	100.0%	902,996	100.0%

Source: American Community Survey 2016-2020.

Income Levels

	Town of Windsor Locks	State of Connecticut
Per Capita Income, 2020.....	\$ 40,361	\$ 45,668
Median Family Income, 2020.....	\$ 92,917	\$ 102,061
Median Household Income, 2020.....	\$ 72,090	\$ 79,855

Source: American Community Survey 2016-2020.

Educational Attainment Years of School Completed Age 25 and Over

	Town of Windsor Locks		State of Connecticut	
	Number	Percent	Number	Percent
Less than 9th grade.....	176	1.9%	99,436	4.0%
9th to 12th grade.....	345	3.7	126,114	5.1
High School graduate.....	3,548	38.4	655,381	26.3
Some college, no degree.....	1,840	19.9	419,238	16.8
Associate's degree	938	10.1	193,036	7.8
Bachelor's degree.....	1,420	15.4	551,459	22.2
Graduate or professional degree.....	887	9.6	444,541	17.9
Total.....	9,247	100.0%	2,489,205	100.0%
Total high school graduate or higher (%).	94.3%		90.9%	
Total bachelor's degree or higher (%).	25.2%		40.0%	

Source: American Community Survey 2016-2020.

Major Employers

Employer	Type of Business	Approximate Number of Employees
Bradley International Airport	Airport	5,000
Collins Aerospace	Aerospace Manufacturing	4,000
C&S Distributors	Warehouse	900
Ahlstrom Corporation	Specialty Paper Products	800
Town of Windsor Locks	Municipality	531
Bombardier Aircraft Services	Aircraft Maintenance	450
Health New England	Healthcare	400
American Honda Motor Corp	Manufacturing	250
Kennametal Inc	Manufacturing	225
Serta Simmons Bedding	Manufacturing	200

Employment by Industry Employed Persons 16 Years and Over

Sector	Town of Windsor Locks		State of Connecticut	
	Number	Percent	Number	Percent
Agriculture, forestry, fishing and hunting, and mining.....	20	0.3%	7,173	0.4%
Construction.....	264	3.8	110,308	6.1
Manufacturing.....	880	12.7	188,968	10.5
Wholesale trade.....	217	3.1	42,782	2.4
Retail trade.....	782	11.3	190,314	10.5
Transportation warehousing, and utilities.....	548	7.9	78,107	4.3
Information.....	35	0.5	36,880	2.0
Finance, insurance, real estate, and leasing.....	846	12.2	163,661	9.1
Professional, scientific, management, administrative, and waste management.....	701	10.1	211,665	11.7
Education, health and social services.....	1,345	19.3	478,318	26.5
Arts, entertainment, recreation, accommodation and food services.....	555	8.0	149,684	8.3
Other services (except public admin.).....	411	5.9	82,940	4.6
Public Administration.....	347	5.0	66,725	3.7
Total Labor Force, Employed.....	6,951	100.0%	1,807,525	100.0%

Source: American Community Survey 2016-2020.

Employment Data

Period	Town of Windsor Locks		Percentage Unemployed		
	Employed	Unemployed	Town of Windsor Locks	Enfield Labor Market	State of Connecticut
	March 2022.....	7,434	303	3.9	4.0
Annual Average					
2021.....	6,658	462	6.5	6.0	6.6
2020.....	6,814	554	7.6	6.9	7.3
2019.....	7,362	288	3.8	3.5	3.7
2018.....	7,180	327	4.4	3.9	4.1
2017.....	7,193	352	4.7	4.6	4.7
2016.....	6,998	400	5.4	5.3	5.3
2015.....	6,974	405	5.5	5.3	5.6
2014.....	6,689	454	6.4	6.1	6.7
2013.....	6,520	536	7.6	7.3	7.9
2012.....	6,445	625	8.8	8.1	8.3

Source: State of Connecticut, Department of Labor.

Commute to Work

	Town of Windsor Locks		State of Connecticut	
	Number	Percent	Number	Percent
Drove alone	5,640	82.8%	1,355,510	76.3%
Car pools	674	9.9	139,227	7.8
Used public transportation	39	0.6	77,433	4.4
Walked	28	0.4	47,218	2.7
Used other means	205	3.0	22,419	1.3
Worked at home	222	3.3	135,763	7.6
Total	6,808	100.0%	1,777,570	100.0%
Mean travel to work (minutes)		22		26.7

Source: American Community Survey 2016-2020.

Age Distribution of Housing

Year Built	Town of Windsor Locks		State of Connecticut	
	Units	Percent	Units	Percent
1939 or earlier.....	674	11.9%	327,771	21.5%
1940 to 1969.....	2,863	50.7	532,459	35.0
1970 to 1979.....	645	11.4	204,902	13.5
1980 to 1989.....	767	13.6	188,346	12.4
1990 to 1999.....	219	3.9	118,768	7.8
2000 or 2009.....	305	5.4	102,986	6.8
2010 or later.....	178	3.1	45,967	3.0
Total	5,651	100.0%	1,521,199	100.0%

Source: American Community Survey 2016-2020.

Housing Inventory

Housing Units	Town of Windsor Locks		State of Connecticut	
	Units	Percent	Units	Percent
1-unit, detached.....	3,948	69.9%	897,094	59.0%
1-unit, attached.....	466	8.2	85,585	5.6
2 units.....	337	6.0	125,289	8.2
3 or 4 units.....	116	2.1	128,352	8.4
5 to 9 units.....	166	2.9	80,405	5.3
10 to 19 units.....	287	5.1	54,136	3.6
20 or more units.....	299	5.3	137,923	9.1
Mobile home.....	32	0.6	11,943	0.8
Boat, RV, van, etc.....	-	-	472	0.0
Total Inventory.....	5,651	100.0%	1,521,199	100.0%

Source: American Community Survey 2016-2020.

Housing Vacancy Rates

Housing Units	Town of Windsor Locks		State of Connecticut	
	Units	Percent	Units	Percent
Occupied Housing Units	5,398	95.5%	1,385,437	91.1%
Vacant Housing Units	253	4.5%	135,762	8.9%
Total Units	5,651	100.0%	1,521,199	100.0%
Homeowner Vacancy Rate		1.7		1.5
Rental Vacancy Rate		5.7		5.6

Source: American Community Survey 2016-2020.

Owner Occupied Housing Values

Specified Owner-Occupied Units	Town of Windsor Locks		State of Connecticut	
	Number	Percent	Number	Percent
Less than \$50,000.....	75	1.7%	17,908	2.0%
\$50,000 to \$99,000.....	59	1.3	26,616	2.9
\$100,000 to \$149,999.....	576	13.0	76,280	8.3
\$150,000 to \$199,000.....	1,692	38.3	135,429	14.8
\$200,000 to \$299,999.....	1,502	34.0	249,697	27.3
\$300,000 to \$499,999.....	453	10.3	255,697	27.9
\$500,000 to \$999,999.....	62	1.4	110,850	12.1
\$1,000,000 or more.....	-	-	42,931	4.7
Total.....	4,419	100.0%	915,408	100.0%
Median Value.....		\$195,200		\$279,700

Source: American Community Survey 2016-2020.

Building Permits

Ending 6/30	Residential		Commercial / Industrial		Other		All Categories	
	No.	Value	No.	Value	No.	Value	No.	Value
2022 ¹	534	\$ 5,463,582	65	\$ 6,746,970	203	\$ 3,057,292	802	\$ 15,267,844
2021	447	5,280,581	68	2,066,634	637	5,371,420	1,152	12,718,635
2020	295	2,905,358	48	13,372,931	492	8,362,698	835	24,640,987
2019	284	3,322,692	56	5,948,531	591	11,658,187	931	20,929,410
2018	272	4,219,796	63	37,346,269	546	6,715,121	881	48,281,186
2017	312	6,255,797	43	7,731,342	555	3,688,001	910	17,675,140
2016	333	6,641,903	50	2,774,737	552	8,478,646	935	17,895,286
2015	348	6,848,075	47	17,073,225	553	10,999,301	948	34,920,601
2014	246	4,173,474	52	5,953,339	415	3,789,331	713	13,916,144
2013	320	5,868,792	51	1,236,790	579	2,425,582	950	9,531,164

¹ This represents building permits from 7/1/21 to 3/15/22.

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IV. Tax Base Data

Property Tax – Assessments

Under Section 12-62 of the Connecticut General Statutes, the Town must do a revaluation every five years based on generally accepted mass appraisal methods and a revaluation by physical inspection no later than ten years from the preceding physical inspection. Since the Town completed its last physical revaluation effective as of October 1, 2018, a statistical revaluation will be required for the assessment year commencing October 1, 2023. The maintenance of an equitable tax base by locating and appraising all real and personal property within the Town for inclusion onto the grand list is the responsibility of the Assessor's Office. The grand list represents the total assessed values for all taxable and tax-exempt real estate and taxable personal property and motor vehicles located within the Town on October 1. Assessments for real estate are computed at 70% of the estimated market value at the time of the last general revaluation, while assessments for motor vehicles and personal property are computed at 70% of the current fair market value. Each year the Board of Assessment Appeals determines whether taxpayer petitions for assessment reductions on the current grand list are warranted.

When a new structure, or modification to an existing structure, is undertaken, the Assessor's Office receives a copy of the permit issued by the building official. Upon issuance of a certification of completion, a physical inspection is conducted and a new fair market value is determined with the aid of schedules developed at the time of the last revaluation. All value adjustments are reviewed to determine equity with similar properties and estimate changes to existing income streams.

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

Motor vehicle registration lists are furnished to the Town by the State Department of Motor Vehicles. The Office of Policy and Management has determined that the average retail values represented by the National Automobile Dealers Association pricing guides must be utilized in preparation of the grand lists. These values are applied uniformly and equitably to all vehicles in the Town; a myriad of exemptions are then applied to qualifying applicants. The same process is applied to the Supplemental Motor Vehicle list, which represents new or replacement vehicles which were registered after the October 1 assessment date, but before the following August 1. Bills for this supplemental list are issued the following January, fifteen months after the grand list date.

Property Tax - Collection Procedure

Property taxes are levied on all taxable assessed property on the grand list of October 1 prior to the beginning of the fiscal year. Real and personal property taxes are billed in the following July and are payable in two installments on July 1 and January 1. Motor vehicle supplemental bills are payable on January 1. A modest estimate for outstanding interest and lien fees anticipated to be collected during the fiscal year is normally included as a revenue item in the budget. Payments not received within one month after the due date become delinquent, with interest charged at the rate of one and one-half percent per month from the due date on the tax. In accordance with State law, the oldest outstanding tax is collected first. Outstanding real estate tax accounts are liened each year prior to June 30 with legal demands and alias tax warrants used in the collection of personal property and motor vehicle tax bills.

Delinquent motor vehicle and personal property tax accounts that are deemed uncollectible are transferred to a suspense account after three years at which time they cease to be carried as receivables. Real estate liens become uncollectible 15 years after the due date in accordance with State statutes.

Property tax revenues are recognized when they become available. Available means due or past due and receivable within the current period or expected to be collected soon enough thereafter (within 60 days) to be used to pay liabilities of the current period. Property taxes receivable not expected to be collected during the available period are reflected as a deferred revenue.

Motor Vehicle Property Tax Cap: Connecticut General Statutes Section 12-71e creates a cap on the local property tax mill rate for motor vehicles. For the assessment year October 1, 2017 (the fiscal year ending June 30, 2019), and each assessment year thereafter, the mill rate for motor vehicles shall not exceed 45 mills. No district or borough may set a motor vehicle mill rate that if combined with the motor vehicle mill rate of the town or city in which such district or borough is located would result in a combined motor vehicle mill rate in excess of these mill rate caps. The Town’s mill rate for motor vehicles for fiscal year ending June 30, 2022 is 25.83 mills.

For the fiscal year ending June 30, 2019, and each fiscal year thereafter, motor vehicle property tax grants to municipalities that impose mill rates on real property and personal property other than motor vehicles greater than 45 mills or that, when combined with the mill rate of any district located within the municipality, impose mill rates greater than 45 mills, shall be made in an amount equal to the difference between the amount of property taxes levied by the municipality and any district located within the municipality on motor vehicles for the assessment year October 1, 2013, and the amount such levy would have been if the mill rate on motor vehicles for that assessment year was 45 mills.

Beginning in the fiscal year ending June 30, 2023, and each fiscal year thereafter, the mill rate cap is reduced from 45 mills to 32.46 mills, and the motor vehicle property tax grants to municipalities is the amount that is the difference between the amount of property taxes the municipality would have levied on motor vehicles in the preceding fiscal year if the mill rate was 32.46 mills and the amount of property taxes that would have been levied on motor vehicles if the mill rate imposed on real property and personal property, other than motor vehicles, had been used.

Various State statutes provide for or authorize exemptions, abatements and other adjustments to assessments.

Comparative Assessed Valuations

Grand List of 10/1	Fiscal Year Ending	Commercial & Industrial					Motor Vehicle (%)	Gross Taxable Grand List (000's)	Less Exemptions (000's)	Net Taxable Grand List (000's)	Percent Change
		Residential Real Property (%)	Real Property (%)	Other Land (%)	Personal Property (%)	Other (%)					
2021	2023	37.2	24.7	1.3	22.2	14.6	\$ 1,675,842	\$ 181,596	\$ 1,494,246	2.4%	
2020	2022	37.6	25.2	1.4	22.0	13.9	1,635,270	176,702	1,458,568	-1.4%	
2019	2021	37.4	24.2	1.3	20.5	16.6	1,644,856	165,667	1,479,189	-0.3%	
2018 ¹	2020	37.5	25.6	1.3	19.6	16.0	1,640,611	157,376	1,483,236	15.5%	
2017	2019	41.4	22.0	1.2	20.8	14.6	1,415,814	132,080	1,283,734	6.0%	
2016	2018	42.7	22.4	1.1	20.7	13.2	1,361,693	150,738	1,210,955	-2.9%	
2015	2017	40.6	20.1	1.3	22.4	15.7	1,394,821	147,585	1,247,236	5.9%	
2014	2016	42.9	21.3	1.4	22.4	12.1	1,338,047	160,752	1,177,295	-3.4%	
2013 ¹	2015	42.0	21.0	-	20.4	15.2	1,364,824	146,477	1,218,347	-4.1%	
2012	2014	46.5	22.6	-	18.4	12.5	1,410,980	141,149	1,269,831	0.4%	

¹ Revaluation.

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Property Tax Levies and Collections

Fiscal Year Ending 6/30	List of 10/1	Net Taxable Grand List (000s)	Mill Rate	Adjusted Annual Levy (000s)	Percent of Annual Levy Collected at End of Fiscal Year	Percent of Annual Levy Uncollected at End of Fiscal Year	Percent of Annual Levy Uncollected as of 6/30/2021
2022 ¹	2020	\$ 1,458,568	25.83	N/A	<i>IN COLLECTION</i>		
2021	2019	1,479,189	25.83	\$ 37,930	97.4%	2.6%	2.6%
2020	2018	1,483,236	25.83	38,183	96.8%	3.2%	1.6%
2019	2017	1,283,734	26.66	34,436	97.9%	2.1%	0.2%
2018 ²	2016	1,210,955	26.66	33,716	96.9%	3.1%	0.1%
2017	2015	1,247,236	26.66	33,386	97.5%	2.5%	0.2%
2016	2014	1,177,295	26.79	32,877	98.3%	1.7%	0.1%
2015	2013	1,218,347	26.23	32,739	98.0%	2.0%	0.0%
2014	2012	1,269,831	29.06	32,307	98.2%	1.8%	0.0%
2013 ²	2011	1,264,779	28.63	31,296	97.9%	2.1%	0.0%

¹ Subject to audit.

² Revaluation.

Sources: Tax Collector's Office, Town of Windsor Locks.

Property Tax Receivable

Fiscal Year Ending 6/30	Town of Windsor Locks	
	Current Year	Total
2021	\$ 972,591	\$ 1,817,343
2020	1,208,508	1,670,003
2019	721,572	1,745,372
2018	853,082	1,904,151
2017	826,720	1,332,521

Ten Largest Taxpayers As of 10/1/21

Name	Nature of Business	Taxable Valuation	Percent of Net Taxable Grand List¹
United Technologies	Manufacturing	\$ 121,010,269	8.10%
EAN Holdings	Car Rental	68,032,577	4.55%
Ahlstrom Nonwovens LLC	Manufacturing	62,690,116	4.20%
PPF WE 500 North Street LLC	Holding	54,327,700	3.64%
PV Holdings Corp	Car Rental	50,479,484	3.38%
Eversource	Utility	44,696,629	2.99%
Federal Express Corp	Freight	34,648,074	2.32%
American Honda Motors Co	Industrial	32,757,414	2.19%
Hertz	Car Rental	27,350,699	1.83%
Old Country Sr. Living LLC	Senior Living	22,034,400	1.47%
Total.....		\$ 518,027,362	34.67%

¹ Based on October 1, 2021 Net Taxable Grand List of \$1,494,246,000.

Source: Tax Assessor, Town of Windsor Locks

V. Debt Summary

Principal Amount of Indebtedness As of June 1, 2022 (Pro Forma)

Long-Term Debt			Amount of	Outstanding	
Dated	Purpose	Rate %	Original Issue	After This Issue	Final Maturity
07/01/14	General Purpose.....	2.00-3.00	\$ 3,400,000	\$ 663,000	2024
07/01/14	School.....	2.00-3.00	3,185,000	622,000	2024
03/24/16	General Purpose.....	2.00-4.00	2,801,500	1,960,000	2036
03/24/16	School.....	2.00-4.00	6,608,500	4,612,000	2036
03/24/16	Sewer ¹	2.00-4.00	140,000	98,000	2036
03/22/18	General Purpose.....	3.00-4.00	1,841,000	1,098,600	2028
03/22/18	School.....	3.00-4.00	1,419,000	851,400	2028
03/22/18	Sewer ¹	3.00-4.00	4,625,000	3,920,000	2038
03/06/20	General Purpose.....	2.00-4.00	3,992,000	3,327,000	2035
03/06/20	School.....	2.00-4.00	1,078,000	838,000	2029
03/06/20	Sewer ¹	2.00-4.00	2,025,000	1,815,000	2040
Total Outstanding.....			\$ 31,115,000	\$ 19,805,000	
This Issue					
06/01/22	General Purpose.....	4.00-5.00	\$ 20,000,000	\$ 20,000,000	2052
Sub-Total This Issue.....			20,000,000	20,000,000	
Total.....			\$ 51,115,000	\$ 39,805,000	

¹ Self-Supporting Sewer Debt.

Short-Term Debt As of June 1, 2022 (Pro Forma)

The Town does not have any short-term debt as of June 1, 2022.

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Annual Bonded Debt Maturity Schedule ¹
As of June 1, 2022
(Pro Forma)

Fiscal Year Ended 6/30	Principal Payments	Interest Payments	Total Payments	This Issue: The Bonds	Total Principal	Cumulative Principal Retired %
2022 ²	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
2023	1,990,000	614,006	2,604,006	-	1,990,000	5.00%
2024	1,995,000	538,706	2,533,706	690,000	2,685,000	11.74%
2025	1,995,000	468,531	2,463,531	690,000	2,685,000	18.49%
2026	1,575,000	404,756	1,979,756	690,000	2,265,000	24.18%
2027	1,575,000	356,756	1,931,756	690,000	2,265,000	29.87%
2028	1,580,000	311,481	1,891,481	690,000	2,270,000	35.57%
2029	1,255,000	264,156	1,519,156	690,000	1,945,000	40.46%
2030	980,000	230,781	1,210,781	690,000	1,670,000	44.66%
2031	985,000	201,381	1,186,381	690,000	1,675,000	48.86%
2032	995,000	171,831	1,166,831	690,000	1,685,000	53.10%
2033	1,000,000	141,981	1,141,981	690,000	1,690,000	57.34%
2034	1,010,000	111,981	1,121,981	690,000	1,700,000	61.61%
2035	1,010,000	81,756	1,091,756	690,000	1,700,000	65.88%
2036	860,000	53,513	913,513	690,000	1,550,000	69.78%
2037	395,000	27,000	422,000	690,000	1,085,000	72.50%
2038	405,000	14,913	419,913	690,000	1,095,000	75.25%
2039	100,000	3,000	103,000	690,000	790,000	77.24%
2040	100,000	1,000	101,000	690,000	790,000	79.22%
2041	-	-	-	690,000	690,000	80.96%
2042	-	-	-	690,000	690,000	82.69%
2043	-	-	-	690,000	690,000	84.42%
2044	-	-	-	690,000	690,000	86.16%
2045	-	-	-	690,000	690,000	87.89%
2046	-	-	-	690,000	690,000	89.62%
2047	-	-	-	690,000	690,000	91.36%
2048	-	-	-	690,000	690,000	93.09%
2049	-	-	-	690,000	690,000	94.82%
2050	-	-	-	690,000	690,000	96.56%
2051	-	-	-	685,000	685,000	98.28%
2052	-	-	-	685,000	685,000	100.00%
Total.....	\$ 19,805,000	\$ 3,997,529	\$ 23,802,529	\$ 20,000,000	\$ 39,805,000	

¹ Excludes refunded bonds.

² Excludes principal payments of \$2,073,645 and interest payments of \$687,045 made between July 1, 2021 and June 1, 2022.

Overlapping/Underlying Debt

The Town of Windsor Locks does not have any overlapping or underlying debt.

THE TOWN OF WINDSOR LOCKS HAS NEVER DEFAULTED IN THE PAYMENT OF PRINCIPAL OR INTEREST ON ITS BONDS OR NOTES

**Debt Statement
As of June 1, 2022
(Pro Forma)**

Long-Term Debt Outstanding:¹

General Purpose (Includes This Issue).....	\$ 27,048,600
Schools	6,923,400
Sewer	5,833,000
Total Long-Term Debt	39,805,000
Short-Term Debt	-
Total Direct Debt	39,805,000
Less: School Construction Grants Receivable (As of June 30, 2021) ²	-
Less: Self-Supporting Sewer Debt ³	(5,833,000)
Total Direct Net Debt	33,972,000
Overlapping/Underlying Debt	-
Total Overall Net Debt	\$ 33,972,000

¹ Excludes refunded bonds.

² The State of Connecticut will reimburse the Town for eligible principal and interest costs over the life of bonds issued for projects authorized by the General Assembly prior to July 1, 1996. School construction grants receivable stated above are for principal reimbursement only.

³ Self-Supporting Sewer Debt.

**Current Debt Ratios
As of June 1, 2022
(Pro Forma)**

Population ¹	12,613
Net Taxable Grand List (10/1/2021)	\$ 1,494,246,000
Estimated Full Value (NTGL/70%)	\$ 2,134,637,143
Equalized Net Taxable Grand List (10/1/19) ²	\$ 2,310,464,281
Money Income per Capita (2020) ¹	\$ 40,361

	Total Direct Debt: \$39,805,000	Total Direct Net Debt / Overall Net Debt: \$33,972,000
Debt per Capita.....	\$3,155.87	\$2,693.41
Ratio to Net Taxable Grand List.....	2.66%	2.27%
Ratio to Estimated Full Value.....	1.86%	1.59%
Ratio to Equalized Grand List.....	1.72%	1.47%
Debt per Capita to Money Income per Capita.....	7.82%	6.67%

¹ American Community Survey 2016-2020

² Office of Policy and Management, State of Connecticut.

Bond Authorization

The Town of Windsor Locks has the power to incur indebtedness by issuing its bonds or notes as authorized by the General Statutes of the State of Connecticut subject to statutory debt limitations and the procedural requirements of the Town Charter. Bond and note issues are authorized by the Town Meeting upon the recommendation of the Board of Selectman and the Board of Finance. Any project exceeding \$200,000 needs to go to referendum per section 806 of the Town Charter.

Temporary Financing

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

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

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

Limitation of Indebtedness

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

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

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

The statutes also provide for exclusion from the debt limit calculation debt issued in anticipation of taxes; for the supply of water, gas, electricity; for the construction of subways for cables, wires and pipes; for the construction of underground conduits for cables, wires and pipes; and for two or more of such purposes. There are additional exclusions for indebtedness issued in anticipation of the receipt of proceeds from assessments levied upon property benefited by any public improvement and for indebtedness issued in anticipation of the receipt of proceeds from State or Federal grants evidenced by a written commitment or contract but only to the extent such indebtedness can be paid from such proceeds. The statutes also provide for exclusion from the debt limitation any debt to be paid from a funded sinking fund.

**Statement of Debt Limitation
As of June 1, 2022
(Pro Forma)**

Total Tax Collections (including interest and lien fees)
For the year ended June 30, 2021..... \$ 38,654,431

Reimbursement For Revenue Loss:

Tax relief for elderly..... -

Base for Debt Limitation Computation..... \$ 38,654,431

Debt Limitation:	General Purpose	Schools	Sewers	Urban Renewal	Unfunded Pension
2 1/4 times base.....	\$ 86,972,470	-	-	-	-
4 1/2 times base.....	-	\$ 173,944,940	-	-	-
3 3/4 times base.....	-	-	\$ 144,954,116	-	-
3 1/4 times base.....	-	-	-	\$ 125,626,901	-
3 times base.....	-	-	-	-	\$ 115,963,293
Total Debt Limitation	\$ 86,972,470	\$ 173,944,940	\$ 144,954,116	\$ 125,626,901	\$ 115,963,293

Indebtedness:

Bonds Outstanding.....	\$ 7,048,600	\$ 6,923,400	\$ 5,833,000	\$ -	\$ -
Bonds (This Issue).....	20,000,000	-	-	-	-
Debt Authorized But Unissued.....	13,950,000	4,065,000	-	-	-
Total Indebtedness	40,998,600	10,988,400	5,833,000	-	-
Less:					
State School Grants Receivable ¹	-	-	-	-	-
Self-Supporting Sewer Debt ²	-	-	(5,833,000)	-	-
Total Net Indebtedness	40,998,600	10,988,400	-	-	-

DEBT LIMITATION IN EXCESS

OF OUTSTANDING INDEBTEDNESS..... \$ 45,973,870 \$ 162,956,540 \$ 144,954,116 \$ 125,626,901 \$ 115,963,293

¹ The State of Connecticut will reimburse the Town for eligible principal and interest costs over the life of bonds issued for projects authorized by the General Assembly prior to July 1, 1996. School construction grants receivable stated above are for principal reimbursement only.

