

SUPPLEMENT TO
OFFICIAL STATEMENT DATED AUGUST 18, 2021

THE METROPOLITAN DISTRICT
HARTFORD COUNTY, CONNECTICUT
\$130,810,000 GENERAL OBLIGATION BONDS, ISSUE OF 2021, SERIES A
\$15,235,000 GENERAL OBLIGATION REFUNDING BONDS, ISSUE OF 2021,
SERIES B (FORWARD DELIVERY)

SUPPLEMENT DATED OCTOBER 22, 2021

The following information, dated October 22, 2021 (this “Supplement”), supplements the Official Statement dated August 18, 2021 (the “Official Statement”) relating to the Series B Bonds (as defined in the Official Statement). This Supplement is referred to in the Official Statement as the Updated Official Statement. Any capitalized terms used in this Supplement and not defined herein have the meanings assigned to them in the Official Statement.

This Supplement is an integral part of the Official Statement. Investors should read this Supplement together with the Official Statement in order to obtain information essential to making an informed investment decision. This Supplement should be affixed to all copies of the Official Statement. The information contained in this Supplement is subject in all respects to the more complete information in the Official Statement, to the extent that such information is not otherwise amended by this Supplement. Except as supplemented, revised or amended by this Supplement, the Official Statement shall remain in effect. The information in this Supplement is subject to change without notice, and investors should not assume that there have been no changes in the affairs of the District since the date of the Official Statement.

The Official Statement is hereby supplemented, revised and amended as follows:

- A. The last sentence of the fourth paragraph under the section entitled “SECURITY AND REMEDIES” on page 5 of the Official Statement is hereby replaced in its entirety as follows:

The District has previously issued \$332,515,000 of Clean Water Project Revenue Bonds (excluding bonds that have been refunded), which are secured by a pledge of and payable solely from the District’s Clean Water Project Charge (previously known as the Special Sewer Service Surcharge), \$325,405,000 of which are currently outstanding.

- B. The next to last sentence in the paragraph immediately following the table entitled “SEWER USER CHARGE” on page 30 of the Official Statement is hereby replaced in its entirety as follows:

As of November 3, 2021, the District will have issued \$332,515,000 in Clean Water Project Revenue Bonds, of which \$325,405,000 remains outstanding.

C. The table entitled “PRINCIPAL AMOUNT OF INDEBTEDNESS – THE DISTRICT” under Part II INFORMATION CONCERNING THE METROPOLITAN DISTRICT – VIII. DEBT SUMMARY on page 77 of the Official Statement is hereby replaced in its entirety as follows:

PRINCIPAL AMOUNT OF INDEBTEDNESS – THE DISTRICT¹

As of November 3, 2021 (Pro Forma)