² Self-Supporting Sewer Debt.

Note: In no case shall total indebtedness exceed seven times annual receipts from taxation or \$270,581,017.

**Authorized but Unissued Debt
As of June 1, 2022
(Pro Forma)**

Project	Aggregate Amount		This Issue:	Authorized but Unissued
	Authorized	New Money	The Bonds	
HS Partial Roof Replace FY20.....	\$ 2,490,000	\$ -	\$ -	\$ 2,490,000
SS Partial Roof Replace FY20.....	1,575,000	-	-	1,575,000
Roadway Infrastructure FY20.....	2,075,000	-	-	2,075,000
Roadway Infrastructure FY21.....	2,000,000	-	-	2,000,000
Roadway Infrastructure FY22.....	1,815,000	-	-	1,815,000
New Police Headquarters.....	15,150,000	10,000,000	10,000,000	5,150,000
Senior Center.....	12,910,000	10,000,000	10,000,000	2,910,000
Total	\$ 38,015,000	\$ 20,000,000	\$ 20,000,000	\$ 18,015,000

Ratios of Net Long-Term Debt to Valuation, Population, and Income

Fiscal Year Ended 6/30	Net Assessed Value (000s)	Estimated Full Value ¹ (000s)	Net Long-Term Debt ² (000s)	Ratio of Net Long-Term Debt to Assessed Value (%)	Ratio of Net Long-Term Debt to Estimated Full Value (%)	Population ³	Net Long-Term Debt per Capita	Ratio of Net Long-Term Debt per Capita to Per Capita Income ⁴ (%)
				Value (%)	Value (%)		Capita	Income ⁴ (%)
2021	\$ 1,479,189	\$ 2,113,127	\$ 21,785	1.47%	1.03%	12,613	\$ 1,727.19	4.28%
2020	1,483,236	2,118,908	23,765	1.60%	1.12%	12,613	1,884.17	4.67%
2019	1,283,734	1,833,906	21,235	1.65%	1.16%	12,613	1,683.58	4.17%
2018	1,210,955	1,729,936	23,240	1.92%	1.34%	12,613	1,842.54	4.57%
2017	1,247,236	1,781,766	17,360	1.39%	0.97%	12,613	1,376.36	3.41%

¹ Assessment Ratio: 70%.

² Long-Term debt less school building construction grants receivable.

³ U.S. Department of Commerce, Bureau of Census, American Community Survey 2016-2020.

⁴ Money Income per Capita: American Community Survey 2016-2020 data: \$40,361 used for all calculations.

Ratio of Total General Fund Debt Service Expenditures To Total General Fund Expenditures and Transfers Out Last Five Fiscal Years

Fiscal Year Ended 6/30	Ratio of General Fund Debt Service To Total General Fund Expenditures		
	Total Debt Service	Total General Fund Expenditures ¹	General Fund Expenditures
2022 ²	\$ 2,913,997	\$ 48,896,746	5.96%
2021	3,145,153	55,097,703	5.71%
2020	2,772,270	54,588,917	5.08%
2019	3,100,309	50,883,232	6.09%
2018	3,067,135	54,967,142	5.58%
2017	2,926,476	53,273,998	5.49%
2016	2,239,242	49,547,046	4.52%
2015	2,689,101	49,553,918	5.43%
2014	2,392,870	47,993,322	4.99%
2013	2,377,967	46,367,574	5.13%

¹ GAAP basis of accounting. Includes Transfers out.

² Subject to audit.

Source: Annual Audited Financial Statements.

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VI. Financial Administration

Fiscal Year

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

Basis of Accounting

The Town's accounting system is organized on a fund basis and uses funds and account groups to report on its financial position and results of operations. The Town's accounting records are maintained on a modified accrual basis, with major revenues recorded when earned and expenditures recorded when incurred. The accounting policies of the Town conform to generally accepted accounting principles as applied to governmental units. (See Appendix A – "2021 General Purpose Financial Statements", Notes to Financial Statements" herein.)

Budget Procedure

In accordance with the Town Charter, the Board of Finance prepares the budget for approval by the Town's Annual Budget Meeting. The Town's Charter outlines the budget adoption procedures. A brief summary of the procedures follows:

On or before December 1 each year, the Board of Finance provides all offices, boards and commissions with budget guidelines for the upcoming fiscal year. All budget requests from every board and commission which is dependent upon the Town budget for any portion of its operating income are to be submitted to the Board of Finance by the first day of February.

The Board of Finance may require meetings with the chairman and/or members of offices, boards and commissions to explain their requests. Also, any chairman or member of any office, board or commission is entitled to a hearing with respect to budgets. The Board of Finance revises the preliminary budget as it deems advisable and prepares the overall Town budget to be recommended to the annual budget meeting.

A public hearing is held not less than two weeks before the date of the budget meeting. The annual budget meeting is held on the third Tuesday of May each year. The procedure for adopting the annual budget is by a majority vote of qualified voters present and voting. Such vote is taken by paper ballot provided by the clerk of the meeting. In the event the proposed budget is not adopted by the annual budget meeting, the meeting adjourns to a referendum vote to be held in fourteen days.

Immediately upon approval of the budget, the Board of Finance establishes the tax rate and notifies the tax collector. An official copy of the budget is filed by the Board of Finance with the Town Clerk within five days of approval.

Generally, all unencumbered appropriations lapse at year-end, except those for the capital projects funds. Encumbered appropriations are carried forward. Appropriations for capital projects are continued until completion of applicable projects, even when projects extend more than one fiscal year.

Audit

Pursuant to the Municipal Auditing Act (Chapter 111 of the Connecticut General Statutes), the Town is obligated to undergo an annual examination by an independent certified public accountant. The audit must be conducted under the guidelines issued by the State of Connecticut, Office of Policy and Management. The Town is in full compliance with said provisions.

Pensions

Town employees, excluding teachers, participate in the Municipal Employees Retirement System (“MERS”). MERS is a cost-sharing, multiple-employer public retirement system established by the State of Connecticut and administered by the State Retirement Commission to provide pension benefits for the employees of participating municipalities. MERS is considered to be a part of the State of Connecticut’s financial reporting entity and is included in the State’s financial reports as a pension trust fund.

Plan provisions are set by statute of the State of Connecticut. MERS provides retirement benefits, as well as death and disability benefits. All benefits vest after five years of continuous service. Members who retire after age 55 with five years of continuous service or after 15 years of non-continuous service are entitled to an annual retirement benefit, payable monthly for life. Members who have not attained age 55, but have a total of 25 years of service, are entitled to an annual retirement benefit, payable monthly for life. Publicly available financial reports on MERS may be found at www.osc.ct.gov.

All Town teachers participate in the State of Connecticut Teachers’ Retirement System, a cost-sharing plan under Section 10.183 of the General Statutes of the State of Connecticut. The Town is not required to and does not contribute to the plan. Publicly available information may be found at www.ct.gov.

As of June 30, 2021, the Town’s net pension liability is \$18,221,831. The following presents the net pension liability of the Town, calculated using the discount rate of 7.00%, as well as what the Town’s net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.00%) or 1 percentage point higher (8.00%) than the current rate:

	1% Decrease	Current Discount	1% Increase
	(6.00)	(7.00)	(8.00)
Net Pension Liability (Asset).....	\$ 25,967,982	\$ 18,221,831	\$ 11,731,964

The Town’s Actuarially Determined Employer Contribution (“ADEC”) and actual contributions is presented below.

	2022 ^{1,2}	2021	2020	2019	2018
Actuarially Determined Employer Contribution	\$ 2,136,667	\$ 1,921,267	\$ 1,730,215	\$ 1,469,202	\$ 932,505
Contributions in Relation to the ADEC.....	2,136,667	1,921,267	1,730,215	1,469,202	932,505
Contribution Deficiency (Excess).....	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Employee Payroll.....	\$ 11,511,742	\$ 11,286,022	\$ 11,281,811	\$ 11,038,999	\$ 6,565,251
Contributions as a Percentage of					
Covered Employee Payroll.....	18.56%	17.02%	15.34%	13.31%	14.20%

¹ Budgetary Basis of accounting. Subject to audit.

² Employer contributions are based on gross salaries and estimated for April through June.

See Appendix A – “Audited Financial Statements, Notes to Financial Statements, Note 10” herein.

Other Post-Employment Benefits (OPEB)

The Town and Board of Education provide post-retirement benefits in accordance with various labor and personnel contracts to employees who meet specific service and age requirements. As of July 1, 2021 there were 341 participants in the plan (307 active employees and 34 retired members).

The Town’s annual OPEB cost is calculated based on the Actuarially Determined Employer Contribution (“ADEC”), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ADEC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years.

	2022 ¹	2021	2020	2019	2018
Actuarially Determined Employer Contribution (ADEC).....	\$ 100,877	\$ 94,782	\$ 118,635	\$ 115,705	\$ 430,226
Contributions in Relation to the ADEC.....	100,877	94,779	118,635	475,382	317,449
Contribution Deficiency (Excess).....	\$ -	\$ 3	\$ -	\$ (359,677)	\$ 112,777
Covered Employee Payroll.....	n/a	\$ 24,361,939	\$ 23,744,580	\$ 24,044,881	\$ 23,435,557
Contributions as a Percentage of Covered Employee Payroll.....	n/a	0.39%	0.50%	1.98%	1.35%

¹ Budgetary Basis of accounting. Subject to audit.

The Town’s Net OPEB liability (asset) was measured as of June 30, 2021. The components of the net OPEB liability of the Town at June 30, 2021 were as follows:

Total OPEB Liability.....	\$ 3,750,893
Plan Fiduciary Net Position.....	<u>4,712,526</u>
Town Net OPEB Liability (Asset).....	\$ (961,633)
Plan Fiduciary Net Position as % of Total OPEB Liability.....	125.64%

Sensitivity of the Net OPEB Liability (Asset) to Changes in the Discount Rate

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

	1% Decrease (5.50%)	Current Discount Rate (6.50%)	1% Increase (7.50%)
Town Plan's Net OPEB Liability	\$ (626,177)	\$ (961,633)	\$ (1,259,002)

Sensitivity of The Net OPEB Liability (Asset) to Changes in the Healthcare Cost Trend Rates

The following presents the net OPEB liability (asset) of the Town, as well as what the Town's net OPEB liability (asset) 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 3.60%)	Trend Rates (6.50% decreasing to 4.60%)	1% Increase (7.50% decreasing to 5.60%)
Town Plan's Net OPEB Liability	\$ (1,373,730)	\$ (961,633)	\$ (478,477)

See Appendix A – “Audited Financial Statements, Notes to Financial Statements, Note 11” herein for more information.

Investment Policies and Practices

The Town Charter and Sections 7-400 and 7-402 of the Connecticut General Statutes govern the investments the Town is permitted to acquire. Generally, the Town may invest in certificates of deposit, municipal bonds and notes, obligations of the United States of America, including joint and several obligations of the Federal Home Loan Mortgage Association, the Federal Savings and Loan Insurance Corporation, obligations of the United States Postal Service, all the Federal Home Loan Banks, all Federal Land Banks, the Tennessee Valley Authority, or any other agency of the United States government and money market mutual funds.

The Town's investment policy is in compliance with its Charter and the Connecticut General Statutes.

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Comparative Balance Sheets – General Fund

	<i>Actual</i> 6/30/2021	<i>Actual</i> 6/30/2020	<i>Actual</i> 6/30/2019	<i>Actual</i> 6/30/2018	<i>Actual</i> 6/30/2017
Assets					
Cash and Cash Equivalents	\$ 11,889,029	\$ 6,541,993	\$ 6,587,008	\$ 9,283,855	\$ 5,578,487
Investments	7,281,260	6,581,241	5,211,444	3,228,860	3,011,690
Receivables:					
Property taxes	2,084,389	1,545,146	1,533,865	1,699,894	1,214,530
Other	104,096	79,879	295,587	91,438	91,042
Intergovernmental	202,049	383,171	152,511	418,710	457,067
Due from Other Funds	1,286,761	3,564,294	3,089,542	2,225,726	4,043,296
Other Assets	-	-	-	-	-
Total assets	22,847,584	18,695,724	16,869,957	16,948,483	14,396,112
Liabilities and Fund Balances					
Accounts payable	2,120,137	1,061,900	1,107,755	2,175,002	1,190,746
Unearned revenue	117,377	118,011	149,056	74,587	105,007
Due to other funds	1,797,933	845,994	1,914,179	1,592,468	142,645
Total liabilities	4,035,447	2,025,905	3,170,990	3,842,057	1,438,398
Deferred Inflows of Resources					
Advance Property Tax Collections	14,324	26,546	16,603	20,802	66,906
Unavailable Revenue	1,985,458	1,362,520	1,211,491	1,360,696	1,238,311
Total Deferred Inflows	1,999,782	1,389,066	1,228,094	1,381,498	1,305,217
Fund Balances					
Nonspendable	-	-	-	-	-
Restricted	-	-	-	-	-
Committed	-	-	-	-	-
Assigned	921,705	99,268	172,530	172,709	172,709
Unassigned	15,890,650	15,181,485	12,298,343	11,552,219	11,479,788
Total fund balance	16,812,355	15,280,753	12,470,873	11,724,928	11,652,497
Total liabilities and fund balance	22,847,584	18,695,724	16,869,957	16,948,483	14,396,112
Analysis of General Fund Balance					
Operating revenues	\$ 55,744,072	\$ 56,550,477	\$ 51,094,295	\$ 54,689,580	\$ 51,705,363
Fund balance as a percent of					
operating revenues	30.16%	27.02%	24.41%	21.44%	22.54%
Unassigned fund balance as					
a percent of operating revenues	28.51%	26.85%	24.07%	21.12%	22.20%

General Fund Revenues and Expenditures
Four Year Summary of Audited Revenues and Expenditures (GAAP Basis),
Adopted Budget and Approved Budget (Budgetary Basis)

	Approved Budget 6/30/2023 ¹	Adopted Budget 6/30/2022 ¹	Actual 6/30/2021	Actual 6/30/2020	Actual 6/30/2019	Actual 6/30/2018
Revenues:						
Property Taxes	\$ 38,190,789	\$ 36,938,556	\$ 38,549,428	\$ 38,451,845	\$ 36,061,700	\$ 34,848,569
Intergovernmental	12,315,693	12,541,191	16,117,954	16,453,217	13,311,330	18,193,549
Charges for Services	864,415	851,735	790,802	924,751	1,237,768	1,431,346
Investment Income	100,000	150,000	57,227	511,216	388,719	104,038
Other Revenue	118,000	86,500	228,661	209,448	94,778	112,078
Total.....	51,588,897	50,567,982	55,744,072	56,550,477	51,094,295	54,689,580
Expenditures:						
General Government	2,425,954	2,371,699	2,170,806	2,174,057	2,227,527	2,321,752
Public Safety	5,592,938	5,396,871	5,310,033	5,055,303	5,179,147	4,767,033
Public Works	3,065,738	2,847,368	2,712,905	2,649,013	2,535,246	2,444,005
Health & Welfare.....	626,414	610,804	477,274	482,098	452,889	432,755
Recreation	764,716	744,757	695,042	784,613	864,926	841,175
Benefits & Insurance.....	4,318,765	3,873,935	3,365,854	3,193,169	3,010,777	2,739,054
Education	32,165,201	31,380,684	35,213,877	36,663,003	32,486,319	37,129,891
Debt Service	3,129,071	2,913,997	3,145,153	2,772,270	3,100,309	3,067,135
Total.....	52,088,797	50,140,115	53,090,944	53,773,526	49,857,140	53,742,800
Excess (Deficiency) of Revenues Over Expenditures.....	(499,900)	427,867	2,653,128	2,776,951	1,237,155	946,780
Other financing sources (uses):						
Bond Premium Issuance	-	-	-	557,827	-	134,788
BAN Premiums	-	-	-	-	-	-
Refunding Bond Issuance	-	-	-	2,605,000	-	-
Payments to Escrow Agent	-	-	-	(2,871,442)	-	-
Transfers In	801,900	815,502	885,233	556,935	534,882	215,205
Transfers Out	(302,000)	(1,243,369)	(2,006,759)	(815,391)	(1,026,092)	(1,224,342)
Total Other financing sources (uses).....	499,900	(427,867)	(1,121,526)	32,929	(491,210)	(874,349)
Excess (deficiency) of revenues and other financing sources (uses) over (under) expenditures and other financing uses.....	-	-	1,531,602	2,809,880	745,945	72,431
Fund Balance, Beginning of Year.....	16,812,355	16,812,355	15,280,753	12,470,873	11,724,928	11,652,497
Fund Balance, End of Year.....	\$ 16,812,355	\$ 16,812,355	\$ 16,812,355	\$ 15,280,753	\$ 12,470,873	\$ 11,724,928

¹ Budgetary Basis of accounting. Subject to audit. No assurances can be given that subsequent projections and the final result of operations will not change.

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Municipal General Budget Expenditures Cap

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

Intergovernmental Revenues

Fiscal Year	Intergovernmental	Total General	
Ended 6/30	Revenues	Fund Revenues	Percent
2021	\$ 16,117,954	\$ 55,744,072	28.91%
2020	16,453,217	56,550,477	29.09%
2019	13,311,330	51,094,295	26.05%
2018	18,193,549	54,689,580	33.27%
2017	17,238,467	51,705,363	33.34%
2016	14,887,378	49,450,604	30.11%
2015	14,563,701	49,251,423	29.57%
2014	15,923,535	50,171,300	31.74%
2013	15,521,733	47,899,212	32.40%
2012	16,318,822	47,322,569	34.48%

Source: Annual Audited Financial Statements.

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VII. Legal and Other Information

Litigation

The Town of Windsor Locks, its officers, employees, boards, and commissions are named defendants in a number of lawsuits, tax appeals, administrative proceedings, and other miscellaneous claims. It is the opinion of the Town Attorney that such pending litigation will not be finally determined, individually or in the aggregate, so as to result in final judgments against the Town which would have a material adverse effect on the Town's financial position.

Documents Furnished at Delivery

The winning bidder will be furnished the following documents when the Bonds are delivered:

1. A Signature and No Litigation Certificate stating that at the time of delivery no litigation is pending or threatened affecting the validity of the Bonds or the levy or collection of taxes to pay them.
2. A certificate on behalf of the Town, signed by the First Selectman and Treasurer which will be dated the date of delivery, and which will certify, to the best of said officials' knowledge and belief, that at the time the bids were awarded for the Bonds, the descriptions and statements in the Official Statement relating to the Town and its finances were true and correct in all material respects and did not contain any untrue statement of a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, and that there has been no material adverse change in the financial condition of the Town from that set forth in or contemplated by the Official Statement.
3. A Receipt for the purchase price of the Bonds.
4. The approving opinion of Pullman & Comley, LLC, Bond Counsel, in substantially the form attached hereto as Appendix B to the Official Statement.
5. An executed Continuing Disclosure Agreement for the Bonds in substantially the form attached hereto as Appendix C to this Official Statement.
6. The Town of Windsor Locks has prepared an Official Statement for the Bonds which is dated May 17, 2022. The Town deems such Official Statement final as of its date for purposes of SEC Rule 15c2-12 (b)(1), but it is subject to revision or amendment. The Town will make available to the winning bidder twenty five (25) copies, of the final Official Statement at the Town's expense. The copies of the Official Statement will be made available to the winning bidder at the office of the Town's Municipal Advisor no later than seven business days of the bid opening. If the Town's Municipal Advisor is provided with the necessary information from the winning bidder by noon of the day following the day bids on the Bonds are received, the copies of the final Official Statement will include an additional cover page and other pages indicating the interest rates, yields or reoffering prices, the name of the winning bidder, the name of the insurer, if any, and any changes on the Securities. The winning bidder shall arrange with the Municipal Advisor the method of delivery of the copies of the Official Statement to the winning bidder.

A record of the proceedings taken by the Town in authorizing the Bonds will be kept on file at offices of U.S. Bank Trust Company, National Association, and may be examined upon reasonable request.

Concluding Statement

To the extent that any statements made in this Official Statement involve matters of opinion or estimates, such statements are made as such and not as representations of fact or certainty, and no representation is made that any of such statements will be realized. Information herein has been derived by the Town from official and other sources and is believed by the Town to be reliable, but such information other than that obtained from official records of the Town has not been independently confirmed or verified by the Town and its accuracy is not guaranteed.

This Official Statement has been duly prepared and delivered by the Town, and executed for and on behalf of the Town by the following officials:

TOWN OF WINDSOR LOCKS, CONNECTICUT

By: /s/ *Paul M. Harrington*

Paul M. Harrington, *First Selectman*

By: /s/ *Christopher Latournes*

Christopher Latournes, *Treasurer*

Dated: May 17, 2022

Appendix A

2021 General Purpose Financial Statements Excerpted from the Town's Annual Financial Report

The following includes the General Purpose Financial Statements of the Town of Windsor Locks, Connecticut for the fiscal year ended June 30, 2021. The supplemental data that was a part of that report has not been reproduced herein. A copy of the complete report is available on the Town's website www.windsorlocksct.org/board-of-finance or upon request from Barry J. Bernabe, Managing Director, Phoenix Advisors, 53 River Street, Suite 1, Milford, Connecticut 06460. Telephone (203) 283-1110.

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Independent Auditors' Report

To the Board of Finance
Town of Windsor Locks, Connecticut

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Windsor Locks, Connecticut, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Town of Windsor Locks, Connecticut's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Windsor Locks, Connecticut, as of June 30, 2021 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.

Emphasis of Matter

During fiscal year ended June 30, 2021, the Town of Windsor Locks, Connecticut adopted GASB Statement No. 84 *Fiduciary Activities*. As a result of implementation of this standard, the Town of Windsor Locks, Connecticut reported a restatement for the change in accounting principle (see Note 13). Our opinion is not modified with respect to this matter.

In addition, the Town of Windsor Locks, Connecticut reported a restatement in the special grants fund for revenue recognition under the modified accrual basis of accounting (see Note 13). Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Windsor Locks, Connecticut's basic financial statements. The combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

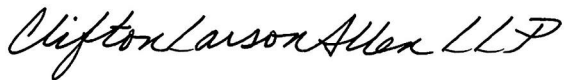
The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The statistical section has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we do not express an opinion or provide any assurance on it.

The Town of Windsor Locks, Connecticut's basic financial statements for the year ended June 30, 2020 (not presented herein) were audited by Blum, Shapiro & Company, P.C. (blumshapiro), whose partners and professional staff joined CliftonLarsonAllen LLP as of January 1, 2021 and has subsequently ceased operations. Blum Shapiro's report thereon dated December 14, 2020, expressed unmodified opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information. The accompanying General Fund balance sheet as of June 30, 2020 is presented for purposes of additional analysis and is 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 2020 financial statements. The accompanying General Fund balance sheet has been subjected to the auditing procedures applied in the audit of the 2020 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 their opinion, the General Fund balance sheet was fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2020.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 24, 2022 on our consideration of the Town of Windsor Locks, Connecticut's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town of Windsor Locks, 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 the Town of Windsor Locks, Connecticut's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

West Hartford, Connecticut
February 24, 2022

**TOWN OF WINDSOR LOCKS, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021**

Management of the Town of Windsor Locks, Connecticut (the Town) offers readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2021. Please read it in conjunction with the Town's financial statements, which immediately follow this section.

FINANCIAL HIGHLIGHTS

- The assets of the Town exceeded its liabilities at the close of the most recent fiscal year by \$91.3 million (net position). Of this amount, \$12.0 million (unrestricted net position) may be used to meet the Town's ongoing obligations to citizens and creditors.
- On a government-wide basis during the year, the Town's total net position increased by \$1.1 million to \$91.3 million.
- As of the close of the fiscal year, the Town's governmental funds reported combined ending fund balances of \$26.1 million, an increase of \$1.6 million in comparison with the prior fiscal year.
- At the close of the fiscal year, unassigned fund balance for the General Fund was \$15.9 million, or 28.8% of total General Fund expenditures and transfers.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-Wide Financial Statements

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

The statement of net position presents information on all of the Town's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position, together with information from the accompanying notes, may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

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

The government-wide financial statements present only governmental activities whose functions are principally supported by taxes and intergovernmental revenues, since the Town does not operate any business-type activities. The governmental activities of the Town include general government, public safety, public works, health and welfare, recreation, education and debt service.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental Funds

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

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

The Town maintains seventeen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balance for the General Fund, Sewer Administration Fund, combined Capital Projects Funds, and the Special Grants fund, all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements in exhibit B1 and B2.

The Town adopts an annual budget for its General Fund. A budgetary comparison statement has been provided as required supplementary information.

Proprietary Funds

The Town maintains one type of proprietary fund. Internal service funds are an accounting device used to accumulate and allocate costs internally among the Town's various functions. The Town uses an internal service fund to account for its medical insurance benefits. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Fiduciary Funds

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The Town’s current year net position increased by approximately \$1.1 million from last fiscal year to fiscal year 2021. The unrestricted net position is the portion of net position that can be used to finance day to day operations without constraints established by debt covenants, enabling legislation or other legal requirements. The analysis below focuses on the net position (Table 1) and changes in net position (Table 2) of the Town’s governmental activities.

**TABLE 1
NET POSITION
In Thousands**

	Governmental Activities	
	2021	2020
Current and other assets	\$ 43,344	\$ 37,925
Capital assets, net of accumulated depreciation	97,367	97,271
Total assets	<u>140,711</u>	<u>135,196</u>
Deferred outflows of resources	<u>8,819</u>	<u>9,289</u>
Long-term debt outstanding	47,114	47,867
Other liabilities	6,414	3,158
Total liabilities	<u>53,528</u>	<u>51,025</u>
Deferred inflows of resources	<u>4,688</u>	<u>3,226</u>
Net Position:		
Net investment in capital assets	73,862	72,668
Restricted	5,454	4,059
Unrestricted	<u>11,998</u>	<u>13,507</u>
Total Net Position	<u>\$ 91,314</u>	<u>\$ 90,234</u>

TABLE 2
CHANGE IN NET POSITION
In Thousands

	Governmental	
	Activities	
	<u>2021</u>	<u>2020</u>
Revenues:		
Program revenues:		
Charges for services:	\$ 5,975	\$ 5,811
Operating grants and contributions	20,618	16,802
Capital grants and contributions	427	
General revenues:		
Property taxes	39,032	38,607
Grants and contributions not restricted to specific purposes	6,366	6,274
Investment income	73	698
Miscellaneous	228	210
Total revenues	<u>72,719</u>	<u>69,388</u>
 Expenses:		
General government	3,967	3,405
Public safety	7,837	7,355
Public works	5,686	6,895
Health and welfare	527	602
Recreation	907	1,110
Education	52,388	47,808
Interest on long-term debt	328	622
Total program expenses	<u>71,640</u>	<u>67,797</u>
 Increase in Net Position	 \$ <u>1,079</u>	 \$ <u>1,591</u>

Governmental Activities

Approximately 53.7% of the revenues were derived from property taxes, followed by 28.9% from grants and contributions, and 8.2% charges for services. The remaining 9.2% was derived from other types of grants, investment earnings, and miscellaneous revenue.

Major revenue and expenditure factors included:

- The Town was able to mitigate ongoing expenditures related to COVID by utilizing CARES Act funds to cover additional incurred costs.
- COVID continued to affect programming provided by Park and Recreation, the Senior Center, and Youth Services, impacting both revenues and expenditures.
- A large fluctuation was seen in investment income due to volatile market performance through the fiscal year related to COVID.
- Similar to other communities, the Town saw an increase in Conveyance tax received with the growing housing market; as well as a decrease in building permits as we experienced the down slope of the big increase of permits seen in the prior year relating to people staying at home during COVID.

Table 3 presents the cost of the Town’s major programs - general government, public safety, public works, health and welfare, recreation 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 Town’s taxpayers by each of these functions.

**TABLE 3
GOVERNMENTAL ACTIVITIES
In Thousands**

	Total Cost of Services		Net Cost of Services	
	2021	2020	2021	2020
General government	\$ 3,967	\$ 3,405	\$ 2,961	\$ 2,092
Public safety	7,837	7,355	7,361	6,892
Public works	5,686	6,895	2,209	2,749
Health and welfare	527	602	412	491
Recreation	907	1,110	781	852
Education	52,388	47,808	30,566	30,500
Interest	328	622	328	622
Totals	\$ 71,640	\$ 67,797	\$ 44,618	\$ 44,198

TOWN FUNDS FINANCIAL ANALYSIS

Governmental Funds

As the Town completed the year, its governmental funds (as presented in the balance sheet - Exhibit III) reported a combined fund balance of \$26.1 million, which is an increase from last year’s total of \$24.6 million. Approximately \$14.5 million of this total amount constitutes unassigned fund balance, which is available for spending at the Town’s discretion. Approximately \$922 thousand is assigned as encumbrances. \$6.5 million is committed to designated use. The remainder of fund balance, \$4.1 million, is classified as either restricted or non-spendable to indicate that it is not available for liquidation due to external or legislative constraints.

General Fund Budgetary Highlights

The General Fund is the operating fund of the Town. At the end of the current fiscal year, total fund balance and unassigned fund balance of the General Fund was \$16.8 million and \$15.9 million, respectively.

As a measure of the General Fund’s liquidity, it may be useful to compare unassigned fund balance to total general fund expenditures and transfers out. Unassigned fund balance represents 28.8% of total General Fund expenditures and transfers. This is above the range of the Town’s fund balance policy target range of 18% to 25%. Although this is out of compliance with the fund balance policy, it is anticipated that fund balance will be used to offset the total borrowing for several large capital projects on the horizon. Currently, there is a proposal for construction of a new Police Station, and construction of a new Senior Center, with additional public safety facility upgrades occurring after completion of the Police Station.

Sewer Administration Fund

The total fund balance decreased by approximately \$130 thousand. Income from sewer use charges increased by about 8% and there was a slight increase in fees collected. Overall, revenue collections decreased due to recognition of Bonding Premium in the prior year. Expenditures remained flat. The transfers out consisted of \$617 thousand to the General Fund for debt service, \$92 thousand to the General Fund to cover shared operating expenses, and \$297 thousand to the WPCA Capital fund.

Capital Projects Funds

These funds account for financial resources to be used for the acquisition of major equipment, construction and upgrades of facilities, and Infrastructure improvements. Appropriations are made annually by the Board of Finance and citizen referendum pursuant to the Town Charter. Expenditures for capital projects and equipment for 2021 totaled \$1.9 million.

The Town continues with ongoing renovations and upgrade projects for Town Hall, and moves forward with existing sewer and road reconstruction projects. Roadway projects consist of reclaiming, grading, resurfacing, sanitary sewer replacements, and repair and modifications to drainage. The Town's 2021 road projects include portions of Halfway House, Webb, South, and Second. Roadway projects usually span more than one fiscal year, with portions of current and prior year projects being worked on in the year.

The WPCA multi-year project that included renovations and upgrades to Pump Stations, radio communication upgrades, equipment and system upgrades at the treatment facility and Plant Improvements is now substantially complete. This initial portion was slated to be phase 1 of a multi-phase project. Future phases have not yet been approved.

Internal Service Fund

The Town uses the Medical Insurance Fund to pay for employee medical costs. Due to conservative budgeting combined with recent positive claims experience, the fund balance had incrementally grown year over year. The Board of Finance recognized that the available balance had grown beyond what would reasonably be expected as needed to cover claims in an emergency or uncharacteristic year. The Board has subsequently made a concerted effort over the past several years to reduce the fund balance in the medical insurance fund by transferring a lower amount from the general fund to cover claims expense.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2021, the Town had invested in a broad range of capital assets, including land, construction in progress, land improvements, buildings, building improvements, machinery and equipment, vehicles, furniture and fixtures and infrastructure (roads, sewer lines, sidewalks) on a gross basis of \$154.6 million and \$97.4 million net of accumulated depreciation.

TABLE 4
CAPITAL ASSETS (Net of Depreciation)
In Thousands

	Governmental Activities	
	2021	2020
Land	\$ 5,908	\$ 5,686
Construction in progress	15,623	16,917
Land improvements	1,568	1,637
Buildings	6,627	6,831
Building improvements	33,279	34,132
Machinery and equipment	6,069	5,781
Vehicles	2,994	3,129
Furniture and fixtures	1,659	488
Infrastructure	23,640	22,670
Totals	\$ 97,367	\$ 97,271

This year's major additions included:

- Completion of 2017 Roadway project
- Voter at Pesci Park
- Library AC Upgrades

More detailed information about the Town's capital assets is presented in Note 1 and Note 5 to the financial statements.

Long-Term Debt

At June 30, 2021, the Town had general obligation bonded debt outstanding of \$21.8 million, with \$2.0 million due within the next year. The Town also had \$94 thousand of clean water notes with the remaining total due within one year. All this debt comprises debt backed by the full faith and credit of the Town.

The Town maintains a "AA+" rating from Standard & Poor's Global rating agency for general obligation debt in the Fiscal Year. The State limits the amount of general obligation debt that towns can issue on a formula determined under State Statutes based on type of debt and tax base. The Town's outstanding general obligation debt is significantly below this \$270.6 million State-imposed limit.

The Town's total debt decreased by a net of \$753 thousand. Total long-term debt is inclusive of General Obligation Bonds, Capital Leases, Net Pension Liability, OPEB (Other Post-Employment Benefits) liability, MERS service costs, compensated absences and Heart and Hypertension claims. More detailed information about the Town's long-term liabilities is presented in Note 7 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

As with all other municipalities across the country, The Town of Windsor Locks faces continued uncertainty with the ongoing COVID-19 pandemic, and subsequent devastation to small businesses and historic unemployment rates. Fortunately, as with other towns in Connecticut, the Town is largely dependent upon real property tax as a revenue source. The town does not collect sales, employment, or other local taxes that have seen a significant decline through the ongoing health and economic crisis.

The State of Connecticut has seen shortfalls in revenue due to COVID. The State's economic health has an impact on grants and funding sources received by municipalities from the State. Both the Town and the Board of Education have received American Rescue Plan Act (ARPA) funds. Both the Town and the Board of Education have formed a plan for the use of these funds that is designed for maximum impact to help the residents and businesses of the community. The Town will continue to offer needed services to its citizens while remaining as fiscally prudent as possible.

At the time of issuance of the Financial Statements, the Town is currently in the process of approving bonding for a new Police Station and Senior Center. The new Police Station is the result of a safety facilities study that encompassed Police, Fire, and Ambulance facilities and services. The Police Station is the first phase of proposed improvements to Town Public Safety facilities.

The Town continues to take measures to improve the budget process, utilizing further collaboration between departments. This includes expanded analysis, and additional levels of review with internal management and outside expertise.

CONTACTING THE TOWN'S FINANCIAL MANAGEMENT

This financial report is designed to provide citizens, taxpayers, customers, investors and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Finance Department, 50 Church Street, Windsor Locks, Connecticut 06096-2348.

TOWN OF WINDSOR LOCKS, CONNECTICUT
STATEMENT OF NET POSITION
JUNE 30, 2021

	Governmental Activities
Assets:	
Cash and cash equivalents	\$ 23,883,055
Investments	8,678,852
Receivables, net	5,742,952
Due from fiduciary fund	67,300
Inventories	9,924
Brownfield note receivable	4,000,000
Net OPEB asset	961,633
Capital assets:	
Assets not being depreciated	21,530,962
Assets being depreciated, net	<u>75,835,985</u>
Total assets	<u>140,710,663</u>
Deferred Outflows of Resources:	
Deferred outflows related to pensions	8,360,950
Deferred outflows relates to OPEB	347,870
Deferred charge on refunding	110,239
Total deferred outflows of resources	<u>8,819,059</u>
Liabilities:	
Accounts and other payables	3,575,135
Unearned revenue	2,838,930
Noncurrent liabilities:	
Due within one year	2,412,039
Due in more than one year	44,701,422
Total liabilities	<u>53,527,526</u>
Deferred Inflows of Resources:	
Deferred inflows related to OPEB	2,185,598
Deferred inflows related to pension	2,488,395
Advance property tax collections	14,324
Total deferred inflows of resources	<u>4,688,317</u>
Net Position:	
Net investment in capital assets	73,862,255
Restricted:	
Expendable trusts:	
Nonspendable	3,000
Expendable	835
Highway projects	1,214,391
Grants	2,937,732
Net OPEB Asset	961,633
Student Activities	216,524
TIF District	119,590
Unrestricted	<u>11,997,919</u>
Total Net Position	<u>\$ 91,313,879</u>

The accompanying notes are an integral part of the financial statements

**TOWN OF WINDSOR LOCKS, CONNECTICUT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental activities:					
General government	\$ 3,966,947	\$ 518,225	\$ 487,611	\$	\$ (2,961,111)
Public safety	7,837,276	380,708	95,429		(7,361,139)
Public works	5,685,504	2,783,094	266,915	427,419	(2,208,076)
Health and welfare	526,544	26,923	87,277		(412,344)
Recreation	907,220	125,927	50		(781,243)
Education	52,387,626	2,140,485	19,681,109		(30,566,032)
Interest on long-term debt	328,322				(328,322)
Total Governmental Activities	\$ 71,639,439	\$ 5,975,362	\$ 20,618,391	\$ 427,419	(44,618,267)
General revenues:					
Property taxes					39,031,525
Grants and contributions not restricted to specific programs					6,365,805
Unrestricted investment earnings					72,822
Miscellaneous					227,680
Total general revenues					<u>45,697,832</u>
Change in net position					1,079,565
Net Position at Beginning of Year, as Restated					<u>90,234,314</u>
Net Position at End of Year					<u>\$ 91,313,879</u>

The accompanying notes are an integral part of the financial statements

**TOWN OF WINDSOR LOCKS, CONNECTICUT
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2021**

	<u>General</u>	<u>Sewer Administration</u>	<u>Capital Projects</u>	<u>Special Grants</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS						
Cash and cash equivalents	\$ 11,889,029	\$ 944,399	\$ 4,016,560	\$	\$ 4,774,273	\$ 21,624,261
Investments	7,281,260	1,393,757			3,835	8,678,852
Receivables, net	2,390,534	485,025		809,733	1,032,600	4,717,892
Due from other funds	1,286,761	1,708,220	105,415	1,613,645	178,685	4,892,726
Inventories					9,924	9,924
Total Assets	<u>\$ 22,847,584</u>	<u>\$ 4,531,401</u>	<u>\$ 4,121,975</u>	<u>\$ 2,423,378</u>	<u>\$ 5,999,317</u>	<u>\$ 39,923,655</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities:						
Accounts and other payables	\$ 2,120,137	\$ 170,306	\$ 331,888	\$ 9,804	\$ 254,784	\$ 2,886,919
Due to other funds	1,797,933	607,669	1,700,216	8,220	756,433	4,870,471
Unearned revenue	117,377			2,010,924	710,629	2,838,930
Total liabilities	<u>4,035,447</u>	<u>777,975</u>	<u>2,032,104</u>	<u>2,028,948</u>	<u>1,721,846</u>	<u>10,596,320</u>
Deferred Inflows of Resources:						
Advance property tax collections	14,324					14,324
Unavailable revenue - property taxes	1,985,458					1,985,458
Unavailable revenue - long-term receivable				809,733		809,733
Unavailable revenue - special assessments		451,441				451,441
Total deferred inflows of resources	<u>1,999,782</u>	<u>451,441</u>	<u>-</u>	<u>809,733</u>	<u>-</u>	<u>3,260,956</u>
Fund Balances:						
Nonspendable					12,924	12,924
Restricted					4,094,642	4,094,642
Committed		3,301,985	3,062,476		177,636	6,542,097
Assigned	921,705					921,705
Unassigned	15,890,650		(972,605)	(415,303)	(7,731)	14,495,011
Total fund balances	<u>16,812,355</u>	<u>3,301,985</u>	<u>2,089,871</u>	<u>(415,303)</u>	<u>4,277,471</u>	<u>26,066,379</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 22,847,584</u>	<u>\$ 4,531,401</u>	<u>\$ 4,121,975</u>	<u>\$ 2,423,378</u>	<u>\$ 5,999,317</u>	<u>\$ 39,923,655</u>

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TOWN OF WINDSOR LOCKS, CONNECTICUT
BALANCE SHEET - GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2021

Reconciliation of the Balance Sheet - Governmental Funds
to the Statement of Net Position:

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

Fund balances - total governmental funds (Exhibit III)	\$ 26,066,379
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Capital assets used in governmental activities are not financial
resources and, therefore, are not reported in the funds:

Governmental capital assets	\$ 157,734,837	
Less accumulated depreciation	<u>(60,367,890)</u>	
Net capital assets		97,366,947

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

Property tax receivables greater than 60 days	1,551,903
Brownfield note receivable	4,000,000
Interest and lien receivable on property taxes	433,555
Assessments receivable	304,883
Interest and lien receivable on assessments	146,558
Unavailable grants receivable	809,733
Net OPEB asset	961,633
Deferred outflows related to pension	8,360,950
Deferred outflows related to OPEB	347,870

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.

2,841,942

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

Brownfield note payable	(4,000,000)
Bonds and notes payable	(21,878,645)
Bond premiums	(910,562)
Interest payable on bonds and notes	(201,259)
Compensated absences	(1,229,857)
Capital leases	(493,836)
Net pension liability	(18,221,831)
Payable to MERS	(10,230)
Deferred inflows related to pension	(2,488,395)
Deferred inflows related to OPEB	(2,185,598)
Heart and hypertension	(368,500)
Deferred charge on refunding	<u>110,239</u>

Net Position of Governmental Activities (Exhibit I)	<u>\$ 91,313,879</u>
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The accompanying notes are an integral part of the financial statements

**TOWN OF WINDSOR LOCKS, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

	General	Sewer Administration	Capital Projects	Special Grants	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:						
Property taxes	\$ 38,549,428	\$	\$	\$	\$ 213,160	\$ 38,762,588
Intergovernmental	16,117,954			349,973	4,346,651	20,814,578
Charges for services	790,802	2,531,989			2,684,889	6,007,680
Contributions				66,677	1,849	68,526
Income on investments	57,227	8,113	3,766		577	69,683
Other revenues	228,661	32	128		65,104	293,925
Total revenues	<u>55,744,072</u>	<u>2,540,134</u>	<u>3,894</u>	<u>416,650</u>	<u>7,312,230</u>	<u>66,016,980</u>
Expenditures:						
Current:						
General government	2,170,806			309,302	68,396	2,548,504
Public safety	5,310,033			140,941	534,987	5,985,961
Public works	2,712,905	1,598,722		461,457	167,045	4,940,129
Health and welfare	477,274			17,231	34,057	528,562
Recreation	695,042				118,074	813,116
Employee benefits and insurance	3,365,854					3,365,854
Education	35,213,877				6,019,802	41,233,679
Capital outlay			1,895,871			1,895,871
Debt service	3,145,153	91,339	971			3,237,463
Total expenditures	<u>53,090,944</u>	<u>1,690,061</u>	<u>1,896,842</u>	<u>928,931</u>	<u>6,942,361</u>	<u>64,549,139</u>
Excess (Deficiency) of Revenues over Expenditures	<u>2,653,128</u>	<u>850,073</u>	<u>(1,892,948)</u>	<u>(512,281)</u>	<u>369,869</u>	<u>1,467,841</u>
Other Financing Sources (Uses):						
Brownfield note proceeds				200,001		200,001
Transfers in	885,233		2,435,984			3,321,217
Transfers out	(2,006,759)	(979,882)			(334,576)	(3,321,217)
Total other financing sources (uses)	<u>(1,121,526)</u>	<u>(979,882)</u>	<u>2,435,984</u>	<u>200,001</u>	<u>(334,576)</u>	<u>200,001</u>
Net Change in Fund Balances	1,531,602	(129,809)	543,036	(312,280)	35,293	1,667,842
Fund Balances at Beginning of Year, as Restated	<u>15,280,753</u>	<u>3,431,794</u>	<u>1,546,835</u>	<u>(103,023)</u>	<u>4,242,178</u>	<u>24,398,537</u>
Fund Balances at End of Year	<u>\$ 16,812,355</u>	<u>\$ 3,301,985</u>	<u>\$ 2,089,871</u>	<u>\$ (415,303)</u>	<u>\$ 4,277,471</u>	<u>\$ 26,066,379</u>

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TOWN OF WINDSOR LOCKS, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund

Balances of Governmental Funds to the Statement of Activities:

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

Net change in fund balances - total governmental funds (Exhibit IV) \$ 1,667,842

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 expense:

Capital outlay	3,163,155
Depreciation expense	(3,060,751)

In the statement of activities, only the gain on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources.

Thus the change in net position differs from the change in fund balance by the cost of the assets sold. (6,354)

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:

Brownfield note receivable - accrual basis change	200,001
Property tax receivable - accrual basis change	189,383
Property tax interest and lien receivable - accrual basis change	79,554
Sewer use receivable - accrual basis change	(11,308)
Net OPEB asset	812,705
Sewer use interest and lien receivable - accrual change	(523)
Unavailable grants receivable - accrual basis change	365,962
Change in deferred outflows related to pensions	(460,053)
Change in deferred outflows related to OPEB	16,671

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 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:

Brownfield note proceeds	(200,001)
Bond and note principal payments	2,080,221
Capital lease payments	366,104

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	117,301
Change in deferred inflows related to pensions	(891,344)
Change in deferred inflows related to OPEB	(582,740)
Accrued interest	29,276
Amortization of bond premiums	460,105
Amortization of payable to MERS	12,117
Amortization of deferred charge on refunding	(26,565)
Heart and hypertension claims	(275,000)
Net pension liability	(1,807,738)

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.

(1,158,455)

Change in Net Position of Governmental Activities (Exhibit II) \$ 1,079,565

The accompanying notes are an integral part of the financial statements

TOWN OF WINDSOR LOCKS, CONNECTICUT
STATEMENT OF NET POSITION - PROPRIETARY FUND
JUNE 30, 2021

	Governmental Activities
	Internal Service Fund
Assets:	
Current:	
Cash and cash equivalents	\$ 2,258,794
Accounts receivable	1,025,060
Due from other funds	<u>77,779</u>
Total assets	<u>3,361,633</u>
Liabilities:	
Accounts payable	127,657
Claims payable	359,300
Due to other funds	<u>32,734</u>
Total liabilities	<u>519,691</u>
Net Position:	
Unrestricted	<u>\$ 2,841,942</u>

The accompanying notes are an integral part of the financial statements

**TOWN OF WINDSOR LOCKS, CONNECTICUT
STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN FUND NET POSITION - PROPRIETARY FUND
FOR THE YEAR ENDED JUNE 30, 2021**

	Governmental Activities <u>Internal Service Fund</u>
Operating Revenues:	
Premiums	\$ <u>4,081,733</u>
Operating Expenses:	
Claims	5,046,993
Administration	<u>196,334</u>
Total operating expenses	<u>5,243,327</u>
Operating Loss	(1,161,594)
Nonoperating Revenue:	
Income on investments	<u>3,139</u>
Change in Net Position	(1,158,455)
Net Position at Beginning of Year	<u>4,000,397</u>
Net Position at End of Year	\$ <u><u>2,841,942</u></u>

The accompanying notes are an integral part of the financial statements

**TOWN OF WINDSOR LOCKS, CONNECTICUT
STATEMENT OF CASH FLOWS - PROPRIETARY FUND
FOR THE YEAR ENDED JUNE 30, 2021**

	Governmental Activities
	Internal Service Fund
Cash Flows from Operating Activities:	
Cash received from customers and users	\$ 3,188,858
Cash payments to providers of benefits and administration	(5,073,909)
Net cash provided by (used in) operating activities	<u>(1,885,051)</u>
Cash Flows from Investing Activities:	
Income on investments	<u>3,139</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(1,881,912)
Cash and Cash Equivalents at Beginning of Year	<u>4,140,706</u>
Cash and Cash Equivalents at End of Year	<u>\$ 2,258,794</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:	
Operating income (loss)	\$ (1,161,594)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:	
(Increase) decrease in due from other funds	28,795
(Increase) decrease in accounts receivable	(921,670)
Increase (decrease) in claims and accounts payable	47,020
Increase (decrease) in due to other funds	<u>122,398</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ (1,885,051)</u>

The accompanying notes are an integral part of the financial statements

TOWN OF WINDSOR LOCKS, CONNECTICUT
STATEMENT OF FIDUCIARY NET POSITION - FIDUCIARY FUNDS
JUNE 30, 2021

	<u>OPEB Trust Fund</u>	<u>Custodial Fund C-Pace Program</u>
Assets:		
Cash and cash equivalents	\$	\$
Investments	4,782,668	
Accounts receivable	<u>2,927</u>	
Total assets	<u>4,785,595</u>	<u>-</u>
Liabilities:		
Accounts and other payables	5,769	
Due to other funds	<u>67,300</u>	
Total liabilities	<u>73,069</u>	<u>-</u>
Net Position:		
Fiduciary deposits		
Restricted for OPEB benefits	<u>4,712,526</u>	
Total Net Position	\$ <u><u>4,712,526</u></u>	\$ <u><u>-</u></u>

The accompanying notes are an integral part of the financial statements

**TOWN OF WINDSOR LOCKS, CONNECTICUT
STATEMENT OF CHANGES IN PLAN NET POSITION - FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

	<u>OPEB Trust Fund</u>	<u>Custodial Fund C-Pace Program</u>
Additions:		
Contributions:		
Employer	\$ 94,779	\$
Employee		
Other income		33,330
Total contributions	<u>94,779</u>	<u>33,330</u>
Investment income:		
Net change in fair value of investments	<u>1,077,914</u>	
Total additions	1,172,693	33,330
Deductions:		
Benefits	<u>236,448</u>	<u>33,330</u>
Change in Net Position	936,245	
Net Position - Beginning of Year	<u>3,776,281</u>	
Net Position - End of Year	<u>\$ 4,712,526</u>	<u>\$ -</u>

The accompanying notes are an integral part of the financial statements

**TOWN OF WINDSOR LOCKS, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The Town of Windsor Locks was incorporated in 1854, under the General Statutes of the State of Connecticut. The Town adopted a Town Charter effective January 5, 1981, which was last revised on January 1, 2003. The form of government includes a Board of Selectmen consisting of a First Selectman, who is the chief administrative and executive official of the Town, and two other members. The Board of Selectmen and the Town Meeting have the legislative power of the Town, and may enact ordinances consistent with the General Statutes of the State of Connecticut and specific provisions of the Town Charter. The Board of Education, which is not a separate legal entity, is responsible for the operation of the public school system.

Additionally, the Charter includes a Board of Finance and a Treasurer. The Board of Finance is responsible for presenting fiscal operating budgets for Town approval. The Treasurer receives all money belonging to the Town and makes expenditures based upon the appropriate authority.

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 Units

The Town has established a postretirement health care benefits (OPEB) plan to provide post-retirement health care benefits primary to employees and their beneficiaries. The Town performs the duties of a governing board for the OPEB plan and is required to make contributions to OPEB plan.

The financial statements of the fiduciary component unit are reported as an OPEB Trust fund 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 Town. For the most part, the effect of interfund activity has been removed from these statements.