Long-Term Debt				Debt	Date of
Date	Purpose	Rate %	Original Issue	Outstanding As of 11/03/2021	Fiscal Year Maturity
1	06/30/02 CWF (405C)	2.00	8,163,200	68,027	2021
2	03/30/03 CWF (267C)	2.00	5,213,046	100,112	2022
3	06/30/03 CWF (494C)	2.00	2,029,367	118,380	2022
4	12/31/03 Drinking Water (200105C)	2.10	2,343,735	205,077	2023
5	12/31/04 CWF (451C)	2.00	3,987,009	517,257	2024
6	10/31/08 CWF (508C)	2.00	1,232,078	369,624	2027
7	12/30/08 CWF (160C)	2.00	1,888,557	535,091	2027
8	12/31/08 CWF (578C)	2.00	2,042,741	594,419	2027
9	02/28/09 CSL (142)	2.00	6,200,000	1,963,333	2028
10	09/30/09 CWF (521C)	2.00	4,240,340	1,360,442	2028
11	09/30/09 CWF (520C)	2.00	4,547,580	1,572,705	2028
12	09/30/09 CSL (149)	2.00	12,710,000	4,395,541	2028
13	06/01/10 General Obligation Refunding Bonds	4.00-5.00	12,845,000	1,245,001	2022
14	01/31/11 CWF (578CD1)	2.00	2,619,264	1,200,496	2030
15	08/31/11 Drinking Water (DWSRF 2010-8008)	2.06	2,579,412	1,139,240	2030
16	02/28/12 Drinking Water (DWSRF 2010-8009)	2.06	772,079	341,001	2030
17	03/31/12 CSL (166)	2.00	21,907,709	10,559,122	2030
18	03/31/12 CWF (619D1)	2.00	12,600,000	6,072,973	2030
19	01/31/13 CWF (626C)	2.00	22,160,848	11,357,434	2032
20	01/31/13 Drinking Water (DWSRF 2010-8009-1)	2.06	193,644	97,281	2030
23	07/15/14 Drinking Water (DWSRF 2013-7012)	2.00	2,780,620	1,633,614	2033
24	08/06/14 General Obligation Series A 2014	3.00-5.00	47,735,000	31,010,000	2034
25	08/06/14 General Obligation Refunding Bonds, Series B 2014	2.00-5.00	14,845,000	2,150,000	2024
27	09/30/14 Drinking Water (DWSRF 2013-7018)	2.00	398,083	237,191	2033
30	03/19/15 General Obligation, Issue of 2015	3.00-5.00	66,740,000	46,835,000	2035
31	03/31/15 Drinking Water (DWSRF 2014-7026)	2.00	1,691,379	1,092,349	2035
32	06/01/15 Drinking Water (DWSRF 2013-7013)	2.00	2,713,243	1,679,949	2034
33	06/30/15 Drinking Water (DWSRF 2013-7017)	2.00	2,013,468	1,291,975	2034
34	06/30/15 Drinking Water (DWSRF 2013-7019)	2.00	1,539,774	975,190	2034
36	09/30/15 Drinking Water (DWSRF 2013-7014)	2.00	4,691,464	3,147,190	2035
37	11/03/15 General Obligation, Series B 2015	2.00-5.00	36,215,000	25,340,000	2035
38	12/30/15 CSL (214)	2.00	14,198,442	9,702,268	2035
39	01/31/16 CWF (652-C)	2.00	25,528,771	18,189,249	2036
40	02/18/16 General Obligation, Series A 2016	2.00-5.00	33,025,000	24,750,000	2036
41	03/31/16 Drinking Water (DWSRF 2014-7029)	2.00	3,173,899	2,076,742	2035
42	04/28/16 General Obligation Refunding Bonds, Series B 2016	2.00-5.00	48,035,000	26,535,000	2028
43	04/29/16 Drinking Water (DWSRF 2014-7021)	2.00	3,809,525	2,476,191	2034
44	05/31/16 Drinking Water (DWSRF 2014-7031)	2.00	3,626,881	2,398,434	2035
45	05/31/16 Drinking Water (DWSRF 2014-7015)	2.00	5,635,824	3,726,936	2035
47	07/31/16 Drinking Water (DWSRF 2014-7030)	2.00	1,892,813	1,301,309	2035
48	07/31/16 CWF (657-C)	2.00	33,352,916	24,597,775	2036
49	09/01/16 Drinking Water (DWSRF 2014-7033)	2.00	1,501,320	1,093,066	2035
50	09/01/16 Drinking Water (DWSRF 2016-7035)	2.00	2,203,262	1,604,129	2035
51	09/01/16 Drinking Water (DWSRF 2016-7042)	2.00	825,335	600,902	2035
52	12/01/16 General Obligation, Series C 2016	4.00-5.00	108,315,000	82,815,000	2034
53	12/31/16 Drinking Water (DWSRF 2014-7032)	2.00	3,162,716	2,378,795	2036
54	01/31/17 CWF (652-C1)	2.00	27,234,976	20,766,670	2037
55	02/28/17 Drinking Water (DWSRF 2016-7043)	2.00	1,129,379	855,444	2036
56	02/28/17 Drinking Water (DWSRF 2016-7047)	2.00	3,004,951	2,276,090	2036
57	04/30/17 Drinking Water (DWSRF 2016-7044)	2.00	2,754,227	2,065,670	2036
58	07/31/17 CWF (657-C1)	2.00	40,852,370	32,171,242	2037
60	07/31/17 Drinking Water (DWSRF 2016-7045)	2.00	2,445,859	1,864,967	2037
61	01/31/18 CWF (692-C)	2.00	46,785,354	38,013,101	2038
62	06/29/18 Drinking Water (DWSRF 2016-7046)	2.00	3,051,182	2,466,372	2037
63	07/31/18 General Obligation, Series 2018	3.25-5.00	110,770,000	94,155,000	2039
64	07/31/18 CWF (657-C2)	2.00	52,655,657	44,099,113	2038
65	12/03/18 CWF (215-C)	2.00	10,306,693	8,803,633	2039
66	01/31/19 CWF (692-C1)	2.00	31,761,844	27,394,591	2039
67	03/29/19 Drinking Water (DWSRF 2018-7061)	2.00	1,892,634	1,641,900	2039
68	04/30/19 CWF (652-C2)	2.00	21,862,088	18,867,282	2037
69	04/30/19 Drinking Water (DWSRF 2017-7055)	2.00	1,691,022	1,474,224	2039
70	06/30/19 CWF (657-C3)	2.00	17,782,244	15,263,092	2038
71	07/31/19 Drinking Water (DWSRF 2018-7062)	2.00	1,814,906	1,605,493	2039
72	08/08/19 General Obligation, Series A 2019	4.00-5.00	76,500,000	68,850,000	2039
73	08/08/19 General Obligation Refunding Bonds, Series B 2019	2.375-5.00	49,305,000	43,000,000	2035
74	08/08/19 General Obligation Refunding Bonds, Series C 2019	4.00-5.00	32,070,000	30,125,000	2040
75	02/28/20 CWF (697DC)	2.00	15,019,750	12,954,534	2039
76	04/30/20 CWF (692-C2)	2.00	33,394,334	30,586,846	2039
77	05/31/20 CWF (691-C)	2.00	190,810	176,948	2039
78	07/31/20 CWF (221-CSL)	2.00	2,091,106	1,957,061	2040
79	08/08/20 Clean Water Projects Revenue Bonds, 2020A	5.00	55,010,000	50,000,000	2045
80	08/08/20 Clean Water Projects Revenue Ref. Bonds Taxable, 2020B	0.361-2.562	76,065,000	73,965,000	2039
81	09/04/20 Drinking Water (DWSRF 2019-7074)	2.00	2,046,805	1,924,347	2040
82	01/31/21 CWF (692-C3)	2.00	17,428,534	17,205,090	2041
83	01/31/21 Drinking Water (DWSRF 2020-7086)	2.00	1,300,671	1,283,852	2039
84	06/30/21 CWF (657-C4)	2.00	4,936,047	4,870,813	2040
85	06/30/21 CWF (219-CSL)	2.00	27,216,464	26,866,038	2040
86	08/31/21 General Obligation, Series A 2021	4.00-5.00	130,810,000	130,810,000	2041
87	08/31/21 General Obligation Refunding Bonds, Series B 2021	5.00	15,235,000	15,235,000	2033
88	11/03/21 Clean Water Project Revenue Bonds, Issue of 2021, Series A	4.00-5.00	66,030,000	66,030,000	2041
89	11/03/21 Clean Water Project Revenue Bonds, Issue of 2021, Series B	0.42-2.95	135,410,000	135,410,000	2042
	Total Long-Term Debt		\$1,717,780,250	\$1,388,485,228	

D. The second paragraph under the section entitled “Short-Term Debt:” on page 78 of the Official Statement is hereby replaced in its entirety as follows:

As of November 3, 2021, the District anticipates having \$85,887,187 of outstanding Interim Funding Obligations (“IFOs”) issued under the State’s Clean Water Fund Program and Drinking Water State Revolving Fund Program. See “Clean Water Fund Program”. As of November 3, 2021, the amount drawn to date is \$37,356,784.

E. The tables entitled “ANNUAL BONDED DEBT MATURITY SCHEDULE - THE DISTRICT – Schedule A – General Obligation Bonds”, “ANNUAL BONDED DEBT MATURITY SCHEDULE - THE DISTRICT – Schedule B – Clean Water Project Revenue Bonds” and “ANNUAL BONDED DEBT MATURITY SCHEDULE - THE DISTRICT – Combined Schedules A and B Outstanding Debt” on pages 79 through 80 of the Official Statement are hereby replaced in their entirety as follows:

ANNUAL BONDED DEBT MATURITY SCHEDULE - THE DISTRICT^{1,2}
As of November 3, 2021 (Pro Forma)

Schedule A – General Obligation Bonds

Fiscal Year	Outstanding			Issue of	Issue of	Cumulative
Ending	Principal	Interest	Total	2021 Series	2021 Series	Percent
				A Bonds	B Bonds	Retired
2021	\$5,087,760	\$1,991,804	\$7,079,564			0.48%
2022	64,812,250	29,094,556	93,906,806	\$4,215,000	\$1,330,000	7.10%
2023	63,375,283	26,810,742	90,186,025	4,400,000	1,145,000	13.58%
2024	62,990,123	24,577,457	87,567,581	4,575,000	1,170,000	20.05%
2025	63,786,695	22,481,217	86,267,912	4,755,000	1,195,000	26.61%
2026	63,896,695	20,262,400	84,159,095	4,945,000	1,220,000	33.20%
2027	63,711,764	18,161,382	81,873,146	5,145,000	1,245,000	39.79%
2028	62,817,700	16,170,763	78,988,463	5,400,000	1,265,000	46.33%
2029	58,455,870	14,208,108	72,663,978	5,670,000	1,290,000	52.48%
2030	57,875,020	12,407,475	70,282,496	5,955,000	1,310,000	58.61%
2031	53,861,037	10,523,220	64,384,257	6,250,000	1,335,000	64.39%
2032	52,815,332	8,771,397	61,586,728	6,560,000	1,355,000	70.10%
2033	52,750,088	7,108,095	59,858,183	6,890,000	1,375,000	75.84%
2034	52,516,415	5,420,829	57,937,245	7,165,000		81.45%
2035	42,384,147	3,760,624	46,144,771	7,455,000		86.14%
2036	32,869,156	2,598,757	35,467,913	7,755,000		89.96%
2037	27,167,797	1,702,883	28,870,680	8,065,000		93.28%
2038	21,763,268	982,176	22,745,444	8,385,000		96.11%
2039	9,220,301	415,766	9,636,068	8,720,000		97.80%
2040	4,804,046	119,394	4,923,439	9,070,000		99.11%
2041	74,481	124	74,605	9,435,000		100.00%
Totals	\$917,035,228	\$227,569,168	\$1,144,604,399	\$130,810,000	\$15,235,000	