**TOWN OF WINDSOR LOCKS, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

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

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 fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

The Town reports the following major governmental funds:

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

The Sewer Administration Fund accounts for sewer services provided to certain residents of the Town. The major source of revenue is sewer use charges.

The Capital Projects Fund accounts for the financial revenues to be used for major capital asset construction and/or purchases. The major sources of revenue are grants, capital leases and bond issuances.

The Special Grants Fund accounts for various grant programs not included in the general fund budget. The major source of revenue for this fund is state and federal grants.

**TOWN OF WINDSOR LOCKS, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

Additionally, the Town reports the following fund types:

The Internal Service Fund accounts for risk financing activities for medical insurance benefits as allowed by GASB Statement No. 10.

The OPEB Trust Fund accounts for the fiduciary activities of the Windsor Locks other postemployment benefits for town retirees and their beneficiaries.

The Custodial Fund accounts fiduciary activities related to the State of Connecticut's C-PACE Program

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 Town'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 Town's internal service fund are charges to customers for medical insurance benefits. Operating expenses for the internal service fund include the cost of claims and administrative expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the Town'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.

D. Deposits and Investments

The Town'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 Town 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 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." An amount of \$166,509 has been established as an allowance for uncollectible taxes. At June 30, 2021, this represents 9.2% of all property taxes receivable.

**TOWN OF WINDSOR LOCKS, CONNECTICUT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2021**

In the fund financial statements, all property taxes receivable at June 30, 2021, which have not been collected within 60 days of June 30, have been recorded as deferred inflows since they are not considered to be available to finance expenditures of the current fiscal year. Taxes collected during the 60-day period have been recorded as revenue.

Property taxes are assessed on property as of October 1. Taxes are billed in the following July and are due in two installments, July 1 and the following January 1. Liens are effective on the assessment date and are continued by filing before the end of the fiscal year following the due date. Payments not received within one month after the due date become delinquent, with interest charged at 1-1/2% per month.

F. 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 government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 for equipment, \$20,000 for improvements and \$100,000 for infrastructure and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

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

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

<u>Assets</u>	<u>Years</u>
Buildings	75
Building improvements	75
Land improvements	20
Roads	25-50
Sidewalks	25
Sewer plant	50
Sewer lines	70
Storm drains	70
Vehicles	8
Office equipment	5-10

G. 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 position or fund balance that applies to a future period or periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Town reports a deferred charge on refunding 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

**TOWN OF WINDSOR LOCKS, CONNECTICUT
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refunding debt. The Town reports deferred outflows related to pension and OPEB in the government-wide statement of net position. A deferred outflow of resources related to pension and OPEB results from differences between expected and actual experience, differences between expected and actual earnings on plan investments, 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), or 5 years for the differences between expected and actual earnings on plan investments.

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 position or fund balance that applies to a future period or periods and so will not be recognized as an inflow of resources (revenue) until that time. The Town reports advance property tax collections and deferred inflows of resources related to pensions and OPEB in the government-wide statement of net position. A deferred inflow of resources related to pension and OPEB results from differences between expected and actual experience, differences between expected and actual earnings on plan investments, 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 plan (active employees and inactive employees), or 5 years for the differences between expected and actual earnings on plan investments. Advance property tax collections represent taxes inherently associated with a future period. This amount is recognized during the period in which the revenue is associated. For governmental funds, the Town reports unavailable revenue, which arises only under the modified accrual basis of accounting. The governmental funds report unavailable revenues from property taxes and special assessments. These amounts are deferred and recognized as an inflow of resources (revenue) in the period in which the amounts become available.

H. Compensated Absences

Employees are paid by prescribed formula for absence due to vacation or sickness. For certain Town employees and Board of Education employees, vacation time and sick time may be accumulated and paid upon death or retirement, up to certain limits.

I. 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.

J. Net Other Postemployment Benefits Other than Pensions (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.

K. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of 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.

L. Fund Equity

Equity in the government-wide financial statements is defined as “net position” and is classified in the following categories:

Net Investment in Capital Assets

This component of net position consists of capital assets, net of accumulated depreciation 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 because it is externally imposed 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 consists of net position that does not meet the definition of “restricted” or “net investment in capital assets.”

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 (Windsor Locks Board of Finance and Town Meeting). Amounts can be committed, modified or rescinded by resolution of the Board of Finance or vote at Town Meeting.

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Assigned Fund Balance

This includes amounts constrained for the intent to be used for a specific purpose by a governing board or a body or official that has been delegated authority to assign amounts by the Town Charter (Windsor Locks Finance Director and Board of Education Business Manager).

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.

M. Estimates

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

N. Subsequent Events Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through February 24, 2022, which is the date when the financial statements were available to be issued.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

The Town adheres to the following procedures in establishing the budgetary data included in the general fund financial statements. On or before February 1 of each year, each officer and the head of each office, board or commission supported wholly or in part from Town funds, files a detailed estimate of the expenditures to be made and revenues to be collected in the ensuing year with the Board of Finance.

The Board of Finance then prepares a proposed general Town budget and tax mill rate, holds a public hearing and presents the budget to the annual Town budget meeting, at which time it is legally adopted.

Funds for any additional appropriations less than \$10,000 or any emergency appropriations shall be drawn as directed by the Board of Finance from any available fund balance, an approved contingency fund or funds received or to be received from State, Federal or other sources.

Additional appropriations in excess of \$10,000 (except for emergency situations) require Town Meeting approval. Appropriations for capital expenditures in excess of \$200,000, to be funded by borrowing, require a referendum.

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

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

**TOWN OF WINDSOR LOCKS, CONNECTICUT
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The Board of Education, which is not a separate legal entity but a department of the Town, is authorized under state law to make any transfers required within their budget at their discretion. Any additional appropriations must have Board of Education, Board of Finance and Town Meeting approval (in excess of \$10,000 in the aggregate for the year). During the year ended June 30, 2021, the Town approved additional appropriations of \$2,350 from other anticipated revenues, and \$1,280,000 from fund balance.

Encumbrances are recognized as a valid and proper charge against a budget appropriation in the year in which the purchase order, contract or other commitment is issued, and, accordingly, encumbrances outstanding at year end are reported in budgetary reports as expenditures in the current year. Generally, all unencumbered appropriations lapse at year end, except those for the Capital Projects Funds. Appropriations for capital projects are continued until completion of applicable projects, even when projects extend more than one fiscal year.

B. Fund Deficits

The Commission on Needs of the Aging fund, a nonmajor special revenue fund, had a fund deficit of \$7,731, which will be financed by charges for services. The deficit of \$415,303 in the Special Grants fund is due to timing of receipts from the State of Connecticut.

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 do not specify permitted investments. Therefore, investment of such funds is generally controlled by the laws applicable to fiduciaries and the provisions of the applicable plan.

The Statutes (Sections 3-24f and 3-27f) also provide for investment in shares of the State Short-Term Investment Fund (STIF). This investment pool is under the control of the State Treasurer, with oversight provided by the Treasurer’s Cash Management Advisory Board, and 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.

**TOWN OF WINDSOR LOCKS, CONNECTICUT
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Deposits

Deposit Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, the Town’s deposit will not be returned. The Town 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.

Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, \$8,509,594 of the Town’s bank balance of \$16,607,867 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 7,608,634
Uninsured and collateral held by the pledging bank’s trust department, not in the Town’s name	<u>900,960</u>
Total Amount Subject to Custodial Credit Risk	<u><u>\$ 8,509,594</u></u>

Cash Equivalents

At June 30, 2021, the Town’s cash equivalents amounted to \$15,721,514. The following table provides a summary of the Town’s cash equivalents (excluding U.S. government guaranteed obligations) as rated by nationally recognized statistical rating organizations. The pools all have maturities of less than one year.

	<u>Standard & Poor’s</u>
State Short-Term Investment Fund (STIF) Money Market Funds*	AAAm

*Not rated

**TOWN OF WINDSOR LOCKS, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

Investments

As of June 30, 2021, the Town had the following investments:

<u>Investment Type</u>	<u>Credit Rating</u>	<u>Fair Value</u>	<u>Investment Maturities (Years)</u>		
			<u>Less Than 1</u>	<u>1-10</u>	<u>More Than 10</u>
Interest-bearing investments:					
Corporate bonds	Aa3	\$ 504,805	\$	504,805	\$
Corporate bonds	A1	532,630		532,630	
U.S. Government Agencies	Aaa	259,686		259,686	
Certificates of deposit	*	7,381,731	<u>1,918,803</u>	<u>5,462,928</u>	
Other investments:			\$ <u>1,918,803</u>	\$ <u>6,760,049</u>	\$ <u>-</u>
Mutual funds	n/a	<u>4,782,668</u>			
Total Investments		\$ <u>13,461,520</u>			

*Subject to coverage by Federal Depository Insurance and collateralization.

Interest Rate Risk

The Town limits their maximum final stated maturities to five years, unless specific authority is given to exceed. To the extent possible, the Town 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 Town has no investment policy that would further its investment choices.

Concentration of Credit Risk

At the time of acquisition, no more than 10% of the overall portfolio may be invested in deposits with a single bank, unless the deposits are fully insured or fully collateralized, or in repurchase agreements for a period longer than two days conducted through a single dealer.

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 Town or that sells investments to or buys them for the Town), the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Town does not have a policy for custodial credit risk. At June 30, 2021, the Town did not have any uninsured and unregistered securities held by the counterparty, or by its trust department or agent, that were not in the Town's name.

**TOWN OF WINDSOR LOCKS, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
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Fair Value Measurements

The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. 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 Town has the following recurring fair value measurements as of June 30, 2021:

	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investments by Fair Value Level:				
Corporate bonds	\$ 1,037,435	\$ 1,037,435	\$	\$
U.S. Government Agencies	259,686	259,686		
Mutual funds	<u>4,782,668</u>	<u>4,782,668</u>		
Total investments by fair value level	<u>6,079,789</u>	<u>\$ 6,079,789</u>	<u>\$ -</u>	<u>\$ -</u>
Total investments measured at fair value	6,079,789			
Certificates of deposit	<u>7,381,731</u>			
Total Investments	<u>\$ 13,461,520</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. Certificates of deposit are measured at amortized cost.

4. RECEIVABLES

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

	<u>General</u>	<u>Sewer Administration</u>	<u>Special Grants</u>	<u>Nonmajor and Other Funds</u>	<u>Total</u>
Receivables:					
Taxes	\$ 2,250,898	\$	\$	\$	\$ 2,250,898
Accounts	104,096	3,736		1,346,795	1,454,627
Sewer use		485,789			485,789
Intergovernmental	<u>202,049</u>		<u>809,733</u>	<u>713,792</u>	<u>1,725,574</u>
Gross receivables	2,557,043	489,525	809,733	2,060,587	5,916,888
Less allowance for uncollectibles	<u>(166,509)</u>	<u>(4,500)</u>			<u>(171,009)</u>
Net Total Receivables	<u>\$ 2,390,534</u>	<u>\$ 485,025</u>	<u>\$ 809,733</u>	<u>\$ 2,060,587</u>	<u>\$ 5,745,879</u>

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During the year ended June 30, 2018, the Town entered into a \$4,000,000 Brownfield Loan agreement with the State of Connecticut Department of Economic and Community Development, to redevelop the Montgomery Mill. In accordance with the promissory note, the agreement requires the Town to make payments of \$25,161, inclusive of interest at 1% per annum, per month commencing 60 months after the initial funding was advanced to the Town. The outstanding principal, plus all accrued and unpaid interest on the note, shall be forgiven upon the issuance of a final certificate of occupancy for the entire project to the satisfaction of the State.

Additionally, the Town has entered into a mirrored agreement with BC Montgomery Mills LLC, a Connecticut Limited Liability Company (sub-recipient), whereby the sub-recipient is responsible to make payments to the Town that equal the amounts the Town is required to make to the State of Connecticut. Furthermore, the Town has agreed to forgive the loan with the sub-recipient upon the issuance of a final certificate of occupancy for the entire project.

As of June 30, 2021, the Town has recorded a Brownfield note receivable and a Brownfield note payable in the Statement of Net position for the Governmental Activities of \$4,000,000.

5. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2021 was as follows:

	<u>Beginning Balance</u>	<u>Transfers</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:					
Capital assets not being depreciated:					
Land	\$ 5,685,564	\$	\$ 222,071	\$	\$ 5,907,635
Construction in progress	16,916,523	(3,016,385)	1,723,189		15,623,327
Total capital assets not being depreciated	<u>22,602,087</u>	<u>(3,016,385)</u>	<u>1,945,260</u>	<u>-</u>	<u>21,530,962</u>
Capital assets being depreciated:					
Buildings	15,274,217				15,274,217
Building improvements	48,355,750		128,652		48,484,402
Land improvements	3,040,215		26,258		3,066,473
Machinery and equipment	17,019,880	396,597	573,857		17,990,334
Vehicles	6,900,618		293,458	(63,548)	7,130,528
Furniture and fixtures	701,119	1,072,971	195,670		1,969,760
Infrastructure	40,741,344	1,546,817			42,288,161
Total capital assets being depreciated	<u>132,033,143</u>	<u>3,016,385</u>	<u>1,217,895</u>	<u>(63,548)</u>	<u>136,203,875</u>
Less accumulated depreciation for:					
Buildings	(8,442,818)		(204,882)		(8,647,700)
Building improvements	(14,223,486)		(982,103)		(15,205,589)
Land improvements	(1,403,388)		(94,863)		(1,498,251)
Machinery and equipment	(11,239,089)		(681,961)		(11,921,050)
Vehicles	(3,771,948)		(421,420)	57,194	(4,136,174)
Furniture and fixtures	(213,566)		(97,037)		(310,603)
Infrastructure	(18,070,038)		(578,485)		(18,648,523)
Total accumulated depreciation	<u>(57,364,333)</u>	<u>-</u>	<u>(3,060,751)</u>	<u>57,194</u>	<u>(60,367,890)</u>
Total capital assets being depreciated, net	<u>74,668,810</u>	<u>3,016,385</u>	<u>(1,842,856)</u>	<u>(6,354)</u>	<u>75,835,985</u>
Governmental Activities Capital Assets, Net	<u>\$ 97,270,897</u>	<u>\$ -</u>	<u>\$ 102,404</u>	<u>\$ (6,354)</u>	<u>\$ 97,366,947</u>

**TOWN OF WINDSOR LOCKS, CONNECTICUT
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Depreciation expense was charged to functions/programs as follows:

General government	\$	215,793
Public safety		394,886
Public works		1,202,738
Recreation		59,320
Education		<u>1,188,014</u>
Total	\$	<u><u>3,060,751</u></u>

6. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Individual fund interfund receivable and payable balances at June 30, 2021 are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Capital Projects Fund	\$ 216
	Sewer Administration Fund	607,669
	OPEB Trust Fund	1,240
	Internal Service Funds	32,734
	Nonmajor Governmental Funds	<u>644,902</u>
		<u>1,286,761</u>
Sewer Administration Fund	Capital Projects Fund	1,700,000
	Special Grants Fund	<u>8,220</u>
		<u>1,708,220</u>
Capital Projects Fund	General Fund	5,603
	Nonmajor Governmental Funds	<u>99,812</u>
		<u>105,415</u>
Special Grants Fund	General Fund	<u>1,613,645</u>
Nonmajor Governmental Funds	General Fund	<u>178,685</u>
Internal Service Fund	Nonmajor Governmental Funds	11,719
	OPEB Trust Fund	<u>66,060</u>
		<u>77,779</u>
		<u><u>\$ 4,970,505</u></u>

**TOWN OF WINDSOR LOCKS, CONNECTICUT
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Most interfund receivables and payables are the result of regularly recurring transactions and represent temporary balances.

	<u>Transfers In</u>		
	<u>General Fund</u>	<u>Capital Projects</u>	<u>Total Transfers Out</u>
Transfers out:			
General Fund	\$	\$ 2,006,759	\$ 2,006,759
Sewer Administration Fund	682,882	297,000	979,882
Nonmajor Governmental	<u>202,351</u>	<u>132,225</u>	<u>334,576</u>
Total Transfers In	<u>\$ 885,233</u>	<u>\$ 2,435,984</u>	<u>\$ 3,321,217</u>

Most transfers represent routine transactions that occur annually to move resources from one fund to another.

7. LONG-TERM DEBT

Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2021 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities:					
Bonds and serial notes payable:					
General obligation bonds	\$ 23,765,000	\$	\$ 1,980,000	\$ 21,785,000	\$ 1,980,000
Direct borrowings:					
Clean water notes	193,866		100,221	93,645	93,645
Bond premiums	<u>1,370,667</u>		<u>460,105</u>	<u>910,562</u>	
Total	25,329,533	-	2,540,326	22,789,207	2,073,645
Capital leases	859,940		366,104	493,836	235,657
Brownfield note payable	3,799,999	200,001		4,000,000	
Net pension liability	16,414,093	1,807,738		18,221,831	
MERS prior service costs	22,347		12,117	10,230	10,230
Compensated absences	1,347,158		117,301	1,229,857	92,507
Heart and hypertension claims	<u>93,500</u>	<u>275,000</u>		<u>368,500</u>	
Total Governmental Activities Long-Term Liabilities	<u>\$ 47,866,570</u>	<u>\$ 2,282,739</u>	<u>\$ 3,035,848</u>	<u>\$ 47,113,461</u>	<u>\$ 2,412,039</u>

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The following is a summary of bond and note issues at June 30, 2021:

<u>Description</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate (%)</u>	<u>Amount of Original Issue</u>	<u>Balance Outstanding June 30, 2021</u>
Bonds/notes:					
Town:					
Refunding bond	7/1/2014	8/1/2024	2.0-3.0	\$ 3,400,000	\$ 888,079
General obligation	3/16/2016	3/15/2036	2.0-4.0	2,941,500	2,202,275
General obligation	3/13/2018	3/15/2038	3.0-4.0	1,841,000	1,489,611
New Issue	3/6/2020	10/1/2039	2.0-4.0	3,992,000	3,676,916
Schools:					
Refunding bond	7/1/2014	8/1/2024	2.0-3.0	3,185,000	831,921
General obligation	3/16/2016	3/15/2036	2.0-4.0	6,608,500	4,947,725
General obligation	3/13/2018	3/15/2038	3.0-4.0	1,419,000	1,148,157
New Issue	3/6/2020	10/1/2039	2.0-4.0	1,078,000	992,915
Sewer:					
Clean water loan	5/31/2003	5/31/2022	2.0	1,715,669	93,645
General obligation	3/13/2018	3/15/2038	3.0-4.0	4,625,000	3,742,232
New Issue	3/6/2020	10/1/2039	2.0-4.0	2,025,000	1,865,169
					<u>\$ 21,878,645</u>

All long-term liabilities are generally liquidated by the General Fund.

The following is a summary of long-term debt principal and interest maturities:

<u>Year Ending June 30,</u>	<u>Bonds</u>		<u>Direct Borrowings</u>		<u>Total</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2022	\$ 1,980,000	\$ 686,106	\$ 93,645	\$ 939	\$ 2,073,645	\$ 687,045
2023	1,990,000	614,006			1,990,000	614,006
2024	1,995,000	538,706			1,995,000	538,706
2025	1,995,000	468,531			1,995,000	468,531
2026	1,575,000	404,756			1,575,000	404,756
2027-2031	6,375,000	1,364,555			6,375,000	1,364,555
2032-2036	4,875,000	561,061			4,875,000	561,061
2037-2040	1,000,000	45,917			1,000,000	45,917
Total	<u>\$ 21,785,000</u>	<u>\$ 4,683,638</u>	<u>\$ 93,645</u>	<u>\$ 939</u>	<u>\$ 21,878,645</u>	<u>\$ 4,684,577</u>

Capital Projects

As of June 30, 2021, the Town had authorized unissued bonds of \$8,140,000 available to fund capital projects.

TOWN OF WINDSOR LOCKS, CONNECTICUT
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Debt Limit

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

<u>Category</u>	<u>Debt Limitation</u>	<u>Indebtedness</u>	<u>Balance</u>
General purpose	\$ 86,972,470	\$ 10,331,881	\$ 76,640,589
Schools	173,944,940	11,985,718	161,959,222
Sewers	144,954,116	5,701,046	139,253,070
Urban renewal	125,626,901		125,626,901
Pension deficit	115,963,293		115,963,293

The total overall statutory debt limit for the Town is equal to seven times annual receipts from taxation, \$270.6 million.

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

Capital Leases

The Town has entered into several capital lease agreements for the purchase of various equipment.

The assets acquired through capital leases are as follows:

	<u>Amount</u>
Asset:	
Equipment	\$ 2,348,633
Less accumulated depreciation	<u>605,582</u>
Total	<u>\$ 1,743,051</u>

The following is a schedule of the future minimum lease payments under the capitalized leases together with the present value of the minimum lease payments as of June 30, 2021:

<u>Year Ending June 30</u>	
2022	\$ 244,645
2023	145,066
2024	120,342
Total minimum lease payments	510,053
Less amount representing interest	<u>(16,217)</u>
Present Value of Future Minimum Lease Payment	<u>\$ 493,836</u>

**TOWN OF WINDSOR LOCKS, CONNECTICUT
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JUNE 30, 2021**

Brownfield Note Payable

During the year ended June 30, 2018, the Town entered into a \$4,000,000 Brownfield Loan agreement with the State of Connecticut Department of Economic and Community Development, to redevelop the Montgomery Mill. The agreement requires the Town to make payments in accordance with a promissory note of \$25,161, inclusive of interest at 1% per annum, per month commencing 60 months after the initial funding was advanced to the Town. The outstanding principal, plus all accrued and unpaid interest on the note, shall be forgiven upon the issuance of a final certificate of occupancy for the entire project to the satisfaction of the State.

8. FUND BALANCE

The components of fund balance for governmental funds at June 30, 2021 are as follows:

	<u>General Fund</u>	<u>Sewer Administration Fund</u>	<u>Capital Projects Fund</u>	<u>Special Grants Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Fund balances:						
Nonspendable:						
Endowment	\$	\$	\$	\$	\$ 3,000	\$ 3,000
Inventories					9,924	9,924
Restricted for:						
Highway projects					1,214,391	1,214,391
Grants					2,543,302	2,543,302
Student activities					216,524	216,524
TIF district					120,425	120,425
Committed to:						
Sewer use		3,301,985				3,301,985
Capital projects			3,062,476			3,062,476
Public safety					66,942	66,942
Health and welfare					24,624	24,624
Recreation					86,070	86,070
Assigned to:						
Education - encumbrances	921,705					921,705
Unassigned	<u>15,890,650</u>		<u>(972,605)</u>	<u>(415,303)</u>	<u>(7,731)</u>	<u>14,495,011</u>
Total Fund Balances	<u>\$ 16,812,355</u>	<u>\$ 3,301,985</u>	<u>\$ 2,089,871</u>	<u>\$ (415,303)</u>	<u>\$ 4,277,471</u>	<u>\$ 26,066,379</u>

Encumbrances of \$921,705 are contained in the above table in the assigned category of the General Fund.

9. RISK MANAGEMENT

The Town is exposed to various risks of loss including torts; public official liabilities; police liability; heart and hypertension claims; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. The Town purchases commercial insurance for all risks of loss except medical insurance. The Town established an internal service fund, the medical insurance fund, to account for and finance the retained risk of loss for the Town's medical benefits claims. There has not been a significant reduction in coverage in the fiscal year July 1, 2020 to June 30, 2021.

A third party (Anthem Blue Cross & Blue Shield) administers the medical and dental insurance plan for which the Town pays a fee. The insurance fund provides coverage for most Town employees. The Town has purchased a separate stop loss policy to provide reinsurance protection on any individual claim that exceeds \$125,000. During the year, actual or settled claims exceeded the liability limits established at the start of the plan year. As a result, the Town utilized the funds in the Insurance Reserve Fund to cover the excess liabilities that manifested themselves in the recently completed plan year.

**TOWN OF WINDSOR LOCKS, CONNECTICUT
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The medical insurance fund is substantially funded by the Town’s General Fund based upon estimates surrounding the number of enrolled employees and type of coverage selected (single or family). These estimates are also influenced by emerging trends in the insurance market as well as the value of the administrative fees accessed by the Town’s third-party administrator and stop loss provider. The claims liability reported is based on the requirements of GASB Statements No. 10 and 30, which require a liability for claims to be reported if information prior to the issuance of the financial statement indicates that it is possible that a liability has been incurred at the date of the financial statements and the amount of the possible loss can be reasonably estimated. The amount of the claim accrual is based on the ultimate cost of settling those claims incurred by enrolled employees and their dependents, which include past experience data, inflation and other economic factors and societal factors and incremental claim adjustment expenses, net of estimated subrogation recoveries. The claim accrual does not include the allocated or unallocated claims adjustment expenses.

An analysis of the activity in the claims liability is as follows:

Medical Insurance Fund	Balance July 1	Current Year Claims And Changes In Estimates	Claims Payments	Balance June 30
2019-2020	\$ 660,000	\$ 4,496,454	\$ 4,840,454	\$ 316,000
2020-2021	316,000	5,046,993	5,003,693	359,300

The Town has Connecticut Interlocal Risk Management Agency (CIRMA) for workers compensation coverage. The policy is subject to payroll audit at the close of the coverage period. CIRMA retains \$1,000,000 per occurrence. To limit liability, the Town has additional umbrella coverage provided by CIRMA in variable amounts per occurrence. Settled claims have not exceeded the funds coverage and the commercial coverage has not been exceeded in any of the past three fiscal years.