Schedule B – Clean Water Project Revenue Bonds^{1,2}

Fiscal Year Ending 12/31	Outstanding Principal	Interest	Total	Issue of 2021 Series A Bonds	Issue of 2021 Series B Bonds	Cumulative Percent Retired
2021						
2022	\$5,330,000	\$4,106,639	\$9,436,639	\$5,180,000	\$5,440,000	4.90%
2023	2,780,000	3,938,666	6,718,666	4,470,000	5,450,000	8.80%
2024	2,795,000	3,799,666	6,594,666	4,585,000	5,475,000	12.75%
2025	2,815,000	3,659,916	6,474,916	4,705,000	5,525,000	16.76%
2026	5,430,000	3,508,346	8,938,346	4,830,000	5,590,000	21.63%
2027	5,520,000	3,307,582	8,827,582	4,955,000	5,670,000	26.60%
2028	5,615,000	3,098,146	8,713,146	5,095,000	5,755,000	31.66%
2029	5,900,000	2,879,122	8,779,122	5,230,000	5,855,000	36.88%
2030	6,125,000	2,650,306	8,775,306	5,370,000	5,980,000	42.25%
2031	8,365,000	2,394,081	10,759,081	5,525,000	6,100,000	48.39%
2032	9,705,000	2,089,342	11,794,342	5,300,000	6,235,000	54.92%
2033	2,470,000	1,841,677	4,311,677	4,800,000	6,385,000	59.11%
2034	10,895,000	1,654,781	12,549,781	885,000	6,545,000	64.74%
2035	9,850,000	1,375,230	11,225,230	710,000	6,720,000	70.05%
2036	9,650,000	1,123,608	10,773,608	660,000	6,895,000	75.34%
2037	8,500,000	875,342	9,375,342	690,000	7,085,000	80.34%
2038	8,400,000	642,235	9,042,235	715,000	7,295,000	85.39%
2039	8,305,000	410,773	8,715,773	745,000	7,510,000	90.47%
2040	810,000	275,750	1,085,750	775,000	7,735,000	93.34%
2041	850,000	235,250	1,085,250	805,000	7,965,000	96.30%
2042	895,000	192,750	1,087,750		8,200,000	99.09%
2043	940,000	148,000	1,088,000			99.38%
2044	985,000	101,000	1,086,000			99.68%
2045	1,035,000	51,750	1,086,750			100.00%
Totals	\$123,965,000	\$44,359,958	\$168,324,958	\$66,030,000	\$135,410,000	

Combined Schedules A and B Outstanding Debt

Total Outstanding Principal	Total Interest¹	Total
\$1,388,485,228	\$271,929,126	\$1,660,414,354

¹Excludes interest payments for the Bonds to be issued November 3, 2021

F. The information and the table entitled “OVERLAPPING AND UNDERLYING NET DEBT THE DISTRICT AND MEMBER MUNICIPALITIES” on page 81 of the Official Statement is hereby replaced in its entirety as follows:

**OVERLAPPING AND UNDERLYING NET DEBT
THE DISTRICT AND MEMBER MUNICIPALITIES⁵**

As of November 3, 2021 (Pro Forma)

Member Municipalities	Share of Net District Debt ¹	Net Direct District Debt Applicable to Member Municipalities		Underlying Debt Issued Since 6/30/2020	Underlying Net Debt Applicable to District
		as of 11/3/2021 ²	Debt of Member Municipalities		
Bloomfield.....	6.16%	\$49,707,767	\$68,125,000	\$9,405,000	\$77,530,000
East Hartford.....	9.09	73,351,234	41,695,000		41,695,000
Hartford.....	25.58	206,416,344	495,323,064 ^{3,4}		495,323,064
Newington.....	8.19	66,088,736	26,360,000		26,360,000
Rocky Hill.....	23.05	186,000,654	84,410,000	11,350,000	95,760,000
West Hartford.....	11.69	94,331,785	135,194,928	345,895,000	481,089,928
Wethersfield.....	7.4	59,713,876	44,620,000		44,620,000
Windsor.....	8.84	71,333,873	64,640,000	36,345,000	100,985,000
Totals.....	100.00%	\$806,944,268	\$960,367,992	\$402,995,000	\$1,363,362,992

G. The table entitled “DEBT STATEMENT – THE DISTRICT” and its footnote 3, and the table entitled “CURRENT DEBT RATIOS – THE DISTRICT” on page 82 of the Official Statement are hereby replaced in their entirety as follows:

DEBT STATEMENT - THE DISTRICT

As of November 3, 2021 (Pro Forma)

LONG TERM DEBT

Water (Self-Supporting).....	\$195,915,741
Sewer.....	188,623,045
Combined Projects ¹	135,959,593
Clean Water Project ²	721,941,849

THIS ISSUE

Series A Bonds (<i>This Issue - New Money</i>)	53,050,000
Series A Bonds (<i>This Issue - Permanently Financing Prior Note</i>)..	77,760,000
Series B Bonds (<i>This Issue - Refunding</i>)	15,235,000

TOTAL LONG TERM DEBT **\$1,388,485,228**

SHORT TERM DEBT

CWF/DWSRF - IFO's ³	85,887,187
--------------------------------------	------------

TOTAL DIRECT DEBT **\$1,474,372,415**

Less:

Debt Not Subject to Debt Limitation ⁴	667,428,147
--	-------------

TOTAL DIRECT NET DEBT..... **\$806,944,268**

NET UNDERLYING DEBT - Member Municipalities⁵..... **1,363,362,992**

DIRECT NET DEBT PLUS NET UNDERLYING..... **\$2,170,307,260**

³ Interim Funding Obligations (“IFO’s”) issued under the Clean Water Fund and Drinking Water State Revolving Fund programs total \$85,887,187; funds drawn to date total \$37,356,784.

CURRENT DEBT RATIOS – THE DISTRICT
 As of November 3, 2021 (Pro Forma)

Population ¹	362,877
Net Taxable Grand List - 10/1/20 @ 70% of full value	\$26,306,659,480
Estimated Full Value ³	\$37,580,942,114
Equalized Net Taxable Grand List - 2018 ⁴	\$40,372,381,270

	Total Direct Debt \$1,478,899,734	Total Net Direct Debt \$882,101,548	Total Overall Net Debt \$2,245,464,540
Per Capita.....	\$4,075.48	\$2,430.86	\$6,187.95
Ratio to Net Taxable Grand List.....	5.62%	3.35%	8.54%
Ratio to Estimated Full Value.....	3.94%	2.35%	5.98%
Ratio to Equalized Grand List.....	3.66%	2.18%	5.56%

H. The table entitled “STATEMENT OF STATUTORY DEBT LIMITATION – THE DISTRICT” and the “Note” under such table on page 90 of the Official Statement are hereby replaced in their entirety as follows:

**STATEMENT OF STATUTORY DEBT LIMITATION ³
THE DISTRICT**

As of November 3, 2021 (Pro Forma)

COMBINED 2020 NET TAXABLE GRAND LISTS OF MEMBER MUNICIPALITIES	\$26,344,923,810
DEBT LIMIT - 5% of combined Grand Lists ¹	<u>\$1,317,246,191</u>
INDEBTEDNESS:	
Water General Obligation Bonds	\$148,960,815
DWSRF Project Loan Obligations	46,954,926
Sewer General Obligation Bonds	161,764,594
CWF Project Loan Obligations	26,858,452
Clean Water Project General Obligation Bonds ²	30,125,000
Clean Water Project Revenue Bonds ²	325,405,000
Clean Water Project CWF Project Loan Obligations ²	366,411,849
Combined General Obligation Bonds	135,959,593
<i>THIS ISSUE</i>	
Series A Bonds (<i>This Issue - New Money</i>)	53,050,000
Series A Bonds (<i>This Issue - Permanently Financing Prior Notes</i>)	77,760,000
Series B Bonds (<i>This Issue - Refunding</i>)	15,235,000
TOTAL DIRECT LONG-TERM INDEBTEDNESS	<u>\$1,388,485,228</u>
Outstanding Bonds and Notes	\$0
CWF Interim Funding Obligations	\$74,623,752
DWSRF Interim Funding Obligations	11,263,435
TOTAL DIRECT SHORT-TERM INDEBTEDNESS	<u>\$85,887,187</u>
TOTAL DIRECT INDEBTEDNESS	\$1,474,372,415
Less Outstanding Debt Not Subject to Debt Limitation	
Water General Obligation Bonds	\$148,960,815
DWSRF Project Loan Obligations	46,954,926
DWSRF Interim Funding Obligations	11,263,435
Clean Water Project Revenue Bonds ²	325,405,000
Water Share of Outstanding Water Notes	0
Water's Share of Combined General Obligation Bonds	69,339,392
Series A Bonds (<i>This Issue - New Money</i>)	15,356,637
Series A Bonds (<i>This Issue - Permanently Financing Prior Notes</i>)	41,096,408
Series B Bonds (<i>This Issue - Refunding</i>)	9,051,534
TOTAL DEBT NOT SUBJECT TO DEBT LIMITATION	<u>\$667,428,147</u>
TOTAL NET DIRECT INDEBTEDNESS	\$806,944,268.10
DEBT LIMITATION IN EXCESS OF OUTSTANDING INDEBTEDNESS	<u>\$510,301,922</u>

Note: *The District has issued \$332,515,000 in Clean Water Project Revenue Bonds. The bonds are being repaid from a portion of the Clean Water Project Charge (previously the Special Sewer Service Surcharge) and are not general obligations of the District.*

- I. The table entitled “AUTHORIZED BUT UNISSUED DEBT - THE DISTRICT” on page 91 of the Official Statement are hereby replaced in its entirety as follows:

AUTHORIZED BUT UNISSUED DEBT - THE DISTRICT ¹
As of November 3, 2021 (Pro Forma)