Heart and Hypertension cases are estimated and negotiated by legal counsel. An analysis of claim activity is as follows:

Heart And Hypertension	Balance July 1	Current Year Claims And Changes In Estimates	Claims Payments	Balance June 30
2019-2020	\$ 102,500	\$ -	\$ 9,000	\$ 93,500
2020-2021	93,500	275,000	-	368,500

10. PENSION PLANS

Municipal Employees' Retirement System

A. Plan Description

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

B. Benefit Provisions

The plan provides retirement, disability and death benefits and annual cost-of-living adjustments to plan members and their beneficiaries. Employees are eligible to retire at age 55 with 5 years of continuous active service, or 15 years of active non-continuous aggregate service. In addition, compulsory retirement is at age 65 for police and fire members. Employees under the age of 55 are eligible to retire with 25 years of service under certain conditions.

Normal Retirement

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

If any member covered by social security retires before age 62, the member's benefit until the member reaches age 62, or a social security disability award is received, is computed as if the member is not under social security.

Early Retirement

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

Disability Retirement - Service Connected

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

**TOWN OF WINDSOR LOCKS, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

Disability Retirement - Non-Service Connected

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

Pre-Retirement Death Benefit

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

C. Contributions

Member

Contributions for members not covered by social security are 6% of compensation; for members covered by social security, 3¼% of compensation up to the social security taxable wage base plus 6%, if any, in excess of such base.

Employer

Participating employers make annual contributions consisting of a normal cost contribution, a contribution for the amortization of the net unfunded accrued liability and a prior service amortization payment, which covers the liabilities of MERS not met by member contributions. In addition, there is also an annual administrative fee per active and retired member.

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

At June 30, 2021, the Town reports a liability of \$18,221,831 for its proportionate share of the net pension liability. The net pension liability was measured at June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation at June 30, 2020. The actuarial assumptions used in the June 30, 2020 valuation were based on results of an actuarial experience study for the period July 1, 2012 through June 30, 2017. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participants, actuarially determined. At June 30, 2021, the Town's proportion was 1.64%. The increase in proportion from the prior year was 0.06%.

For the year ended June 30, 2021, the Town recognized pension expense of \$5,019,038. At June 30, 2021, the Town reported deferred outflows of resources related to pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Net difference between projected and actual earnings on pension plan investments	\$ 1,940,120	\$
Change in proportionate share	690,092	158,202
Change of assumptions	2,983,821	
Net difference between projected and actual actuarial experience	825,650	2,330,193
Town contributions subsequent to the measurement date	<u>1,921,267</u>	
Total	<u>\$ 8,360,950</u>	<u>\$ 2,488,395</u>

**TOWN OF WINDSOR LOCKS, CONNECTICUT
 NOTES TO FINANCIAL STATEMENTS
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Amounts reported as deferred outflows of resources related to Town contributions after the measurement date will be recognized as a reduction of the net pension liability in the subsequent year. Amounts reported as deferred outflows of resources related to pension will be recognized in pension expense as follows:

<u>Year Ending June 30</u>		
2022	\$	1,675,724
2023		1,966,579
2024		108,732
2025		200,253

E. 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	3.50-10.00%, including inflation
Investment rate of return	7.00%, net of pension plan investment expense, including inflation

Mortality rates were based on:

RP-2014 Combined Mortality Table adjusted to 2006 and projected to 2015 with Scale MP-2017 and projected to 2022 with Scale BB for General Employees.

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

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

Future cost-of-living adjustments for members who retire on or after January 1, 2002 are 60% of the annual increase in the CPI up to 6%. The minimum annual COLA is 2.5%; the maximum is 6%.

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	20.0%	5.3%
Developed market international	11.0%	5.1%
Emerging market international	9.0%	7.4%
Core fixed income	16.0%	1.6%
Inflation linked bond fund	5.0%	1.3%
Emerging market debt	5.0%	2.9%
High yield bond	6.0%	3.4%
Real estate	10.0%	4.7%
Private equity	10.0%	7.3%
Alternative investments	7.0%	3.2%
Liquidity fund	1.0%	0.9%
Total	<u>100.0%</u>	

F. Discount Rate

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

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

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

	<u>1% Decrease (6.00%)</u>	<u>Current Discount Rate (7.00%)</u>	<u>1% Increase (8.00%)</u>
Town's Proportionate Share of the Net Pension Liability (Asset) \$	25,967,982 \$	18,221,831 \$	11,731,964

**TOWN OF WINDSOR LOCKS, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

H. Payable to MERS

The Town has also recorded \$10,230 as a long-term payable to MERS at June 30, 2021. This amount represents prior service costs calculated when the Town entered the plan.

Connecticut 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.

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.

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).

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.

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.

C. 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.

**TOWN OF WINDSOR LOCKS, CONNECTICUT
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For the year ended June 30, 2021, the amount of “on-behalf” contributions made by the State was \$4,660,559 and is recognized in the General Fund as intergovernmental revenues and education expenditures.

Employees

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

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

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

At June 30, 2021, the Town reports no amounts for its proportionate share of the net pension liability, and related deferred outflows and inflows, due to the statutory requirement that the State pay 100% of the required contribution. The amount recognized by the Town as its proportionate share of the net pension liability, the related state support, and the total portion of the net pension liability that was associated with the Town were as follows:

Town’s proportionate share of the net pension liability	\$ -
State’s proportionate share of the net pension liability associated with the Town	<u>72,660,346</u>
Total	<u>\$ 72,660,346</u>

The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020. At June 30, 2021, the Town has no proportionate share of the net pension liability.

For the year ended June 30, 2021, the Town recognized pension expense and revenue of \$10,408,250 in Exhibit II.

E. 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	3.00-6.50%, including inflation
Investment rate of return	6.90%, net of pension plan investment expense, including inflation

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

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

**TOWN OF WINDSOR LOCKS, CONNECTICUT
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Cost-of-Living Allowance

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

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

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

Long-Term Rate of Return

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

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

F. 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.

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

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

H. Other Information

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

11. POSTEMPLOYMENT HEALTHCARE PLAN

Retiree Health Plan

A. Summary of Significant Accounting Policies

Basis of Accounting

The financial statements of the Retiree Health Plan (RHP) are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Administrative costs of the plan are paid by the Town.

B. Plan Description

The RHP is a single-employer defined benefit healthcare plan administered by the Town of Windsor Locks. The RHP provides medical benefits to eligible retirees and their spouses. Employees with medical benefits of the Town are eligible to participate in the plan, subject to contract negotiation. Benefit provisions are established through negotiations between the Town and the various unions representing the employees.

The plan is considered to be part of the Town's financial reporting entity and is included in the Town's financial report as the Other Postemployment Benefits Trust Fund. The plan does not issue a stand-alone financial report.

Management of the post-employment benefits plan is vested with the Director of Finance. Policy oversight is provided by the OPEB Board of Trustees, which consists of seven members: 2 Board of Finance members, 1 Board of Education member, 1 Board of Selectman member, the Superintendent of Schools, the Board of Education Business Manager and the Finance Director.

**TOWN OF WINDSOR LOCKS, CONNECTICUT
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At July 1, 2019, plan membership consisted of the following:

	Retiree Health Plan
Retired members and their spouses	41
Active plan members	<u>326</u>
Total Participants	<u><u>367</u></u>

C. Funding Policy

The contribution requirements of plan members and the Town are also negotiated with the various unions representing the employees. Retired plan members and beneficiaries currently receiving benefits are required to contribute specified amounts monthly towards the cost of health insurance premiums as follows:

Town Employees

The cost per month for Town retirees receiving coverage is dependent upon the negotiated union contract in effect at the date of retirement.

Board of Education Employees

The cost per month for Board of Education retirees receiving coverage is dependent upon the negotiated union contract in effect at the date of retirement.

Employer Contribution

The Town is required to contribute the balance of the current premium cost and may contribute an additional amount as determined by the Town in order to prefund benefits.

D. Investments

Investment Policy

The OPEB Plan's policy in regard to the allocation of invested assets is established and may be amended by the OPEB Board of Trustees by a majority vote of its members. It is the policy of the OPEB Committee to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The investment policy of the OPEB Board of Trustees aims to monitor the portfolio for positive performance measures while maintaining a low acceptable risk.

Rate of Return

For the year ended June 30, 2021, the annual money-weighted rate of return on investments, net of investment expense, was 28.00%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**TOWN OF WINDSOR LOCKS, CONNECTICUT
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JUNE 30, 2021**

E. Net OPEB Liability (Asset) of the Town

The Town's net OPEB liability (asset) was measured as of June 30, 2021. The components of the net OPEB liability of the Town at June 30, 2021 were as follows:

Total OPEB liability	\$ 3,750,893
Plan fiduciary net position	<u>4,712,526</u>
Net OPEB Liability (Asset)	<u>\$ (961,633)</u>
Plan fiduciary net position as a percentage of the total OPEB liability	125.64%

Actuarial Assumptions

The total OPEB liability (asset) was determined by an actuarial valuation as of July 1, 2019, rolled forward to June 30, 2021, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.60%
Investment rate of return	6.50%, net of investment expenses
Healthcare cost trend rates	6.50% for 2019, decreasing by 0.20% per year down to 4.60% in 2029 and beyond

Mortality rates for all employees were based on the Pub-2010 Public Retirement Plans Amount-Weighted Mortality Tables (with separate tables for General Employees, Public Safety and Teachers), projected to the valuation date with Scale MP-2019.

The actuarial assumptions used in the valuation were based on standard tables modified for certain plan features such as eligibility for full and early retirement where applicable and input from the plan sponsor. A full actuarial experience study has not been completed as of June 30, 2021.

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 are developed. Best estimates of the real rates of return for each major asset class are included in the OPEB plan's target asset allocation. The information below is based on arithmetic means. The target allocation and best estimates of arithmetic real rates of return for each major asset as of June 30, 2021 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	46.60 %	4.75 %
Foreign Equity	12.70	5.25
Domestic Fixed income	37.20	2.00
Foreign Fixed Income	<u>3.50</u>	1.50
Total	<u>100.00 %</u>	

**TOWN OF WINDSOR LOCKS, CONNECTICUT
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Discount Rate

The discount rate used to measure the total OPEB liability was 6.50%. The projection of cash flows used to determine the discount rate assumed that Town 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.

F. Changes in the Net OPEB Liability (Asset)

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (Asset) (a)-(b)
Balances as of July 1, 2020	\$ 3,627,353	\$ 3,776,281	\$ (148,928)
Changes for the year:			
Service cost	128,366		128,366
Interest on total OPEB liability	236,558		236,558
Differences between expected and actual experience	(4,936)		(4,936)
Changes in assumptions			-
Employer contributions		94,779	(94,779)
Net investment income (loss)		1,077,914	(1,077,914)
Benefit payments	(236,448)	(236,448)	-
Net changes	<u>123,540</u>	<u>936,245</u>	<u>(812,705)</u>
Balances as of June 30, 2021	<u>\$ 3,750,893</u>	<u>\$ 4,712,526</u>	<u>\$ (961,633)</u>

G. Sensitivity of the Net OPEB Liability (Asset) to Changes in the Discount Rate

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

	1% Decrease (5.50%)	Current Discount Rate (6.50%)	1% Increase (7.50%)
Net OPEB Liability (Asset)	\$ (626,177)	\$ (961,633)	\$ (1,259,002)

**TOWN OF WINDSOR LOCKS, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

H. Sensitivity of The Net OPEB Liability (Asset) to Changes in the Healthcare Cost Trend Rates

The following presents the net OPEB liability (asset) of the Town, as well as what the Town’s net OPEB liability (asset) 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 3.60%)	Healthcare Cost Trend Rates (6.5% Decreasing to 4.60%)	1% Increase (7.50% Decreasing to 5.60%)
Net OPEB Liability (Asset)	\$ (1,373,730)	\$ (961,633)	\$ (478,477)

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

For the year ended June 30, 2021, the Town recognized OPEB expense of \$(151,857). At June 30, 2021, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 161,122	\$ 1,611,379
Changes in assumptions	186,748	
Differences between projected and actual earnings on OPEB plan investments	<u> </u>	<u>574,219</u>
Total	<u>\$ 347,870</u>	<u>\$ 2,185,598</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

2022	\$ (275,856)
2023	(268,058)
2024	(281,127)
2025	(306,802)
2026	(139,406)
Thereafter	(566,479)

**TOWN OF WINDSOR LOCKS, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

Teachers Retirement Plan - OPEB

A. 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 post-employment 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.

B. Benefit Provisions

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

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

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

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

Survivor Health Care Coverage

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

**TOWN OF WINDSOR LOCKS, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

C. Eligibility

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

Credited Service

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

Normal Retirement

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

Early Retirement

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

Proratable Retirement

Age 60 with 10 years of Credited Service.

Disability Retirement

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

Termination of Employment

Ten or more years of Credited Service.

D. Contributions

State of Connecticut

Per Connecticut General Statutes Section 10-183z, contribution requirements of active employees and the State of Connecticut are approved, amended and certified by the State Teachers' Retirement Board and appropriated by the General Assembly. The State 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, 2021, the amount of "on-behalf" contributions made by the State was \$112,475 and is recognized in the General Fund as intergovernmental revenues and education expenditures.

**TOWN OF WINDSOR LOCKS, CONNECTICUT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2021**

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.

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

At June 30, 2021, the Town reports no amounts for its proportionate share of the net OPEB liability, and related deferred outflows and inflows, due to the statutory requirement that the State pay 100% of the required contribution. The amount recognized by the Town as its proportionate share of the net OPEB liability, the related State support and the total portion of the net OPEB liability that was associated with the Town was as follows:

Town's proportionate share of the net OPEB liability	\$	-
State's proportionate share of the net OPEB liability associated with the Town		<u>10,837,293</u>
Total	\$	<u><u>10,837,293</u></u>

The net OPEB liability was measured as of June 30, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as June 30, 2018. At June 30, 2020, the Town has no proportionate share of the net OPEB liability.

For the year ended June 30, 2021, the Town recognized OPEB expense and revenue of \$500,601 in Exhibit II.

F. Actuarial Assumptions

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

Inflation	2.50%
Health care costs trend rate	5.125% for 2020, decreasing to an ultimate Rate of 4.50% by 2023
Salary increases	3.00-6.50%, including inflation
Investment rate of return	2.21%, net of OPEB plan investment expense, including inflation
Year fund net position will be depleted	2021

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

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

**TOWN OF WINDSOR LOCKS, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

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

G. Discount Rate

The discount rate used to measure the total OPEB liability was 2.21%. The projection of cash flows used to determine the discount rate assumed that total payroll for the initial projection year consists of the payroll of the active membership present on the valuation date. In subsequent projection years, total payroll was assumed to increase annually at a rate of 3.00%; employee contributions will be made at the current member contribution rate and that contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members. Annual State contributions were assumed to be equal to the most recent five-year average of State contributions to the fund. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be depleted in 2021 and, as a result, the Municipal Bond Index Rate was used in the determination.

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

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

I. Other Information

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

12. CONTINGENT LIABILITIES

The Town is a defendant in various lawsuits. It is the opinion of Town officials that such pending litigation will not be finally determined so as to result individually or in the aggregate in a final judgment against the Town that would materially adversely affect its financial position.

**TOWN OF WINDSOR LOCKS, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

13. GASB 84 - RESTATEMENT

The Town previously reported the activities of the Student Activity Agency Fund, Performance Bonds Agency Fund, and the C-Pace Clean Energy Agency Fund as fiduciary funds. As a result of implementation of GASB No. 84, *Fiduciary Activities*, as of July 1, 2020, the Town made the following reporting changes: The activities of the Performance Bonds are reported with the general fund activities, and the Student Activity Fund is reported as a special revenue fund and the C-Pace Energy Fund as a custodial fund. Accordingly, the Town increased the beginning assets and liabilities of the General Fund by \$112,455, and thus no effect to the beginning fund balance. The Town created a new special revenue fund for the Student Activity Agency Fund, thus increasing assets and fund balance of \$219,732. In addition, the Town restated the Special Grants fund for \$443,771 to properly account for state grants not received in the prior year within their 60 day policy for revenue recognition. Accordingly, the Town restated beginning balances of the assets, liabilities, fund balance and net position as follows:

Governmental Funds:	Governmental Activities Net Position	Special Grants	Nonmajor Governmental Funds Fund Balance
Balance as previously reported June 30, 2020	\$ 90,014,582	\$ 340,748	\$ 4,022,446
Adjustment:			
Grants not received within 60 days		(443,771)	
Student Activity Fund now reported as a Special Revenue Fund	<u>219,732</u>		<u>219,732</u>
Balance as Restated July 1, 2020	<u>\$ 90,234,314</u>	<u>\$ (103,023)</u>	<u>\$ 4,242,178</u>

Fiduciary Funds:	Agency Funds
Balance as previously reported June 30, 2020	\$ 332,187
Adjustments:	
Student Activity Fund now reported as a Special Revenue Fund	(219,732)
Performance Bond Fund now reported in the General Fund	(112,455)
C-Pace Clean Energy Fund now reported as a Custodial Fund	<u>-</u>
Balance as Restated July 1, 2020	<u>\$ -</u>

TOWN OF WINDSOR LOCKS, CONNECTICUT
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Property Taxes:				
Current taxes	\$ 34,632,933	\$ 34,632,933	\$ 35,494,973	\$ 862,040
Supplemental taxes	1,200,000	1,200,000	1,289,354	89,354
Prior year taxes	875,000	875,000	1,147,407	272,407
Interest and lien fees	210,000	210,000	540,139	330,139
Telephone access line	30,000	30,000	38,499	8,499
Housing authority in lieu of tax	38,000	38,000	39,056	1,056
Total property taxes	<u>36,985,933</u>	<u>36,985,933</u>	<u>38,549,428</u>	<u>1,563,495</u>
Intergovernmental:				
General government:				
In lieu of tax, State Property	45,282	45,282	58,031	12,749
In lieu of tax, Airport	3,319,685	3,319,685	3,319,686	1
Totally Disabled Grants	400	400	559	159
Capital improvement program	236,000	236,000		(236,000)
Veterans' Exemptions	5,000	5,000	6,380	1,380
Office of Emergency Management	6,200	6,200		(6,200)
Off Track Betting/Teletheater	300,000	300,000	266,819	(33,181)
Mashantucket Pequot/Mohegan Grant	387,713	387,713	470,611	82,898
Municipal Revenue Sharing	2,360,422	2,360,422	2,360,422	-
Senior Center Transportation Grant	14,368	14,368		-
State Shared Tax Revenue	150,116	150,116	150,116	-
Youth Services	14,000	14,000	14,189	189
Total general government	<u>6,839,186</u>	<u>6,839,186</u>	<u>6,661,181</u>	<u>(178,005)</u>
Education:				
Educational Cost Sharing	4,645,346	4,645,346	4,683,739	38,393
Total education	<u>4,645,346</u>	<u>4,645,346</u>	<u>4,683,739</u>	<u>38,393</u>
Total intergovernmental	<u>11,484,532</u>	<u>11,484,532</u>	<u>11,344,920</u>	<u>(139,612)</u>

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TOWN OF WINDSOR LOCKS, CONNECTICUT
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Charges for Services:				
Conveyance tax	\$ 110,000	\$ 110,000	\$ 176,212	\$ 66,212
Town Clerk's Office	90,000	90,000	118,549	28,549
Building permits	310,000	310,000	235,493	(74,507)
Blight fees	3,000	3,000	11,061	8,061
Zoning Board of Appeals	500	500	1,801	1,301
Planning and Zoning	3,500	3,500	9,577	6,077
Other licenses and permits	10,000	10,000	16,000	6,000
Trash haulers permits	6,000	6,000	7,200	1,200
Assessors office			145	145
Inland Wetland fees	1,000	1,000		(1,000)
Fire Marshall application fees	40,000	40,000	16,022	(23,978)
Tobacco valley probate cost share	16,950	16,950	16,248	(702)
Superior Court	10,000	10,000	2,770	(7,230)
Parking tickets	4,000	4,000	1,175	(2,825)
Airplane registration fees	50,000	50,000	57,700	7,700
Police accident reports	2,200	2,200	1,375	(825)
Senior Citizen Mini-bus fee	3,800	3,800	1,860	(1,940)
Rent from schools	2,500	2,500		(2,500)
Tower rental	120,000	120,000	117,614	(2,386)
Total charges for services	<u>783,450</u>	<u>783,450</u>	<u>790,802</u>	<u>7,352</u>
Investment Income:				
Income on investments	<u>150,000</u>	<u>150,000</u>	<u>57,227</u>	<u>(92,773)</u>
Other Revenues:				
Miscellaneous receipts	30,000	30,000	42,649	12,649
Recycling program	2,000	2,000	3,516	1,516
Foreign Trade Zone	1,500	1,500	1,667	167
Workers' Compensation	50,000	50,000	180,829	130,829
Total other revenues	<u>83,500</u>	<u>83,500</u>	<u>228,661</u>	<u>145,161</u>
Total revenues	<u>49,487,415</u>	<u>49,487,415</u>	<u>50,971,038</u>	<u>1,483,623</u>

(Continued on next page)

**TOWN OF WINDSOR LOCKS, CONNECTICUT
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Other Financing Sources:				
Transfers from other funds:				
Sewer administration fund	\$ 682,484	\$ 682,484	\$ 682,882	\$ 398
Highway	150,000	150,000	150,000	-
TIF		2,350	2,350	-
Police reimbursement	50,000	50,000	50,000	-
James DeForest Phelps fund	3	3	1	(2)
Total other financing sources	<u>882,487</u>	<u>884,837</u>	<u>885,233</u>	<u>396</u>
Total	\$ <u>50,369,902</u>	\$ <u>50,372,252</u>	51,856,271	\$ <u>1,484,019</u>
Budgetary revenues are different than GAAP revenues because:				
State of Connecticut pension on-behalf contributions to the Connecticut State Teachers' Retirement System for Town teachers are not budgeted.			4,660,559	
State of Connecticut OPEB on-behalf contributions to the Connecticut State Teachers' Retirement System for Town teachers are not budgeted.			<u>112,475</u>	
Total Revenues and Other Financing Sources as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds Exhibit IV			\$ <u>56,629,305</u>	

TOWN OF WINDSOR LOCKS, CONNECTICUT
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
General government:				
Assessor	\$ 222,923	\$ 202,923	\$ 192,462	\$ 10,461
Auditing Services	31,000	32,400	32,400	-
Board of Assessment Appeals	1,171	1,171	1,011	160
Board of Finance	61,195	10,750	8,930	1,820
Board of Selectmen	178,036	178,036	173,630	4,406
Building Official	288,441	284,546	282,243	2,303
Capital Improvement Advisory Commission	444	444		444
Conservation Commission	3,065	3,065	1,492	1,573
Contingency Fund	170,000	4,541		4,541
Economic Development Commission	11,523	11,523	9,197	2,326
Finance Department	274,056	275,356	274,027	1,329
General expense all buildings	43,100	27,682	23,176	4,506
Historical Commission	1,810	1,810	1,487	323
Holiday observance	3,300	3,300	2,794	506
Human Resource	67,053	67,053	66,498	555
Information Technologies	162,345	182,645	180,898	1,747
Inland/Wetlands Agency	4,088	4,088	476	3,612
Municipal associations	21,930	17,583	17,183	400
Planning and Zoning Commission	10,249	10,249	9,073	1,176
Probate Court	22,600	22,600	21,148	1,452
Registrar of Voters	54,845	56,143	56,143	-
Tax Collector	247,804	328,171	319,649	8,522
Town Clerk	149,939	133,834	128,215	5,619
Town Counsel	61,000	70,000	61,650	8,350
Town Engineer	55,000	55,000	36,968	18,032
Town Office Building	171,375	171,375	161,615	9,760
Town Treasurer	200	200	200	-
Train Station	1,108	1,318	1,115	203
Zoning Board of Appeals	4,166	4,166	3,429	737
Total general government	<u>2,323,766</u>	<u>2,161,972</u>	<u>2,067,109</u>	<u>94,863</u>
Public safety:				
Ambulance Association	50,000	50,000	50,000	-
Fire Commission	379,401	374,401	363,333	11,068
Fire Marshal	84,168	80,268	57,440	22,828
Marine services	300	300		300
Nine bay garage/safety complex	2,300	2,300	1,236	1,064
Office of Emergency Management	29,983	29,983	24,465	5,518
Police	3,822,026	3,913,292	3,913,292	-
Animal control	6,445	8,095	6,332	1,763
Safety Complex	167,630	169,873	166,437	3,436
Spring Street Garage	8,623	9,246	8,829	417
Water main/street lighting	754,675	754,675	727,498	27,177
Total public safety	<u>5,305,551</u>	<u>5,392,433</u>	<u>5,318,862</u>	<u>73,571</u>

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TOWN OF WINDSOR LOCKS, CONNECTICUT
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Public works:				
Landfill/refuse removal	\$ 1,085,696	\$ 1,116,343	\$ 1,114,748	\$ 1,595
Public Works Department	1,520,718	1,525,972	1,457,243	68,729
Public Works Garage	40,637	40,637	39,812	825
Snow removal	121,500	118,394	92,273	26,121
Total public works	<u>2,768,551</u>	<u>2,801,346</u>	<u>2,704,076</u>	<u>97,270</u>
Health and welfare:				
Commission on Needs of the Aging	232,371	224,656	205,954	18,702
Outside services	112,056	112,056	112,056	-
Senior Center	97,325	104,612	103,697	915
Social services	91,420	93,120	89,083	4,037
Veterans' services	1,000	1,000		1,000
Youth Service Bureau	71,537	71,537	70,181	1,356
Total health and welfare	<u>605,709</u>	<u>606,981</u>	<u>580,971</u>	<u>26,010</u>
Recreation:				
Parks and recreation	267,064	267,064	224,857	42,207
Public library	470,185	470,185	470,185	-
Total recreation	<u>737,249</u>	<u>737,249</u>	<u>695,042</u>	<u>42,207</u>
Employee benefits and insurance:				
Employee benefits	2,902,376	2,924,971	2,909,922	15,049
Insurance and bonds	500,000	494,700	455,932	38,768
Total employee benefits and insurance	<u>3,402,376</u>	<u>3,419,671</u>	<u>3,365,854</u>	<u>53,817</u>
Education	<u>31,380,684</u>	<u>31,380,684</u>	<u>31,362,548</u>	<u>18,136</u>
Debt service:				
Bond redemption	2,358,662	2,358,662	2,358,660	2
Interest	786,495	786,495	786,493	2
Total debt service	<u>3,145,157</u>	<u>3,145,157</u>	<u>3,145,153</u>	<u>4</u>
Total expenditures	<u>49,669,043</u>	<u>49,645,493</u>	<u>49,239,615</u>	<u>405,878</u>