Project	Authorized	Previously Funded	Notes Maturing 9/1/2021	Bonds of This Issue	Debt Authorized but Unissued				Total
					General Purpose	Water	Sewers	Hydroelectric	
Water Capital Improvements.....	\$242,598,903	\$90,072,416	\$37,566,000	\$40,092,000		\$112,434,487			\$112,434,487 ²
Sewer Capital Improvements.....	2,033,421,000	1,455,396,607	32,712,000	58,637,000			\$519,387,393		519,387,393 ^{1,2}
Combined Funding Capital Improvements..	78,700,000	29,821,000	22,907,000	32,081,000	\$16,798,000				16,798,000
Hydroelectric Capital Improvements.....	500,000							\$500,000	500,000
Total.....	\$2,355,219,903	\$1,575,290,023	\$93,185,000	\$130,810,000	\$16,798,000	\$112,434,487	\$519,387,393	\$500,000	\$649,119,880

- J. The last sentence under the section entitled “CAPITAL IMPROVEMENT PROGRAMS AND FUTURE BORROWINGS” on page 98 of the Official Statement is hereby replaced in its entirety as follows:

The revenue bond issuance is expected to close on November 3, 2021.

OFFICIAL STATEMENT DATED AUGUST 18, 2021

REFUNDING AND NEW ISSUE

S&P: AA
MOODY'S: Aa3
See "Ratings" herein.

In the opinion of Bond Counsel, based on existing statutes and court decisions and assuming continuing compliance with certain covenants and procedures relating to requirements of the Internal Revenue Code of 1986, as amended (the "Code"), 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 computing the federal alternative minimum tax. In the opinion of Bond Counsel, based on 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. See Appendix B-1 – Form of Legal Opinion of Bond Counsel and Tax Exemption – Series A Bonds and Appendix B-2 – Form of Legal Opinion of Bond Counsel and Tax Exemption – Series B Bonds.



THE METROPOLITAN DISTRICT
HARTFORD COUNTY, CONNECTICUT

**\$130,810,000 GENERAL OBLIGATION BONDS, ISSUE OF 2021, SERIES A
BOOK-ENTRY-ONLY**

Dated: Date of Delivery

Due: September 1, as shown on inside cover page

**\$15,235,000 GENERAL OBLIGATION REFUNDING BONDS, ISSUE OF 2021,
SERIES B (FORWARD DELIVERY)
BOOK-ENTRY-ONLY**

Dated: Date of Delivery

Due: February 1, as shown on inside cover page

The \$130,810,000 General Obligation Bonds, Issue of 2021, Series A (the "Series A Bonds"), and the \$15,235,000 General Obligation Refunding Bonds, Issue of 2021, Series B (Forward Delivery) (the "Series B Bonds"), will be general obligations of The Metropolitan District, Hartford County, Connecticut (the "District") and the District will pledge its full faith and credit to pay the principal of and interest on the Series A Bonds and the Series B Bonds when due (see "Security and Remedies" herein). The principal amounts of the Series A Bonds will be due annually on September 1, as set forth on the inside cover page of this Official Statement. Interest on the Series A Bonds will be payable on March 1, 2022 and semiannually thereafter on September 1 and March 1 in each year until maturity or earlier redemption. The principal amounts of the Series B Bonds will be due annually on February 1, as set forth on the inside cover page of this Official Statement. Interest on the Series B Bonds will be payable on February 1, 2022 and semiannually thereafter on August 1 and February 1 in each year until maturity or earlier redemption. **The Series A Bonds and the Series B Bonds are subject to redemption prior to maturity as more fully described herein. See "Redemption" herein.**

The Series A Bonds and the Series B Bonds (collectively, the "Bonds") will be issued by means of a book-entry-only system and registered in the name of Cede & Co., as nominee for The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository for the Bonds. Purchasers of the Bonds will not receive certificates representing their ownership interest in the Bonds. Principal of, redemption premium if any, and interest on the Bonds will be payable by the District (as defined herein) or its agent to DTC or its nominee as registered owner of the Bonds. Ownership of the Bonds may be in principal amounts of \$5,000 or integral multiples thereof. See "Book-Entry-Only Transfer System" herein.

Unless paid from other sources, the Bonds are payable from general tax revenues from member municipalities. The District is authorized to levy unlimited taxes upon the City of Hartford and the Towns of Bloomfield, East Hartford, Newington, Rocky Hill, West Hartford, Wethersfield and Windsor, Connecticut (collectively, the "Member Municipalities"). See "Security and Remedies" herein.

U.S. Bank National Association, 185 Asylum Street, 27th Floor, Hartford, Connecticut will act as Certifying Agent, Registrar, Transfer Agent, and Paying Agent for the Bonds, and Escrow Agent for the Series B Bonds.

The Bonds are offered for delivery when, as and if issued, subject to the approving opinions of Shipman & Goodwin LLP, Bond Counsel, of Hartford, Connecticut. Certain other legal matters will be passed upon for the Underwriters (as defined herein) by their counsel Pullman & Comley, LLC, of Hartford, Connecticut. It is expected that delivery of the Series A Bonds in book-entry-only form will be made to DTC in New York, New York on or about August 31, 2021. It is expected that delivery of the Series B Bonds in book-entry-only form will be made to DTC in New York, New York on or about November 3, 2021, subject to the satisfaction of certain conditions. Potential investors should carefully review the information under the caption "Part I – Information Concerning the Bonds – Bond Information - Certain Considerations Regarding Forward Delivery of the Series B Bonds." The Underwriters reserve the right to obligate investors purchasing the Series B Bonds to execute and deliver to the Underwriters a Delayed Delivery Contract, the form of which is included herein as Appendix D.

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

Raymond James
Morgan Stanley

Goldman Sachs & Co. LLC
Piper Sandler & Co.



**THE METROPOLITAN DISTRICT
HARTFORD COUNTY, CONNECTICUT**

\$130,810,000 GENERAL OBLIGATION BONDS, ISSUE OF 2021, SERIES A

Dated: Date of Delivery

Due: September 1, as shown below

<u>Due September 1</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP†</u>	<u>Due September 1</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP†</u>
2022	\$4,215,000	4.000%	0.070%	416489XQ0	2032	\$6,560,000	5.000%	1.190%*	416489YA4
2023	4,400,000	4.000	0.100	416489XR8	2033	6,890,000	4.000	1.380*	416489YB2
2024	4,575,000	4.000	0.180	416489XS6	2034	7,165,000	4.000	1.420*	416489YC0
2025	4,755,000	4.000	0.310	416489XT4	2035	7,455,000	4.000	1.470*	416489YD8
2026	4,945,000	4.000	0.430	416489XU1	2036	7,755,000	4.000	1.500*	416489YE6
2027	5,145,000	5.000	0.600	416489XV9	2037	8,065,000	4.000	1.570*	416489YF3
2028	5,400,000	5.000	0.740	416489XW7	2038	8,385,000	4.000	1.610*	416489YG1
2029	5,670,000	5.000	0.900	416489XX5	2039	8,720,000	4.000	1.650*	416489YH9
2030	5,955,000	5.000	1.020	416489XY3	2040	9,070,000	4.000	1.700*	416489YJ5
2031	6,250,000	5.000	1.120	416489XZ0	2041	9,435,000	4.000	1.730*	416489YK2

* Priced to the September 1, 2031 optional redemption date at a redemption price of 100%; however, any redemption is at the election of the District.

**\$15,235,000 GENERAL OBLIGATION REFUNDING BONDS, ISSUE OF 2021,
SERIES B (FORWARD DELIVERY)**

Dated: Date of Delivery

Due: February 1, as shown below

<u>Due February 1</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP†</u>	<u>Due February 1</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP†</u>
2022	\$1,330,000	5.000%	0.230%	416489YL0	2028	\$1,265,000	5.000%	0.880%	416489YS5
2023	1,145,000	5.000	0.270	416489YM8	2029	1,290,000	5.000	1.000	416489YT3
2024	1,170,000	5.000	0.300	416489YN6	2030	1,310,000	5.000	1.130	416489YU0
2025	1,195,000	5.000	0.400	416489YP1	2031	1,335,000	5.000	1.230	416489YV8
2026	1,220,000	5.000	0.570	416489YQ9	2032	1,355,000	5.000	1.320*	416489YW6
2027	1,245,000	5.000	0.700	416489YR7	2033	1,375,000	5.000	1.380*	416489YX4

* Priced to the February 1, 2031 optional redemption date at a redemption price of 100%; however, any redemption is at the election of the District.

† A registered trademark of the American Bankers Association. CUSIP is provided by Standard & Poor's CUSIP Service Bureau, a Standard & Poor's Financial Services LLC business. CUSIP numbers have been assigned by an independent company not affiliated with the District or the Underwriters and are provided for convenience of reference only. Neither the District nor the Underwriters are responsible for the selection or use of these CUSIP numbers, undertake any responsibility for their accuracy, and makes no representation as to their correctness on the Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds.

This Official Statement does not constitute an offer to sell the Bonds or the solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person in any state or other jurisdiction to any person to whom it is unlawful to make such offer, solicitation or sale in such state or jurisdiction. No dealer, broker, salesperson or any other person has been authorized to give any information or to make any representation other than those contained herein in connection with the offering of the Bonds, and, if given or made, such information or representation must not be relied upon.

The information concerning DTC and the book-entry system set forth herein under the caption “Part I – Information Concerning the Bonds – Bond Information – Book-Entry-Only Transfer System” has been furnished by DTC. Such information is believed to be reliable but is not guaranteed as to accuracy or completeness and is not to be construed as a representation by the District. All other information set forth herein has been obtained from the District and other sources (other than DTC) that are believed to be reliable. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale of the Bonds made hereunder shall create under any circumstances any indication that there has been no change in the affairs of the District or DTC since the date hereof.