(Continued on next page)

**TOWN OF WINDSOR LOCKS, CONNECTICUT
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Other financing uses:				
Transfers to other funds:				
Capital Improvement Fund	\$ <u>700,859</u>	\$ <u>2,006,759</u>	\$ <u>2,006,759</u>	\$ <u>-</u>
Total other financing uses	<u>700,859</u>	<u>2,006,759</u>	<u>2,006,759</u>	<u>-</u>
Total	\$ <u>50,369,902</u>	\$ <u>51,652,252</u>	51,246,374	\$ <u>405,878</u>

Budgetary expenditures are different than GAAP expenditures because:

State of Connecticut pension on-behalf contributions to the Connecticut State Teachers' Retirement System for Town teachers are not budgeted. 4,660,559

State of Connecticut OPEB on-behalf contributions to the Connecticut State Teachers' Retirement System for Town teachers are not budgeted. 112,475

Encumbrances for purchases and commitments ordered in the previous year that were received and liquidated in the current year are reported for GAAP financial statement reporting purposes, while encumbrances are reported in the year the order is placed for budgetary purposes, but in the year received for financial reporting purposes. (921,705)

Total Expenditures and Other Financing Uses as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds - Exhibit IV \$ 55,097,703

**TOWN OF WINDSOR LOCKS, CONNECTICUT
SEWER ADMINISTRATION FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021**

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Revenues:				
Sewer use charges and interest	\$ 2,485,834	\$ 2,485,834	\$ 2,523,299	\$ 37,465
Fees	264,000	264,000	8,690	(255,310)
Investment income	25,000	25,000	8,113	(16,887)
Miscellaneous			32	32
Total revenues	<u>2,774,834</u>	<u>2,774,834</u>	<u>2,540,134</u>	<u>(234,700)</u>
Expenditures:				
Salaries	691,585	656,488	541,337	115,151
Fringe benefits	307,106	307,106	238,507	68,599
Overtime	48,000	83,097	83,096	1
Audit and legal fees	18,070	13,508	13,100	408
Chemicals/chlorine	87,169	84,481	83,599	882
Contingency	10,000	10,000		10,000
Refunds		4,592	4,591	1
Debt service	91,402	91,402	91,339	63
Electricity	185,000	185,000	158,815	26,185
Equipment rental/hauling	7,900	7,900	4,246	3,654
Fuel, oil, natural gas	23,435	28,480	27,044	1,436
Gasoline and diesel	8,300	8,300	3,360	4,940
Insurance	49,952	51,034	51,034	-
Lab equipment	28,895	31,583	31,582	1
Mechanical maintenance	57,000	57,000	47,484	9,516
Outside services	30,115	30,115	24,607	5,508
Safety training	500	500		500
Sewer line maintenance	19,500	19,500	7,120	12,380
Sludge disposal	90,530	90,530	88,131	2,399
Supplies	53,650	53,650	36,265	17,385
Telephone	6,650	7,059	6,749	310
User fee administration	130,000	92,849	104,805	(11,956)
Vehicle parts, repairs	8,000	8,000	2,665	5,335
Water	10,000	40,585	40,585	-
Total expenditures	<u>1,962,759</u>	<u>1,962,759</u>	<u>1,690,061</u>	<u>272,698</u>
Excess of Revenues over Expenditures	812,075	812,075	850,073	37,998
Other financing sources (uses):				
Transfers out	<u>(812,075)</u>	<u>(812,075)</u>	<u>(979,882)</u>	<u>(167,807)</u>
Net Change in Fund Balance	\$ <u>-</u>	\$ <u>-</u>	(129,809)	\$ <u>(129,809)</u>
Fund Balance at Beginning of Year			<u>3,431,794</u>	
Fund Balance at End of Year			\$ <u>3,301,985</u>	

TOWN OF WINDSOR LOCKS, CONNECTICUT
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF NET PENSION LIABILITY
MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM
LAST SEVEN FISCAL YEARS*

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Town's proportion of the net pension liability	1.64%	1.59%	1.58%	2.90%	2.61%	3.06%	4.30%
Town's proportionate share of the net pension liability	\$ 18,221,831	\$ 16,414,093	\$ 15,076,544	\$ 7,198,203	\$ 8,685,833	\$ 5,898,563	\$ 4,240,461
Town's covered payroll	11,281,811	11,038,999	6,565,251	6,322,648	6,033,920	6,192,516	5,676,638
Town's proportionate share of the net pension liability as a percentage of its covered payroll	161.52%	148.69%	229.64%	113.85%	143.95%	95.25%	74.70%
Plan fiduciary net position as a percentage of the total pension liability	71.18%	72.69%	73.60%	88.29%	88.29%	92.72%	90.48%

*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.

TOWN OF WINDSOR LOCKS, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS - MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM
LAST TEN FISCAL YEARS

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Actuarially determined contribution	\$ 1,921,267	\$ 1,730,215	\$ 1,469,202	\$ 932,505	\$ 873,983	\$ 833,404	\$ 902,297	\$ 799,677	\$ 732,126	\$ 700,489	\$ 617,037
Contributions in relation to the actuarially determined contribution	1,921,267	1,730,215	1,469,202	932,505	873,983	833,404	902,297	799,677	732,126	700,489	617,037
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 11,286,022	\$ 11,281,811	\$ 11,038,999	\$ 6,565,251	\$ 6,322,648	\$ 6,033,920	\$ 6,192,516	\$ 5,676,638	\$ 5,396,456	\$ 5,325,278	\$ 5,368,347
Contributions as a percentage of covered payroll	17.02%	15.34%	13.31%	14.20%	13.82%	13.81%	14.57%	14.09%	13.57%	13.15%	11.49%

Notes to Schedule

Valuation date: June 30, 2020
Measurement date: June 30, 2020
Actuarially determined contribution rates are calculated as of June 30, each biennium for the fiscal years ending two and three years after the valuation date.

Methods and assumptions used to determine contribution rates:

Actuarial cost method: Entry Age
Amortization method: Level dollar, closed
Single equivalent amortization period: 21 years
Asset valuation method: 5-years smoothed market
Inflation: 2.50%
Salary increases: 3.50% - 10%, including inflation
Investment rate of return: 7.0%, net of investment-related expense
Changes in assumptions:

In 2019, the latest experience study for the System updated most of the actuarial assumptions utilized in the June 30, 2020 valuation. Rates of inflation, real investment return mortality, withdrawal, disability, retirement and salary increase were adjusted to more closely reflect actual and anticipated experience. These assumptions were recommended as part of the Experience Study for the System for the five-year period ended June 30, 2017.

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

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Town's proportion of the net pension liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Town's proportionate share of the net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the Town	<u>72,660,346</u>	<u>66,194,635</u>	<u>51,039,909</u>	<u>51,274,308</u>	<u>54,094,788</u>	<u>38,927,124</u>	<u>35,980,325</u>
Total	<u>\$ 72,660,346</u>	<u>\$ 66,194,635</u>	<u>\$ 51,039,909</u>	<u>\$ 51,274,308</u>	<u>\$ 54,094,788</u>	<u>\$ 38,927,124</u>	<u>\$ 35,980,325</u>
Town's covered payroll	\$ 16,539,209	\$ 16,478,513	\$ 16,314,268	\$ 15,900,319	\$ 14,366,597	\$ 13,614,238	\$ 14,344,121
Town's proportionate share of the net pension liability as a percentage of its covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	49.24%	52.00%	57.69%	55.93%	52.26%	59.50%	61.51%

Notes to Schedule

Changes in benefit terms	None
Changes of assumptions	The Board adopted new assumptions as the result of an experience study for the five-year period ending June 30, 2019: - Decrease the annual rate of real wage increase assumption from 0.75% to 0.50%. - Decrease payroll growth assumption from 3.25% to 3.00%. - Rates of withdrawal, disability, retirement, mortality, and assumed rates of salary increase were adjusted to more closely reflect actual and anticipated experience.
Actuarial cost method	Entry age
Amortization method	Level percent of pay, closed
Single equivalent amortization period	30 years
Asset valuation method	4-year smoothed market
Inflation	2.50%
Salary increase	3.25%-6.50%, including inflation
Investment rate of return	6.90%, net of investment related expense

Notes:

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

TOWN OF WINDSOR LOCKS, CONNECTICUT
SCHEDULE OF CHANGES IN NET OPEB LIABILITY (ASSET) AND RELATED RATIOS
OPEB
LAST FIVE FISCAL YEARS*

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total OPEB liability:					
Service cost	\$ 128,366	\$ 116,350	\$ 111,234	\$ 185,494	\$ 181,058
Interest	236,558	232,946	212,108	350,555	331,484
Differences between expected and actual experience	(4,936)	58,489	144,807	(2,297,960)	(91,675)
Changes of assumptions		223,010			
Benefit payments	<u>(236,448)</u>	<u>(422,626)</u>	<u>(395,635)</u>	<u>(195,090)</u>	<u>(159,517)</u>
Net change in total OPEB liability	123,540	208,169	72,514	(1,957,001)	261,350
Total OPEB liability - beginning	<u>3,627,353</u>	<u>3,419,184</u>	<u>3,346,670</u>	<u>5,303,671</u>	<u>5,042,321</u>
Total OPEB liability - ending	<u>3,750,893</u>	<u>3,627,353</u>	<u>3,419,184</u>	<u>3,346,670</u>	<u>5,303,671</u>
Plan fiduciary net position:					
Contributions - employer	94,779	118,635	475,382	317,449	787,285
Contributions - TRB subsidy			53,147	35,730	45,206
Net investment income	1,077,914	137,176	175,178	253,562	307,665
Benefit payments	<u>(236,448)</u>	<u>(422,626)</u>	<u>(395,635)</u>	<u>(195,090)</u>	<u>(159,517)</u>
Net change in plan fiduciary net position	936,245	(166,815)	308,072	411,651	980,639
Plan fiduciary net position - beginning	<u>3,776,281</u>	<u>3,943,096</u>	<u>3,635,024</u>	<u>3,223,373</u>	<u>2,242,734</u>
Plan fiduciary net position - ending	<u>4,712,526</u>	<u>3,776,281</u>	<u>3,943,096</u>	<u>3,635,024</u>	<u>3,223,373</u>
Net OPEB Liability (Asset) - Ending	<u>\$ (961,633)</u>	<u>\$ (148,928)</u>	<u>\$ (523,912)</u>	<u>\$ (288,354)</u>	<u>\$ 2,080,298</u>
Plan fiduciary net position as a percentage of the total OPEB liability	125.64%	104.11%	115.32%	108.62%	60.78%
Covered-employee payroll	\$ 24,361,939	\$ 23,744,580	\$ 24,044,881	\$ 23,435,557	\$ 24,860,113
Net OPEB liability as a percentage of covered-employee payroll	-3.95%	-0.63%	-2.18%	-1.23%	8.37%

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

**TOWN OF WINDSOR LOCKS, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
OPEB
LAST TEN FISCAL YEARS**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Actuarially determined contribution (1)	\$ 94,782	\$ 118,635	\$ 115,705	\$ 430,226	\$ 425,085	\$ 360,756	\$ 349,769	\$ 386,014	\$ 375,382	\$ 454,196
Contributions in relation to the actuarially determined contribution	<u>94,779</u>	<u>118,635</u>	<u>475,382</u>	<u>317,449</u>	<u>787,285</u>	<u>347,299</u>	<u>525,885</u>	<u>356,970</u>	<u>179,841</u>	<u>222,980</u>
Contribution Deficiency (Excess)	\$ <u>3</u>	\$ <u>-</u>	\$ <u>(359,677)</u>	\$ <u>112,777</u>	\$ <u>(362,200)</u>	\$ <u>13,457</u>	\$ <u>(176,116)</u>	\$ <u>29,044</u>	\$ <u>195,541</u>	\$ <u>231,216</u>
Covered-employee payroll	\$ 24,361,939	\$ 23,744,580	\$ 24,044,881	\$ 23,435,557	\$ 24,860,113	\$ 24,194,757	\$ 24,194,757	\$ 22,136,805	\$ 22,136,805	\$ 23,952,238
Contributions as a percentage of covered-employee payroll	0.39%	0.50%	1.98%	1.35%	3.17%	1.44%	2.17%	1.61%	0.81%	0.93%

(1) Actuarially Determined Contributions prior to fiscal year ended 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, 2019

Measurement date: June 30, 2021

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 Actuarial Cost Method
Amortization method	Level percentage of salary
Amortization period	20 years
Asset valuation method	Plan assets equal the Market Value of assets
Inflation	2.60%
Healthcare cost trend rates	6.50% in 2019 decreasing 0.20% per year to 4.60% in 2029 and beyond
Investment rate of return	7.00%, net of investment-related and administrative expenses
Retirement age	In the 2019 actuarial valuation, expected retirement ages of general employees were adjusted to more closely reflect actual experience
Mortality	Pub-2010 Public Retirement Plans Amount-Weighted Mortality Tables (with separate tables for General Employees, Public Safety and Teachers), projected to the valuation date with Scale MP-2019.

TOWN OF WINDSOR LOCKS, CONNECTICUT
SCHEDULE OF INVESTMENT RETURNS
OPEB
LAST FIVE FISCAL YEARS*

	<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	28.00%	3.54%	5.22%	7.71%	13.34%

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

**TOWN OF WINDSOR LOCKS, CONNECTICUT
GENERAL FUND
COMPARATIVE BALANCE SHEET
JUNE 30, 2021 AND 2020**

	<u>2021</u>	<u>2020</u>
ASSETS		
Cash and cash equivalents	\$ 11,889,029	\$ 6,541,993
Investments	7,281,260	6,581,241
Property taxes receivable, net of allowance for \$166,509 in 2021 and \$124,587 in 2020	2,084,389	1,545,146
Accounts receivable	306,145	463,050
Due from other funds	<u>1,286,761</u>	<u>3,564,294</u>
Total Assets	<u>\$ 22,847,584</u>	<u>\$ 18,695,724</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE		
Liabilities:		
Accounts payable	\$ 2,120,137	\$ 1,061,900
Due to other funds	1,797,933	845,994
Unearned revenue	<u>117,377</u>	<u>118,011</u>
Total liabilities	<u>4,035,447</u>	<u>2,025,905</u>
Deferred inflows of resources:		
Advance property tax collections	14,324	26,546
Unavailable revenue - property taxes	<u>1,985,458</u>	<u>1,362,520</u>
Total deferred inflows of resources	<u>1,999,782</u>	<u>1,389,066</u>
Fund balance:		
Assigned	921,705	99,268
Unassigned	<u>15,890,650</u>	<u>15,181,485</u>
Total fund balance	<u>16,812,355</u>	<u>15,280,753</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 22,847,584</u>	<u>\$ 18,695,724</u>

**TOWN OF WINDSOR LOCKS, CONNECTICUT
GENERAL FUND
REPORT OF TAX COLLECTOR
FOR THE YEAR ENDED JUNE 30, 2021**

Grand List	Uncollected Taxes July 1, 2020	Current Tax Levy	Additions	Deductions	Transfers To Suspense	Adjusted Taxes Collectible	Collections			Uncollected Taxes June 30, 2021	
							Taxes	Interest and Lien Fees	Total		
2004	\$ 605	\$	\$	\$ 605	\$	\$ -	\$	\$	\$ -	\$ -	
2005	644					644			-	644	
2006	671					671			-	671	
2007	817					817			-	817	
2008	3,910					3,910			-	3,910	
2009	1,537					1,537			-	1,537	
2010	2,740					2,740			-	2,740	
2011	9,073					9,073			-	9,073	
2012	10,599					10,599			-	10,599	
2013	14,892					14,892		24	24	14,892	
2014	27,492					27,492			-	27,492	
2015	60,694		262			60,956	9,491	6,846	16,337	51,465	
2016	64,791		22,317	340		86,768	48,325	32,521	80,846	38,443	
2017	263,030		309,803	24,626	120,512	427,695	343,087	117,391	460,478	84,608	
2018	1,208,508		329,285	154,644		1,383,149	785,288	237,999	1,023,287	597,861	
Total prior years	1,670,003		661,667	180,215	120,512	2,030,943	1,186,191	394,781	1,580,972	844,752	
2019		38,168,981	93,850	332,878		37,929,953	36,957,362	115,490	37,072,852	972,591	
Total	\$ 1,670,003	\$ 38,168,981	\$ 755,517	\$ 513,093	\$ 120,512	\$ 39,960,896	38,143,553	510,271	38,653,824	\$ 1,817,343	
							Suspense Collections	41,607	29,240	70,847	
							Total	38,185,160	\$ 539,511	\$ 38,724,671	

Property taxes receivable considered available:

June 30, 2020	(247,905)
June 30, 2021	98,930
Total Taxes	\$ 38,036,185

**TOWN OF WINDSOR LOCKS, CONNECTICUT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021**

	Special Revenue					
	Special Education Grants	Dog	Highway	School Cafeteria	Police Revolving	Parks and Recreation
ASSETS						
Cash and cash equivalents	\$ 2,698,008	\$ 43,161	\$ 1,218,038	\$ 68,698	\$ 20,210	\$ 169,581
Investments						
Receivables, net	588,892	1,002		125,299	255,694	22,806
Due from other funds		8,575		1		
Inventory				9,924		
Total Assets	\$ 3,286,900	\$ 52,738	\$ 1,218,038	\$ 203,922	\$ 275,904	\$ 192,387
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 107,219	\$ 7,993	\$ 3,647	\$ 110,172	\$ 8,124	\$ 6,602
Due to other funds	338,650				245,583	53,335
Unearned revenue	614,288			11,429		46,380
Total liabilities	1,060,157	7,993	3,647	121,601	253,707	106,317
Fund Balances:						
Nonspendable				9,924		
Restricted	2,226,743		1,214,391	72,397		
Committed		44,745			22,197	86,070
Unassigned						
Total fund balances	2,226,743	44,745	1,214,391	82,321	22,197	86,070
Total Liabilities and Fund Balances	\$ 3,286,900	\$ 52,738	\$ 1,218,038	\$ 203,922	\$ 275,904	\$ 192,387

(Continued on next page)

**TOWN OF WINDSOR LOCKS, CONNECTICUT
 COMBINING BALANCE SHEET (CONTINUED)
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2021**

	Special Revenue					Permanent Fund	Total Nonmajor Governmental Funds
	Commission on Needs of the Aging	Human Services	Police Department Asset Forfeiture	Student Activities	TIF District	James DeForest Phelps	
ASSETS							
Cash and cash equivalents	\$ 4,035	\$ 31,765	\$ 244,162	\$ 216,609	\$ 60,006	\$	\$ 4,774,273
Investments						3,835	3,835
Receivables, net	236	139			38,532		1,032,600
Due from other funds					170,109		178,685
Inventory							9,924
Total Assets	\$ 4,271	\$ 31,904	\$ 244,162	\$ 216,609	\$ 268,647	\$ 3,835	\$ 5,999,317
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ 150	\$ 267	\$	\$ 85	\$ 10,525	\$	\$ 254,784
Due to other funds	11,852	7,013			100,000		756,433
Unearned revenue					38,532		710,629
Total liabilities	12,002	7,280	-	85	149,057	-	1,721,846
Fund Balances:							
Nonspendable						3,000	12,924
Restricted			244,162	216,524	119,590	835	4,094,642
Committed		24,624					177,636
Unassigned	(7,731)						(7,731)
Total fund balances	(7,731)	24,624	244,162	216,524	119,590	3,835	4,277,471
Total Liabilities and Fund Balances	\$ 4,271	\$ 31,904	\$ 244,162	\$ 216,609	\$ 268,647	\$ 3,835	\$ 5,999,317

**TOWN OF WINDSOR LOCKS, CONNECTICUT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED JUNE 30, 2021**

	Special Revenue					
	Special Education Grants	Dog	Highway	School Cafeteria	Police Revolving	Parks and Recreation
Revenues:						
Property taxes	\$	\$	\$	\$	\$	\$
Intergovernmental	3,358,454		266,790	721,407		
Charges for services	1,976,830	5,603		10,233	356,533	126,457
Contributions						
Income from investments			570			
Other revenues				2,002		3,102
Total revenues	<u>5,335,284</u>	<u>5,603</u>	<u>267,360</u>	<u>733,642</u>	<u>356,533</u>	<u>129,559</u>
Expenditures:						
Current:						
General government						
Public safety		725			311,301	
Public works			167,045			
Health and welfare						
Recreation						118,074
Education	5,006,178			850,338		
Total expenditures	<u>5,006,178</u>	<u>725</u>	<u>167,045</u>	<u>850,338</u>	<u>311,301</u>	<u>118,074</u>
Excess (Deficiency) of Revenues over Expenditures	<u>329,106</u>	<u>4,878</u>	<u>100,315</u>	<u>(116,696)</u>	<u>45,232</u>	<u>11,485</u>
Other Financing Sources (Uses):						
Transfers in				180,000		
Transfers out	(180,000)		(150,000)		(50,000)	
Total other financing sources (uses)	<u>(180,000)</u>	<u>-</u>	<u>(150,000)</u>	<u>180,000</u>	<u>(50,000)</u>	<u>-</u>
Net Change in Fund Balances	149,106	4,878	(49,685)	63,304	(4,768)	11,485
Fund Balances at Beginning of Year	<u>2,077,637</u>	<u>39,867</u>	<u>1,264,076</u>	<u>19,017</u>	<u>26,965</u>	<u>74,585</u>
Fund Balances at End of Year	<u>\$ 2,226,743</u>	<u>\$ 44,745</u>	<u>\$ 1,214,391</u>	<u>\$ 82,321</u>	<u>\$ 22,197</u>	<u>\$ 86,070</u>

(Continued on next page)

TOWN OF WINDSOR LOCKS, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021

	Special Revenue					Permanent Fund	Eliminations	Total Nonmajor Governmental Funds
	Commission on Needs of the Aging	Human Services	Police Department Asset Forfeiture	Student Activities	TIF District	James DeForest Phelps		
Revenues:								
Property taxes	\$	\$	\$	\$	\$ 213,160	\$	\$	\$ 213,160
Intergovernmental								4,346,651
Charges for services	1,603	22,941	24,611	160,078				2,684,889
Contributions	1,849							1,849
Income from investments					6	1		577
Other revenues					60,000			65,104
Total revenues	<u>3,452</u>	<u>22,941</u>	<u>24,611</u>	<u>160,078</u>	<u>273,166</u>	<u>1</u>	<u>-</u>	<u>7,312,230</u>
Expenditures:								
Current:								
General government					68,396			68,396
Public safety			222,961					534,987
Public works								167,045
Health and welfare	2,432	31,625						34,057
Recreation								118,074
Education				163,286				6,019,802
Total expenditures	<u>2,432</u>	<u>31,625</u>	<u>222,961</u>	<u>163,286</u>	<u>68,396</u>	<u>-</u>	<u>-</u>	<u>6,942,361</u>
Excess (Deficiency) of Revenues over Expenditures	<u>1,020</u>	<u>(8,684)</u>	<u>(198,350)</u>	<u>(3,208)</u>	<u>204,770</u>	<u>1</u>	<u>-</u>	<u>369,869</u>
Other Financing Sources (Uses):								
Transfers in							(180,000)	-
Transfers out					(134,575)	(1)	180,000	(334,576)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(134,575)</u>	<u>(1)</u>	<u>-</u>	<u>(334,576)</u>
Net Change in Fund Balances	1,020	(8,684)	(198,350)	(3,208)	70,195	-	-	35,293
Fund Balances at Beginning of Year	<u>(8,751)</u>	<u>33,308</u>	<u>442,512</u>	<u>219,732</u>	<u>49,395</u>	<u>3,835</u>	<u>-</u>	<u>4,242,178</u>
Fund Balances at End of Year	<u><u>\$ (7,731)</u></u>	<u><u>\$ 24,624</u></u>	<u><u>\$ 244,162</u></u>	<u><u>\$ 216,524</u></u>	<u><u>\$ 119,590</u></u>	<u><u>\$ 3,835</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 4,277,471</u></u>

**TOWN OF WINDSOR LOCKS, CONNECTICUT
 COMBINING BALANCE SHEET
 CAPITAL PROJECTS FUND - BY PROJECT
 JUNE 30, 2021**

	<u>Capital Improvements Projects</u>	<u>Capital Projects</u>	<u>WPCA Capital Projects</u>	<u>Total Capital Projects Fund</u>
ASSETS				
Cash and cash equivalents	\$ 2,623,898	\$ 657,767	\$ 734,895	\$ 4,016,560
Due from other funds	<u>105,415</u>			<u>105,415</u>
Total Assets	<u>\$ 2,729,313</u>	<u>\$ 657,767</u>	<u>\$ 734,895</u>	<u>\$ 4,121,975</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 56,031	\$ 268,357	\$ 7,500	\$ 331,888
Due to other funds	<u>74</u>	<u>142</u>	<u>1,700,000</u>	<u>1,700,216</u>
Total liabilities	<u>56,105</u>	<u>268,499</u>	<u>1,707,500</u>	<u>2,032,104</u>
Fund Balances:				
Committed	2,673,208	389,268		3,062,476
Unassigned			(972,605)	(972,605)
Total fund balances	<u>2,673,208</u>	<u>389,268</u>	<u>(972,605)</u>	<u>2,089,871</u>
Total Liabilities and Fund Balances	<u>\$ 2,729,313</u>	<u>\$ 657,767</u>	<u>\$ 734,895</u>	<u>\$ 4,121,975</u>

**TOWN OF WINDSOR LOCKS, CONNECTICUT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 CAPITAL PROJECTS FUND - BY PROJECT
 FOR THE YEAR ENDED JUNE 30, 2021**

	<u>Capital Improvements Projects</u>	<u>Capital Projects</u>	<u>WPCA Capital Projects</u>	<u>Total Capital Projects Fund</u>
Revenues:				
Income from investments	\$ 2,039	\$ 1,072	\$ 655	\$ 3,766
Other revenue	128			128
Total revenues	<u>2,167</u>	<u>1,072</u>	<u>655</u>	<u>3,894</u>
Expenditures:				
Capital outlay	658,673	1,075,473	161,725	1,895,871
Debt service	971			971
Total expenditures	<u>659,644</u>	<u>1,075,473</u>	<u>161,725</u>	<u>1,896,842</u>
Deficiency of Revenues over Expenditures	<u>(657,477)</u>	<u>(1,074,401)</u>	<u>(161,070)</u>	<u>(1,892,948)</u>
Other Financing Sources:				
Transfers in	2,138,984		297,000	2,435,984
Total other financing sources	<u>2,138,984</u>	<u>-</u>	<u>297,000</u>	<u>2,435,984</u>
Net Change in Fund Balances	1,481,507	(1,074,401)	135,930	543,036
Fund Balances at Beginning of Year	<u>1,191,701</u>	<u>1,463,669</u>	<u>(1,108,535)</u>	<u>1,546,835</u>
Fund Balances at End of Year	<u>\$ 2,673,208</u>	<u>\$ 389,268</u>	<u>\$ (972,605)</u>	<u>\$ 2,089,871</u>

**TOWN OF WINDSOR LOCKS, CONNECTICUT
SEWER ADMINISTRATION FUND
REPORT OF SEWER USE CHARGE COLLECTOR
FOR THE YEAR ENDED JUNE 30, 2021**

List Year	Uncollected Charges July 1, 2020	Current Year Billings and Adjustments	Adjusted Charges Collectible	Collections			Uncollected Charges June 30, 2021
				Charges	Interest and Lien Fees	Total	
2007	\$ 164	\$	\$ 164	\$ 121	\$ 320	\$ 441	\$ 43
2008	317		317	127	314	441	190
2009	492		492	127	291	418	365
2010	822		822		224	224	822
2011	1,695		1,695	397	228	625	1,298
2012	4,058		4,058	1,640	2,197	3,837	2,418
2013	5,674		5,674	1,485	2,144	3,629	4,189
2014	9,033		9,033	2,653	3,391	6,044	6,380
2015	14,438		14,438	3,540	3,789	7,329	10,898
2016	28,969		28,969	10,496	9,114	19,610	18,473
2017	48,141		48,141	20,910	13,548	34,458	27,231
2018	68,399		68,399	30,136	14,680	44,816	38,263
2019	157,808		157,808	88,601	24,993	113,594	69,207
Total prior years	340,010	-	340,010	160,233	75,233	235,466	179,777
2020		2,405,243	2,405,243	2,245,789	26,893	2,272,682	159,454
Total	\$ 340,010	\$ 2,405,243	\$ 2,745,253	\$ 2,406,022	\$ 102,126	\$ 2,508,148	\$ 339,231

TOWN OF WINDSOR LOCKS, CONNECTICUT
SCHEDULE OF DEBT LIMITATION
JUNE 30, 2021

Total tax collections (including interest and lien fees) for 2020 fiscal year						\$	<u>38,654,431</u>
Base						\$	<u><u>38,654,431</u></u>
		General Purpose	Schools	Sewers	Urban Renewal	Pension Deficit	
Debt limitation:							
2-1/4 times base	\$	86,972,470	\$	\$	\$	\$	
4-1/2 times base			173,944,940				
3-3/4 times base				144,954,116			
3-1/4 times base					125,626,901		
3 times base							115,963,293
Total debt limitation		<u>86,972,470</u>	<u>173,944,940</u>	<u>144,954,116</u>	<u>125,626,901</u>		<u>115,963,293</u>
Indebtedness:							
Bonds and notes payable		8,256,881	7,920,718	5,701,046			
Bonds authorized and unissued		<u>2,075,000</u>	<u>4,065,000</u>				
Net indebtedness		<u>10,331,881</u>	<u>11,985,718</u>	<u>5,701,046</u>	<u>-</u>		<u>-</u>
Debt Limitation in Excess of Outstanding and Authorized Debt	\$	<u><u>76,640,589</u></u>	\$ <u><u>161,959,222</u></u>	\$ <u><u>139,253,070</u></u>	\$ <u><u>125,626,901</u></u>	\$	<u><u>115,963,293</u></u>

Note: In no case shall total indebtedness exceed seven times annual receipts from taxation (\$270,581,017).

**TOWN OF WINDSOR LOCKS, CONNECTICUT
FOR THE YEAR ENDED JUNE 30, 2021
PRINCIPAL TAXPAYERS**

Name	Nature of Business	Taxable Valuation as of 10/1/19	Percent of Net Taxable Grand List*
EAN Holdings LLC/Camrac	Car rental	\$ 71,895,352	4.86 %
United Technologies	Manufacturing	69,626,043	4.71
PV Holdings Corp	Car rental	47,499,566	3.21
Hertz	Car rental	42,617,118	2.88
PPF WE 500 North Street	Grocery wholesaler	38,029,390	2.57
CT Light and Power/Eversource	Utility	28,339,440	1.92
Federal Express Corporation	Freight	24,787,323	1.68
American Honda Motors Co	Parts distribution center	18,464,640	1.25
Ahlstrom-Munksjo Nonwovens	Manufacturing	15,113,050	1.02
Old County Senior Living	Assisted living	<u>14,110,010</u>	<u>0.95</u>
Total		\$ <u><u>370,481,932</u></u>	<u><u>25.05</u></u> %

* Based on 10/01/19 Net Taxable Grand List of \$ 1,479,189,040

TOWN OF WINDSOR LOCKS, CONNECTICUT
ASSESSED VALUE OF TAXABLE PROPERTY
(\$ in thousands)
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	Grand List as of October 1,	Real Property		Other Land Percent	Personal Property Percent	Motor Vehicle Percent	Gross Taxable Grand List	Less Exemptions	Net Taxable Grand List	Percentage Change
		Residential Percent	Commercial and Industrial Percent							
2021	2019	37.4	% 24.2	% 1.3	% 20.5	% 16.6	\$ 1,644,856	\$ 165,667	\$ 1,479,189	(0.3) %
2020	2018	37.4	25.6	1.3	19.6	16.0	1,640,611	157,376	1,483,235	15.5
2019	2017	41.4	22.0	1.2	20.8	14.6	1,415,814	132,080	1,283,734	6.0
2018	2016	42.7	22.4	1.1	20.7	13.2	1,361,693	150,738	1,210,955	(3.8)
2017	2015	40.6	20.1	1.3	22.4	15.7	1,418,126	159,067	1,259,059	6.9
2016	2014	42.9	21.3	1.4	22.4	12.1	1,338,047	160,752	1,177,295	(3.4)
2015	2013	42.0	21.0	0.0	20.4	15.2	1,364,824	146,477	1,218,347	(4.1)
2014	2012	46.5	22.6	0.0	18.4	12.5	1,410,980	141,149	1,269,831	0.4
2013	2011	50.6	25.2	0.0	8.8	15.4	1,386,837	122,058	1,264,779	2.1
2012	2010	51.3	25.9	0.0	9.4	13.4	1,357,056	118,518	1,238,538	0.2

Date of Last Revaluation 10/1/18
Based on Assessor Data

**TOWN OF WINDSOR LOCKS, CONNECTICUT
CURRENT DEBT STATEMENT
FOR THE YEAR ENDED JUNE 30, 2021**

Bonded Debt:		
General purpose	\$	8,256,881
Schools		7,920,718
Sewers		5,701,046
Total bonded debt		<u>21,878,645</u>
Total Overall Net Debt	\$	<u>21,878,645</u>

**CURRENT DEBT RATIOS
FOR THE YEAR ENDED JUNE 30, 2021**

Population, 2021*	12,671
Per capita income, 2021**	29,346
Net taxable grand list, 10/1/19	1,479,189,040
Estimated full value @ 70%	2,113,127,200
Equalized net grand list, 2019***	2,310,464,281

	<u>Overall Debt</u>	<u>Overall Net Debt</u>
	<u>\$ 21,878,645</u>	<u>\$ 21,878,645</u>
Per capita	\$ 1,727	\$ 1,727
To net taxable grand list	1.48%	1.48%
To estimated full value @ 70%	1.04%	1.04%
To equalized net grand list, 2018	0.95%	0.95%
Ratio of debt per capita to per capita income	5.88%	5.88%

* Advance CT

** Advance CT

*** State of Connecticut Office of Policy and Management

**TOWN OF WINDSOR LOCKS, CONNECTICUT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30,	Grand List October 1,	Net Taxable Grand List (thousands)	Mill Rate	Total Adjusted Tax levy (thousands)	Percentage of Annual Levy					
					Collected at End of Fiscal Year	Uncollected at End of Fiscal Year	Uncollected as of June 30, 2021			
2021	2019	\$ 1,479,189	25.83	\$ 37,930	97.4	%	2.5	%	2.5	%
2020	2018	1,154,358	25.83	38,183	96.8		3.2		1.6	
2019	2017	1,283,734	26.66	34,436	97.9		2.1		0.2	
2018	2016	1,210,955	26.66	33,716	96.9		3.0		0.1	
2017	2015	1,259,046	26.66	33,386	97.5		2.5		0.2	
2016	2014	1,177,295	26.79	32,877	98.1		1.9		0.1	
2015	2013	1,218,347	26.23	32,739	98.0		2.0		0.0	
2014	2012	1,269,831	24.54	32,307	98.1		1.8		0.0	
2013	2011	1,264,779	24.27	31,296	97.9		2.1		0.0	
2012	2010	1,238,538	23.40	29,700	97.8		2.2		0.0	

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Appendix B

Form of Opinion of Bond Counsel

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APPENDIX B – FORM OF OPINION OF BOND COUNSEL

June __, 2022

Town of Windsor Locks
50 Church Street
Windsor Locks, CT 06096

We have acted as Bond Counsel in connection with the issuance by the Town of Windsor Locks, Connecticut (the “Town”), of its \$_____ General Obligation Bonds, Issue of 2022 (the “Bonds”) dated June __, 2022. In such capacity, we have examined a record of proceedings of the Town authorizing the Bonds, a Tax Regulatory Agreement of the Town dated June __, 2022 (the “Agreement”), such law and such other proceedings, certifications, and documents as we have deemed necessary to render this opinion.

As to questions of fact material to our opinion, we have relied upon the certified proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation.

We are of the opinion that when the Bonds are duly certified by U.S. Bank Trust Company, National Association, the Bonds will be valid and legally binding general obligations of the Town payable as to both principal and interest from ad valorem taxes which may be levied on all taxable property subject to taxation by the Town without limitation as to rate or amount except as to classified property such as certified forest lands taxable at a limited rate and dwelling houses of qualified elderly persons of low income or of qualified disabled persons taxable at limited amounts pursuant to Connecticut statutes. We are further of the opinion that the Agreement is a valid and binding agreement of the Town and was duly authorized by the Town.

The rights of the holders of the Bonds and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors’ rights generally and by equitable principles, whether considered at law or in equity.

The Internal Revenue Code of 1986, as amended (the “Code”), establishes certain requirements that must be satisfied at and subsequent to the issuance and delivery of the Bonds in order that interest on the Bonds be excluded from gross income under Section 103 of the Code. In the Agreement, the Town has made covenants and representations designed to assure compliance with such requirements of the Code. The Town has covenanted in the Agreement that it will at all times comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds to ensure that interest on the Bonds shall not be included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds, including covenants regarding, among other matters, the use, expenditure and investment of the proceeds of the Bonds.

In rendering the below opinions regarding the federal treatment of interest on the Bonds, we have relied upon and assumed (i) the material accuracy of the representations, statements of intention and reasonable expectations, and certifications of fact contained in the Agreement, and (ii) continuing compliance by the Town with the covenants set forth in the Agreement as to such tax matters.

In our opinion, under existing statutes and court decisions, (i) interest on the Bonds is excluded from gross income for federal income tax purposes; and (ii) such interest is not an item of tax preference for purposes of calculating the federal alternative minimum tax. We express no opinion regarding other federal income tax consequences caused by ownership or disposition of, or receipt of interest on the Bonds.

We are further of the opinion that, under existing statutes, interest on the Bonds is excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates and is excluded from amounts on which the net Connecticut minimum tax is based for individuals, trusts and estates required to pay the federal alternative minimum tax. We express no opinion regarding other state income tax consequences caused by ownership or disposition of, or receipt of interest on the Bonds.

We express no opinion herein regarding the accuracy, adequacy, or completeness of the Preliminary Official Statement, the Official Statement and other offering material relating to the Bonds.

The foregoing opinion is based upon existing laws, regulations, rules and court decisions. We undertake no responsibility to inform you of changes in law or fact occurring after the date hereof which may affect the conclusions herein. In addition, we have not undertaken to advise in the future whether any events after the date of issuance of the Bonds, including the adoption of federal tax legislation, may affect the tax status of interest on the Bonds.

Respectfully,

PULLMAN & COMLEY, LLC

Appendix C

Form of Continuing Disclosure Agreement

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APPENDIX C - FORM OF CONTINUING DISCLOSURE AGREEMENT

In accordance with the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission, the Town will agree, pursuant to a Continuing Disclosure Agreement to be executed by the Town substantially in the following form, to provide, or cause to be provided, (i) annual financial information and operating data, (ii) in a timely manner not in excess of ten business days after the occurrence of the event, notice of the occurrence of certain events with respect to the Bonds and (iii) timely notice of a failure by the Town to provide the required annual financial information on or before the date specified in the Continuing Disclosure Agreement.

Continuing Disclosure Agreement

This Continuing Disclosure Agreement (“Agreement”) is made as of June __, 2022 by the Town of Windsor Locks, Connecticut (the “Issuer”) acting by its undersigned officers, duly authorized, in connection with the issuance of \$_____ General Obligation Bonds, Issue of 2022, dated as of June __, 2022 (the “Bonds”), for the benefit of the beneficial owners from time to time of the Bonds.

Section 1. Definitions. For purposes of this Agreement, the following capitalized terms shall have the following meanings:

“Final Official Statement” means the official statement of the Issuer dated May __, 2022 prepared in connection with the Bonds.

“MSRB” means the Municipal Securities Rulemaking Board established under the Securities Exchange Act of 1934, as amended, or any successor thereto.

“Repository” means the MSRB or any other information repository established pursuant to the Rule as amended from time to time.

“Rule” means Rule 15c2-12 under the Securities Exchange Act of 1934, as of the date of this Agreement.

“SEC” means the Securities and Exchange Commission of the United States, or any successor thereto.

Section 2. Annual Financial Information.

(a) The Issuer agrees to provide or cause to be provided to each Repository, in accordance with the provisions of the Rule and of this Agreement, annual financial information and operating data (commencing with information and data for the fiscal year ending June 30, 2022) as follows:

(i) Financial statements of the Issuer's general fund for the prior fiscal year which statements shall be prepared in accordance with generally accepted accounting principles or mandated state statutory principles as in effect from time to time. As of the date of this Agreement, the Issuer prepares its financial statements in accordance with generally accepted accounting principles. The financial statements will be audited.

(ii) The following financial information and operating data to the extent not included in the financial statements described in (i) above:

- (A) amounts of the gross and the net taxable grand list applicable to the fiscal year,
- (B) listing of the ten largest taxpayers on the applicable grand list, together with each such taxpayer's taxable valuation thereon,
- (C) percentage of the annual property tax levy uncollected as of the close of the fiscal year,
- (D) schedule of annual debt service on outstanding long-term bonded indebtedness as of the close of the fiscal year,
- (E) calculation of total direct debt, total net direct debt, and total overall net debt (reflecting overlapping and underlying debt), as of the close of the fiscal year,
- (F) total direct debt, total net direct debt and total overall net debt of the Issuer per capita,
- (G) ratios of the total direct debt, total net direct debt and total overall net debt of the Issuer to the Issuer's net taxable grand list,
- (H) statement of statutory debt limitation as of the close of the fiscal year, and
- (I) funding status of the Issuer's pension benefit obligation.

(b) The financial information and operating data described above will be provided on or before the date eight months after the close of the fiscal year for which such information is being provided (the "Filing Due Date"). The Issuer's fiscal year currently ends on June 30. The Issuer reserves the right to provide unaudited financial statements if audited financial statements are not available as of the Filing Due Date, provided that the Issuer shall promptly provide audited financial statements when available.

(c) Annual financial information and operating data may be provided in whole or in part by cross-reference to other documents available to the public on the MSRB's Internet Web site referenced in the Rule as amended from time to time or filed with the SEC. All or a portion of the financial information and operating data may be provided in the form of a comprehensive annual financial report.

(d) The Issuer reserves the right (i) to provide financial statements which are not audited if no longer required by law, (ii) to modify from time to time the format of the presentation of such information or data, and (iii) to modify the accounting principles it follows to the extent required by law, by changes in generally accepted accounting principles, or by changes in accounting principles adopted by the Issuer; provided that the Issuer agrees that any such modification will be done in a manner consistent with the Rule.

Section 3. Notice of Certain Events.

The Issuer agrees to provide or cause to be provided, in a timely manner not in excess of ten business days after the occurrence of the event, to each Repository notice of the occurrence of any of the following events with respect to the Bonds:

- (a) principal and interest payment delinquencies;

- (b) non-payment related defaults, if material;
- (c) unscheduled draws on debt service reserves reflecting financial difficulties;
- (d) unscheduled draws on credit enhancements reflecting financial difficulties;
- (e) substitution of credit or liquidity providers, or their failure to perform;
- (f) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the bonds, or other material events affecting the tax status of the Bonds;
- (g) modifications to rights of holders of the Bonds, if material;
- (h) Bond calls, if material, and tender offers;
- (i) Bond defeasances;
- (j) release, substitution, or sale of property securing repayment of the Bonds, if material;
- (k) rating changes;
- (l) bankruptcy, insolvency, receivership or similar event of the Issuer;
- (m) the consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (n) appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (o) incurrence of a financial obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation, any of which affect security holders, if material; and
- (p) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Issuer, any of which reflect financial difficulties.

Events (d) and (e). The Issuer does not undertake to provide any notice with respect to credit enhancement added after the primary offering of the Bonds, unless the Issuer applies for or participates in obtaining the enhancement.

Event (f). Event (f) is relevant only to the extent interest on the Bonds is excluded from gross income for federal income tax purposes.

Event (h). The Issuer does not undertake to provide the above-described event notice of a mandatory scheduled redemption, not *otherwise* contingent upon the occurrence of an event, if (A) the terms, dates and amounts of redemption are set forth in detail in the Final Official Statement, (B) the sole matter to be determined is which of the Bonds will be redeemed in the case of a partial redemption, (C) notice of redemption is given to the holders of the Bonds to be redeemed as required under the terms of the Bonds,

and (D) public notice of redemption is given pursuant to Exchange Act Release No. 23856 of the SEC, even if the originally scheduled amounts are reduced due to prior optional redemptions or Bond purchases.

Events (o) and (p). The term “financial obligation” is defined as a (i) debt obligation, (ii) derivative instrument entered into in connection with or pledged as security or a source of payment for an existing or planned debt obligation, or (iii) guarantee of (i) or (ii). The term financial obligation does not include municipal securities for which a final official statement has been filed with MSRB pursuant to the Rule.

Section 4. Notice of Failure to Provide Annual Financial Information.

The Issuer agrees to provide or cause to be provided, in a timely manner, to each Repository notice of any failure by the Issuer to provide annual financial information as set forth in Section 2(a) hereof on or before the date set forth in Section 2(b) hereof.

Section 5. Use of Agents.

Annual financial information and operating data and notices to be provided pursuant to this Agreement may be provided by the Issuer or by any agents which may be employed by the Issuer for such purpose from time to time.

Section 6. Termination.

The obligations of the Issuer under this Agreement shall terminate upon the earlier of (i) payment or legal defeasance, at maturity or otherwise, of all of the Bonds, or (ii) such time as the Issuer ceases to be an obligated person with respect to the Bonds within the meaning of the Rule.

Section 7. Enforcement.

The Issuer acknowledges that the undertakings set forth in this Agreement are intended to be for the benefit of, and enforceable by, the beneficial owners from time to time of the Bonds. In the event the Issuer shall fail to perform its duties hereunder, the Issuer shall have the option to cure such failure within a reasonable time (but not exceeding 30 days with respect to the undertakings set forth in Section 2 of this Agreement or five business days with respect to the undertakings set forth in Sections 3 and 4 of this Agreement) from the time the Issuer's Finance Director, or a successor, receives written notice from any beneficial owner of the Bonds of such failure. The present address of the Finance Director is Town Office Building, 50 Church Street, Windsor Locks, Connecticut 06096.

In the event the Issuer does not cure such failure within the time specified above, the beneficial owner of any Bonds shall be entitled only to the remedy of specific performance. The parties expressly acknowledge and agree that no monetary damages shall arise or be payable hereunder nor shall any failure to comply with this Agreement constitute an event of default with respect to the Bonds.

Section 8. Miscellaneous.

(a) All documents provided by the Issuer to a Repository pursuant to the Issuer's undertakings set forth in Sections 2, 3 and 4 of this Agreement shall be in an electronic format as prescribed by the MSRB from time to time and shall be accompanied by identifying information as prescribed by the MSRB from time to time.

(b) The Issuer shall have no obligation to provide any information, data or notices other than as set forth in this Agreement; provided, however, nothing in this Agreement shall be construed as

prohibiting the Issuer from providing such additional information, data or notices from time to time as it deems appropriate in connection with the Bonds. If the Issuer elects to provide any such additional information, data or notices, the Issuer shall have no obligation under this Agreement to update or continue to provide further additional information, data or notices of the type so provided.

(c) This Agreement shall be governed by the laws of the State of Connecticut.

(d) Notwithstanding any other provision of this Agreement, the Issuer may amend this Agreement, and any provision of this Agreement may be waived, if such amendment or waiver is made in connection with a change of circumstances that arises from a change in legal requirements, a change in law, or a change in the identity, nature or status of the Issuer, and is supported by an opinion of counsel expert in federal securities laws, to the effect that (i) such amendment or waiver would not materially adversely affect the beneficial owners of the Bonds, and (ii) the provisions of the Agreement as so amended or waived would have complied with the requirements of the Rule, taking into account any amendments or interpretations of the Rule as well as any changes in circumstances, in each case as of the date of such amendment to the Agreement or waiver. A copy of any such amendment or waiver will be filed in a timely manner with each Repository. The annual financial information provided on the first date following adoption of any such amendment will explain, in narrative form, the reasons for the amendment and the impact of the change in the type of operating or financial information provided.

(e) This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but such counterparts shall together constitute but one and the same instrument.

TOWN OF WINDSOR LOCKS, CONNECTICUT

By _____
PAUL M. HARRINGTON
First Selectman

By _____
CHRISTOPHER LATOURNES
Treasurer

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Appendix D

Notice of Sale

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APPENDIX D – NOTICE OF SALE

NOTICE OF SALE

**TOWN OF WINDSOR LOCKS, CONNECTICUT
\$20,000,000 GENERAL OBLIGATION BONDS, ISSUE OF 2022
BOOK-ENTRY-ONLY**

NOTICE IS GIVEN that ELECTRONIC BIDS solely via **PARITY**® will be received by the TOWN OF WINDSOR LOCKS, CONNECTICUT (the “Issuer”), until 11:30 A.M. (EASTERN TIME) on TUESDAY,

MAY 17, 2022

(the “Sale Date”) for the purchase, when issued, of all (but not less than all) of the Issuer’s \$20,000,000 General Obligation Bonds, Issue of 2022, dated June 1, 2022 (the “Bonds”), at no less than par and accrued interest from the date of the Bonds to the date of delivery, if any, maturing on July 15 in the principal amounts and in each of the years as follows:

<u>Maturity</u>	<u>Amount (\$)</u>	<u>Maturity</u>	<u>Amount (\$)</u>
2023	690,000	2038	690,000
2024	690,000	2039	690,000
2025	690,000	2040	690,000
2026	690,000	2041	690,000
2027	690,000	2042	690,000
2028	690,000	2043	690,000
2029	690,000	2044	690,000
2030	690,000	2045	690,000
2031	690,000	2046	690,000
2032	690,000	2047	690,000
2033	690,000	2048	690,000
2034	690,000	2049	690,000
2035	690,000	2050	685,000
2036	690,000	2051	685,000
2037	690,000		

The Bonds will bear interest commencing January 15, 2023 and semiannually thereafter on July 15 and January 15 in each year until maturity, as further described in the Preliminary Official Statement (as hereinafter defined), at the rate or rates per annum specified by the winning bidder.

Serial Bonds and/or Term Bonds

Bidders may provide that all the Bonds be issued as serial bonds payable in the years and amounts described above. Alternatively, for the Bonds maturing on July 15, 2043 and thereafter, bidders may provide that any two or more consecutive annual principal amounts bearing interest at the same interest rate be combined into one or more term bonds (“Term Bonds”) scheduled to mature in the latest of the combined years in each case (see “Mandatory Sinking Fund Redemption” below). Bidders may specify one or two Term Bonds.

Mandatory Sinking Fund Redemption

If the winning bidder designates principal amounts to be combined into one or more term bonds, each such term bond shall be subject to mandatory sinking fund redemption commencing on July 15 of the first year that has been combined to form such term bond and continuing on July 15 in each year thereafter until the stated maturity date of that term bond. The amount redeemed in any year shall be equal to the annual principal amounts described in the table above. The Bonds to be redeemed in any year by mandatory sinking fund redemption shall be redeemed at par and shall be selected by lot among the Bonds then subject to redemption. The Issuer, at its option, may credit against any mandatory sinking fund redemption term bonds of the maturity then subject to redemption that have been purchased and canceled by the Issuer or that have been redeemed and not theretofore applied as a credit against any mandatory sinking fund redemption requirement.

Optional Redemption

The Bonds maturing on or before July 15, 2032 are not subject to redemption prior to maturity. The Bonds maturing July 15, 2033 and thereafter are subject to redemption prior to maturity, at the option of the Issuer, on or after July 15, 2032, either in whole or in part at any time, in such order of maturity and amount as the Issuer may determine, and by lot within a maturity, at the respective prices (expressed as a percentage of the principal amount of the Bonds to be redeemed) set forth in the following table, plus interest accrued and unpaid to the redemption date:

<u>Period During Which Redeemed</u>	<u>Redemption Price</u>
July 15, 2032 and thereafter	100.0%

Nature of Obligation

The Bonds will constitute general obligations of the Issuer, and the Issuer will pledge its full faith and credit to pay the principal of and interest on the Bonds when due. Unless paid from other sources, the Bonds are payable from ad valorem taxes which may be levied on all taxable property subject to taxation by the Issuer without limit as to rate or amount except as to classified property such as certified forest lands taxable at a limited rate and dwelling houses of qualified elderly persons of low income or of qualified disabled persons taxable at limited amounts pursuant to provisions of the Connecticut General Statutes, as amended.

Bank Qualification

The Bonds SHALL NOT be designated by the Issuer as qualified tax exempt obligations under the provisions of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended, for purposes of the deduction by financial institutions for interest expense allocable to the Bonds.

Registration

The Bonds will be issued by means of a book-entry system with no physical distribution of bond certificates made to the public. The Bonds will be issued in registered form and one bond certificate for each maturity will be issued to The Depository Trust Company (“DTC”), New York, New York, registered in the name of its nominee, Cede & Co., and immobilized in its custody. A book-entry system will be employed, evidencing ownership of the Bonds in principal amounts of \$5,000 or any integral multiple thereof, with transfers of ownership effected on the records of DTC and its participants pursuant to rules and procedures adopted by DTC and its participants. The purchaser, as a condition to delivery of the Bonds, will be required to deposit the bond certificates with DTC, registered in the name of Cede & Co. Principal of, redemption premium, if any, and interest on the Bonds will be payable by the Issuer or its agent to DTC or its nominee as registered owner of the Bonds. Principal and interest payments by DTC to participants of DTC will be the responsibility of DTC; principal and interest payments to beneficial owners by participants of DTC will be the responsibility of such participants and other nominees of beneficial owners. The Issuer will not be responsible or liable for payments by DTC to its participants or by DTC participants or indirect participants to beneficial owners or for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants. Upon receipt from the Issuer, the Paying Agent will pay principal of and interest on the Bonds directly to DTC so long as DTC or its nominee, Cede & Co, is the bondholder.

In the event that (a) DTC determines not to continue to act as securities depository for the Bonds and the Issuer fails to identify another qualified securities depository to replace DTC, or (b) the Issuer determines to discontinue the book-entry system of evidence and transfer of ownership of the Bonds, the Issuer will authenticate and deliver replacement Bonds in the form of fully registered certificates. Any such replacement Bonds will provide that interest will be payable by check mailed by the Paying Agent to the registered owner whose name appears on the registration books of the Issuer as of the close of business on the record date preceding each interest payment date. The record dates for the Bonds will be the last business day of June and December in each year.

Proposals

Each bid must be for the entire \$20,000,000 of the Bonds. Each proposal must specify the amount bid for the Bonds (which shall be the aggregate par value of the Bonds, and, at the option of the bidder, a premium), and must specify in a multiple of one-twentieth of one percent (1/20 of 1%) or one-eighth of one percent (1/8 of 1%) the rate or rates of interest per annum which the Bonds are to bear, provided that such proposal shall not state (a) more than one interest rate for any Bonds having a like maturity or (b) any interest rate for any Bonds of one maturity which exceeds the interest rate stated in such proposal for Bonds of a different maturity by more than three (3) percentage points. In addition to the amount bid for the Bonds, the purchaser must pay an amount equal to the interest on the Bonds accrued to the date of delivery. For the purpose of the bidding process, the time as maintained on *PARITY*® shall constitute the official time. For information purposes only, bidders are requested to state in their bids the true interest cost (“TIC”) to the Issuer, as described under “Basis of Award” below, represented by the rate or rates of interest and the bid price specified in their respective bids. Interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months. No proposal for less than par and accrued interest to the date of delivery will be considered.

Basis of Award; Right to Reject Proposals; Waiver; Postponement; Change of Terms

Unless all bids are rejected, as between proposals which comply with this Notice of Sale, the Bonds will be awarded to the bidder whose bid proposes the lowest true interest cost (“TIC”) to the Issuer. The TIC will be the annual interest rate, compounded semiannually, which, when used to discount all payments of principal and interest payable on the Bonds results in an amount equal to the purchase price for the Bonds, excluding interest accrued to the date of delivery. If there is more than one bidder making said offer at the same lowest TIC, the Bonds will be sold to the bidder whose proposal is selected by the Issuer by lot from among all such proposals. It is requested that each proposal be accompanied by a statement of the percentage of TIC computed and rounded to six decimal places. Such statement shall not be considered as part of the proposal. The purchase price must be paid in immediately available federal funds.

The right is reserved to reject any and all proposals and to reject any proposal not complying with this Notice of Sale and to waive any irregularity or informality with respect to any proposal.

The Issuer further reserves the right to postpone the sale to another time and date in its sole discretion for any reason, including Internet difficulties. The Issuer will use its best efforts to notify prospective bidders in a timely manner of any need for a postponement. Upon the establishment of an alternative sale date, any bidder may submit proposals for the purchase of the Bonds in accordance with the provisions of this Notice of Sale.

CUSIP Numbers

The deposit of the Bonds with DTC under a book-entry system requires the assignment of CUSIP numbers prior to delivery. It shall be the responsibility of Phoenix Advisors LLC to obtain CUSIP numbers for the Bonds prior to delivery, and Phoenix Advisors, LLC, will provide the CUSIP Service Bureau with the final details of the sale, including the identity of the winning bidder. The Issuer will not be responsible for any delay occasioned by the inability to deposit the Bonds with DTC due to the failure of Phoenix Advisors, LLC to obtain such numbers and to supply them to the Issuer in a timely manner. Neither the failure to print such CUSIP number on any bond, nor any error with respect thereto, shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for the Bonds. All expenses in relation to the printing of CUSIP numbers on the Bonds shall be paid for by the Issuer; provided, however, that the Issuer assumes no responsibility for any CUSIP Service Bureau charge or other charge that may be imposed for the assignment of such numbers, which charges shall be the responsibility of and shall be paid for by the purchaser.

Electronic Proposals Bidding Procedure

Electronic bids for the purchase of the Bonds must be submitted through the facilities of **PARITY®**. Any prospective bidder must be a subscriber of i-Deal's BiDCOMP competitive bidding system. Further information about **PARITY®**, including any fee charged, may be obtained from **PARITY®**, c/o i-Deal LLC, 1359 Broadway, 2nd Floor, New York, New York 10018, Attention: Customer Support (telephone: (212) 849-5021 – email notice: parity@i-deal.com). The Issuer neither will confirm any subscription nor be responsible for any failure of a prospective bidder to subscribe.

Once an electronic bid made through the facilities of **PARITY®** is communicated to the Issuer, it shall constitute an irrevocable offer, in response to this Notice, and shall be binding upon the bidder as if made by the signed, sealed bid delivered to the Issuer. By submitting a bid for the Bonds via **PARITY®**, the bidder represents and warrants to the Issuer that such bidder's bid for the purchase of the Bonds is submitted for and on behalf of such prospective bidder by an officer or agent who is duly authorized to bind the prospective bidder by an irrevocable offer and that acceptance of such bid by the Issuer will bind the bidder by a legal, valid and enforceable contract, for the purchase of the Bonds on the terms described in this Notice. **The Issuer shall not be responsible for any malfunction or mistake made by, or as a result of the use of the facilities of PARITY®, or the inaccuracies of any information, including bid information or worksheets supplied by PARITY®, the use of PARITY® facilities being the sole risk of the prospective bidder. Each Bidder is solely responsible for knowing the terms of the sale as set forth herein.**

Disclaimer. Each of **PARITY®** prospective electronic bidders shall be solely responsible to make necessary arrangements to access **PARITY®** for the purpose of submitting its bid in a timely manner and in compliance with the requirements of this Notice. Neither the Issuer nor **PARITY®** shall have any duty or obligation to undertake such arrangements to bid for any prospective bidder or to provide or assure such access to any prospective bidder, and neither the Issuer or **PARITY®** shall be responsible for a bidder's failure to make a bid or for the proper

operation of, or have any liability for any delays or interruptions of, or any damages caused by, **PARITY®**. The Issuer is using **PARITY®** as a communication mechanism, and not as the Issuer's agent, to conduct the electronic bidding for the Bonds. The Issuer is not bound by any advice and determination of **PARITY®** to the effect that any particular bid complies with the terms of this Notice and in particular the bid requirements herein set forth. All costs and expenses incurred by prospective bidders in connection with their subscription to, arrangements with and submission of bids via **PARITY®** are the sole responsibility of the bidders; and the Issuer is not responsible directly or indirectly, for any of such costs or expenses. If the prospective bidder encounters any difficulty in arranging to bid or submitting, modifying or withdrawing a bid for the Bonds, the prospective bidder should telephone **PARITY®** at (212) 849-5021. If any provision of this Notice shall conflict with information provided by **PARITY®**, this Notice shall control.

For the purpose of the electronic bidding process, the time maintained on **PARITY®** shall constitute the official time.

Certifying Agent, Registrar, Paying Agent and Transfer Agent

The Bonds will be authenticated by U.S. Bank Trust Company, National Association, Hartford, Connecticut. U.S. Bank Trust Company, National Association will also act as Registrar, Paying Agent and Transfer Agent.

Delivery, Payment and Closing Requirements

At or prior to the delivery of the Bonds the purchaser shall be furnished, without cost, with (a) the approving opinion of Pullman & Comley, LLC of Hartford, Connecticut, Bond Counsel ("Bond Counsel") (see "Bond Counsel Opinion" below); (b) a signature and no litigation certificate, in form satisfactory to said firm, dated as of the date of delivery of the Bonds, and stating that there is no litigation pending, or to the knowledge of the signer or signers thereof threatened, affecting the validity of the Bonds or the power of the Issuer to levy and collect taxes to pay them; (c) a signed copy of the Official Statement prepared for this bond issue; (d) a certificate of Issuer Officials relating to the accuracy and completeness of the Official Statement; (e) a Continuing Disclosure Agreement; and (f) a receipt of payment for the Bonds.

The Bonds will be delivered against payment in immediately available federal funds through the facilities of DTC, New York, New York or its agent via Fast Automated Securities Transfer ("FAST") on or about June 1, 2022 (the "Closing Date").

The Issuer will have no responsibility to pay for any expenses of the purchaser except to the extent specifically stated in this Notice of Sale. The purchaser will have no responsibility to pay for any of the Issuer's costs of issuance except to the extent specifically stated in this Notice of Sale.

The purchaser will be responsible for the clearance or exemption with respect to the status of the Bonds for sale under securities or "Blue Sky" laws and the preparation of any surveys or memoranda in connection with such sale. The Issuer shall have no responsibility for such clearance, exemption or preparation.

Bond Counsel Opinion

The legality of the issue will be passed upon by Pullman & Comley, LLC of Hartford, Connecticut, Bond Counsel, and the purchaser will be furnished with its opinion, without charge, substantially in the form set forth in Appendix B to the Official Statement. The opinion will state that the Bonds are valid and binding obligations of the Issuer. If the Competitive Sale Rule (as defined below in the “Establishment of Issue Price” section) is met, Bond Counsel will require as a precondition to release of its opinion that the purchaser of such Bonds deliver to it a completed “issue price” certificate, or similar certificate, regarding expectations or public offering prices, as applicable, with respect to the Bonds awarded to such bidder, as described below under “Establishment of Issue Price”.

Establishment of Issue Price

In order to provide the Issuer with information that enables it to comply with certain requirements of the Internal Revenue Code of 1986, as amended (the “Code”), relating to the exclusion of interest on the Bonds from the gross income of their owners, the winning bidder will be required to complete, execute, and deliver to the Issuer at or prior to the delivery of the Bonds an “issue price” or similar certificate setting forth the reasonably expected initial offering price to the Public (the “Initial Offering Price”) or the actual sales price or prices of the Bonds, as circumstances may determine, together with the supporting pricing wires or equivalent communications, with such modifications as may be appropriate or necessary, in the reasonable judgment of Bond Counsel. Communications relating to this “Establishment of Issue Price” section, the completed certificate(s) and any supporting information shall be delivered to (1) Bond Counsel at Glenn G. Rybacki, Esq., Pullman & Comley, LLC, 90 State House Square, Hartford, CT 06103, Telephone: (860) 424-4391, E-mail: grybacki@pullcom.com and (2) the Municipal Advisor at Barry J. Bernabe, Phoenix Advisors, LLC, 53 River Street, Milford, CT 06460, Telephone: (203) 283-1110, E-mail: bbernabe@muniadvisors.com (the “Municipal Advisor”). Questions related to this “Establishment of Issue Price” section should be directed to Bond Counsel or the Municipal Advisor. For purposes of this “Establishment of Issue Price” section, Bond Counsel may act on behalf of the Issuer and the Municipal Advisor may act on behalf of the Issuer.

By submitting a bid, each bidder is certifying that its bid is a firm offer to purchase the Bonds, is a good faith offer which the bidder believes reflects current market conditions, and is not a “courtesy bid” being submitted for the purpose of assisting in meeting the competitive sale requirements relating to the establishment of the “issue price” of the Bonds pursuant to Section 148 of the Code, including the requirement that bids be received from at least three (3) underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds.

By submitting a bid, a bidder represents to the Issuer that it has an established industry reputation for underwriting new issuances of municipal bonds such as the Bonds, represents that such bidder’s bid is submitted for or on behalf of such bidder by an officer or agent who is duly authorized to bind the bidder to a legal, valid and enforceable contract for the purchase of the Bonds, and understands that upon award by the Issuer that this Notice of Sale constitutes a written contract between such bidder, as winning bidder, and the Issuer.

By submitting a bid, the bidder agrees that if the Competitive Sale Rule (as set forth below) is not met, it will satisfy either the Actual Sales Rule (as set forth below) or the Hold-the-Offering-Price Rule (as set forth below).

Bids will not be subject to cancellation in the event that the competitive sale requirements are not satisfied.

Notification of Contact Information of Winning Bidder. Promptly upon award, the winning bidder shall notify the Municipal Advisor and Bond Counsel of the contact name, telephone number and e-mail address of the person(s) of the winning bidder for purposes of communications concerning this “Establishment of Issue Price” section.

Competitive Sale Rule. The Issuer intends that the provisions of Treasury Regulations Section 1.148-1(f)(3)(i) (defining “competitive sale” for purposes of establishing the issue price of the Bonds) will apply to the initial sale of the Bonds (the “Competitive Sale Rule”) because:

- (1) the Issuer shall disseminate, or have disseminated on its behalf, this Notice of Sale to potential bidders in a manner that is reasonably designed to reach potential bidders;
- (2) all bidders shall have an equal opportunity to bid;
- (3) the Issuer anticipates receiving bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
- (4) the Issuer anticipates awarding the sale of the Bonds to the bidder who submits a firm offer to purchase the Bonds at the lowest true interest cost (“TIC”), as set forth in this Notice of Sale.

Competitive Sale Rule Met. The Issuer, or the Municipal Advisor on behalf of the Issuer, shall at the time of award advise the winning bidder if the Competitive Sale Rule has been met. Within two (2) hours of award (or such other time as agreed to by Bond Counsel), the winning bidder shall provide Bond Counsel and the Municipal Advisor, via e-mail, a completed “ISSUE PRICE CERTIFICATE” in the form attached hereto as Attachment A.

Competitive Sale Rule Not Met. In the event that the Competitive Sale Rule is not satisfied, the Issuer, or the Municipal Advisor on behalf of the Issuer, shall at the time of award advise the winning bidder. The Issuer may determine to treat (i) the first price at which ten percent (10%) of a Maturity of the Bonds (the “Actual Sales Rule”) is sold to the Public as the issue price of that Maturity, and/or (ii) the Initial Offering Price to the Public as of the Sale Date of any Maturity of the Bonds as the issue price of that Maturity (the “Hold-the-Offering-Price Rule”), in each case applied on a Maturity-by-Maturity basis. In the event that the Competitive Sale Rule is not satisfied, the winning bidder, by 4:30 p.m. (EASTERN TIME) on the Sale Date, shall notify and provide, via e-mail, Bond Counsel and the Municipal Advisor (I) of the first price at which ten percent (10%) of each Maturity of Bonds has been sold to the Public and (II) reasonable supporting documentation or certifications of such price the form of which is acceptable to Bond Counsel;

i.e., those Maturities of the Bonds that satisfy the Actual Sales Rule as of the Sale Date. After such receipt, the Issuer, or Bond Counsel on behalf of the Issuer, shall promptly confirm with the winning bidder, via e-mail, which Maturities of the Bonds shall be subject to the Actual Sales Rule and which Maturities shall be subject to the Hold-the-Offering-Price Rule.

For those Maturities of Bonds subject to the Hold-the-Offering-Price Rule, the winning bidder shall (i) provide Bond Counsel (via e-mail) a copy of pricing wire or equivalent communication for the Bonds (ii) confirm that each Underwriter (as defined below) has offered or will offer all of the Bonds to the Public on or before the date of award at the Initial Offering Prices and (ii) agree, on behalf of each Underwriter participating in the purchase of the Bonds, that each Underwriter will neither offer nor sell unsold Bonds of any Maturity to which the Hold-the-Offering-Price Rule shall apply to any person at a price that is higher than the Initial Offering Price for such Maturity during the period starting on the Sale Date and ending on the earlier of the following:

- (1) the close of the fifth (5th) business day after the Sale Date; or
- (2) the date on which the Underwriters have sold at least ten percent (10%) of that Maturity of the Bonds to the Public at a price that is no higher than the Initial Offering Price.

The winning bidder shall promptly advise Bond Counsel and the Municipal Advisor, via e-mail, when the Underwriters have sold ten percent (10%) of that Maturity of the Bonds to the Public at a price that is no higher than the Initial Offering Price, if that occurs prior to the close of the fifth (5th) business day after the Sale Date.

By submitting a bid, each bidder confirms that: (i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the Bonds to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such third-party distribution agreement, as applicable, to (A) report the prices at which it sells to the Public the unsold Bonds of each Maturity allotted to it until it is notified by the winning bidder that either the Actual Sales Rule has been satisfied as to the Bonds of that Maturity or all Bonds of that Maturity have been sold to the Public and (B) comply with the Hold-the-Offering-Price Rule, if applicable, in each case if and for so long as directed by the winning bidder and as set forth in the related pricing wires, and (ii) any agreement among underwriters relating to the initial sale of the Bonds to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Bonds to the Public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the Public the unsold Bonds of each Maturity allotted to it until it is notified by the winning bidder or such Underwriter that either the Actual Sales Rule has been satisfied as to the Bonds of that Maturity or all Bonds of that Maturity have been sold to the Public and (B) comply with the Hold-the-Offering-Price Rule, if applicable, in each case if and for so long as directed by the winning bidder or such Underwriter and as set forth in the related pricing wires.

Sales of any Bonds to any person that is a Related Party (as defined below) to an Underwriter shall not constitute sales to the Public for purposes of this Notice of Sale.

Definitions. For purposes of this “Establishment of Issue Price” section:

- (1) “Maturity” means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.
- (2) “Public” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a Related Party to an Underwriter.
- (3) “Related Party” generally means any two or more persons who have greater than 50% common ownership, directly or indirectly.
- (4) “Underwriter” means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead Underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this definition to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the Public).

Official Statement

For more information regarding the Bonds or the Issuer, reference is made to the Preliminary Official Statement dated May 9, 2022 (the “Official Statement”) describing the Bonds and the financial condition of the Issuer. The Preliminary Official Statement is available in electronic format at <https://munihub.com>, and such electronic access is being provided as a matter of convenience only. Copies of the Preliminary Official Statement may be obtained from Barry J. Bernabe, Phoenix Advisors, LLC, 53 River Street, Milford, CT 06460, Telephone: (203) 283-1110, E-mail: bbernabe@muniadvisors.com. The Issuer deems such Official Statement to be a final official statement for purposes of complying with Securities and Exchange Commission Rule 15c2-12 (the “Rule”), but such Official Statement is subject to revision or amendment as appropriate. The Issuer will make available to the purchaser twenty-five (25) copies of the final Official Statement at the Issuer’s expense, and the final Official Statement will be made available to the purchaser by no later than the earlier of the delivery of the Bonds or by the seventh (7th) business day after the day bids on the Bonds are received. If the Issuer’s Municipal Advisor, is provided with the necessary information from the purchaser by 12:00 o’clock noon on the day after the Sale Date, the copies of the final Official Statement will include an additional cover page and other pages, if necessary, indicating the interest rates, rating(s), yields or reoffering prices and the name of the managing underwriter of the Bonds, and any corrections. The purchaser shall

arrange with the Municipal Advisor the method of delivery of the copies of the final Official Statement to the purchaser. Additional copies of the final Official Statement may be obtained by the purchaser at its own expense by arrangement with the printer.

Continuing Disclosure Agreement

As required by the Rule, the Issuer will undertake, pursuant to a Continuing Disclosure Agreement (the “Agreement”), to provide annual financial information and operating data including audited financial statements, notice of the occurrence of certain events with respect to the Bonds within ten (10) business days of such event, and timely notice of any failure by the Issuer to provide annual reports on or before the date specified in the Agreement. A form of the Agreement is attached to the Official Statement as Appendix C. The purchaser’s obligation to purchase the Bonds shall be conditioned upon its receiving, at or prior to delivery of the Bonds, an executed Agreement.

TOWN OF WINDSOR LOCKS, CONNECTICUT

PAUL M. HARRINGTON
First Selectman

CHRISTOPHER LATOURNES
Treasurer

May 9, 2022

ATTACHMENT A

ISSUE PRICE CERTIFICATE

(If Competitive Sale Rule Met)

TOWN OF WINDSOR LOCKS, CONNECTICUT
\$ _____ GENERAL OBLIGATION BONDS, ISSUE OF 2022
Dated June 1, 2022

The undersigned, on behalf of [UNDERWRITER] (“[SHORT NAME OF UNDERWRITER]”), hereby certifies as set forth below with respect to the sale of the above-captioned obligations (the “Bonds”).

1. ***Due Authorization.*** The undersigned is a duly authorized representative of [SHORT NAME OF UNDERWRITER], the purchaser of the Bonds.

2. ***Purchase Price.*** The TOWN OF WINDSOR LOCKS, CONNECTICUT (the “Issuer”) sold to [SHORT NAME OF UNDERWRITER], for delivery on or about June 1, 2022, the Bonds at a price of par (\$ _____), plus an aggregate net premium of \$ _____ and less an underwriter’s discount of \$ _____, resulting in an aggregate net purchase price of \$ _____.

3. ***Reasonably Expected Initial Offering Price.***

(a) As of May 17, 2022 (the “Sale Date”), the reasonably expected initial offering prices of the Bonds to the Public by [SHORT NAME OF UNDERWRITER] are the prices listed in **Schedule A** (the “Expected Offering Prices”). The Expected Offering Prices are the prices for the Maturities of the Bonds used by [SHORT NAME OF UNDERWRITER] in formulating its bid to purchase the Bonds. Attached as **Schedule B** is a true and correct copy of the bid provided by [SHORT NAME OF UNDERWRITER] to purchase the Bonds.

(b) [SHORT NAME OF UNDERWRITER] was not given the opportunity to review other bids prior to submitting its bid.

(c) The bid submitted by [SHORT NAME OF UNDERWRITER] constituted a firm offer to purchase the Bonds.

4. ***Defined Terms.***

(a) “Maturity” means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

(b) “Public” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than fifty percent (50%) common ownership, directly or indirectly.

(c) “Underwriter” means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this definition to participate in the initial sale of the Bonds to the Public (including a member of the selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the Public).

5. ***Representations and Information.*** The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents [SHORT NAME OF UNDERWRITER]’s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder (collectively, the “Code”). The undersigned understands that the foregoing information will be relied upon by the Issuer in making its certification as to issue price of the Bonds under the Code and with respect to compliance with the federal income tax rules affecting the Bonds. Pullman & Comley, LLC, bond counsel, may rely on the foregoing representations in rendering its opinion on the exclusion from federal gross income of the interest on the Bonds, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer relating to the Bonds. Except as set forth above, no third party may rely on the foregoing certifications, and no party may rely hereon for any other purpose.

IN WITNESS WHEREOF, the undersigned has executed this Certificate as of May 17, 2022.

[UNDERWRITER]

By: _____
Name:
Title:

Schedule A to Issue Price Certificate

<u>Maturity, July 15</u>	<u>Principal Amount (\$)</u>	<u>Interest Rate (%)</u>	<u>Price (\$, not Yield)</u>
2023			
2024			
2025			
2026			
2027			
2028			
2029			
2030			
2031			
2032			
2033			
2034			
2035			
2036			
2037			
2038			
2039			
2040			
2041			
2042			
2043			
2044			
2045			
2046			
2047			
2048			
2049			
2050			
2051			

Schedule B to Issue Price Certificate

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