IN CONNECTION WITH THE OFFERING OF THE BONDS, THE UNDERWRITERS MAY OVER-ALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS OFFERED HEREBY AT LEVELS ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS IN THIS OFFICIAL STATEMENT

Certain statements included or incorporated by reference in this Official Statement constitute “forward-looking statements.” Such statements are generally identifiable by the terminology used such as “plan,” “expect,” “estimate,” “anticipate,” “project,” “budget” or other similar words. Such forward-looking statements include, among others, certain statements in “Part II – Information Concerning The Metropolitan District” in this Official Statement. The achievement of certain results or other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Neither the District nor any other party plans to issue any updates or revisions to those forward-looking statements if or when their expectations, or events, conditions or circumstances upon which such statements are based occur.

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

The Underwriters (as hereinafter defined) have provided the following sentence for inclusion in this Official Statement. The Underwriters have reviewed the information in this Official Statement in accordance with and as part of their respective responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

[THIS PAGE INTENTIONALLY LEFT BLANK]

TABLE OF CONTENTS

Part I – Information Concerning the Bonds

Series A Bond Issue Summary
 Series B Bond Issue Summary

I. Bond Information

Introduction..... 1
 Description of the Bonds 2
 Redemption..... 2
 Book-Entry-Only Transfer System..... 3
 Security and Remedies 5
 Taxes – Levy, Apportionment, Collection 6
 Considerations for Bondholders 7
 Qualification for Financial Institutions..... 9
 Availability of Continuing Disclosure..... 9
 Authorization and Purpose 10
 Plan of Refunding 10
 Verification of Mathematical Computations 11
 Sources and Uses of Bond Proceeds..... 11
 Use of Series A Bond Proceeds 12
 Ratings 14
 Certain Considerations Regarding Forward Delivery
 of the Series B Bonds..... 14

II. Legal and Other Information

Litigation..... 18
 Underwriting 19
 Legal Matters 20
 Municipal Advisor..... 20
 Concluding Statement..... 21

Part II – Information Concerning The Metropolitan District

I. The Issuer

Description of the District 23
 Effects of COVID-19 Outbreak..... 23
 Organizational Chart..... 25
 The District Board 26
 Distribution of Commission Membership 26
 Powers and Responsibilities of the District Board..... 26
 Consumer Advocate..... 26
 Administration 27
 District Chairs and District Officials 27
 District Employees..... 27
 District Employees Bargaining Units 28
 District Functions..... 28

II. Water Pollution Control

Facilities for Sewer Service..... 29
 Sewer User Charge 30
 Clean Water Project Charge 30
 Clean Water Project 30

III. Water Operations

Facilities for Water Service 33
 Number of Water Customers 33
 Average Daily Consumption 33
 Water Utility Unit Charge 34

IV. Hydroelectric Development Program 35

V. Economic and Demographic Information

Population Trends 36
 Age Distribution of the Population..... 36
 Income Distribution 37
 Income Levels 38
 Educational Attainment 39
 Major Employers within the District 41
 Employment by Industry 42
 Employment Data 43
 Age Distribution of Housing 44
 Housing Inventory 44
 Owner-Occupied Housing Values 45

VI. Tax Base Data

Tax Collection Procedure..... 47
 Comparative Assessed Valuations 47
 Property Tax Levies and Collections 48
 Ten Largest Taxpayers 51
 Equalized Net Grand List..... 54

VII. Financial Information

Fiscal Year..... 56
 Basis of Accounting and Accounting Policies..... 56
 Budgetary Procedures 56
 Debt Administration Policy 57
 Annual Audit 57
 Pension Plan 58
 Other Post Employment Benefits..... 59
 Investment Policies and Practices 60
 District Cash Management Investment Policy..... 60
 Risk Management..... 61
 Compensated Absences..... 61
 Revenues and Appropriations 62
 Sources of Funds 63
 General Fund Revenues and Expenditures-The District..... 64
 Analysis of General Fund Equity-The District 64
 History of Member Municipality’s Taxation 65
 Water Utility Fund Revenues and Expenditures-The District.. 66
 Hydroelectric Fund Revenues and Expenditures-The District . 67
 General Fund Revenues and Expenditures–
 Member Municipalities 68
 Analysis of General Equity – Member
 Municipalities..... 68

VIII. Debt Summary

Principal Amount of Indebtedness-The District 77
 Clean Water Fund Program..... 78
 Drinking Water State Revolving Fund Program..... 78
 Annual Bonded Debt Maturity Schedule-The District 79
 Overlapping and Underlying Net Debt 81
 Debt Statement 82
 Current Debt Ratios..... 82
 Bond Authorization 88
 Temporary Financing 88
 Limitation on Indebtedness 89
 Statement of Statutory Debt Limitation-The District 90
 Authorized But Unissued Debt-The District..... 91
 Principal Amount of Outstanding Debt 91
 Ratio of Direct Debt to Valuation and
 Population -The District..... 93
 Ratio of Direct Debt to Valuation, Population,
 and Income – Member Municipalities 93
 Ratio of Annual Debt Service Expenditures to
 Total General Fund Expenditures..... 95
 Capital Improvement Programs and Future
 Borrowings 98
 Five-Year Capital Improvement Program..... 98
 Ratings 99

Appendix A – Basic Financial Statements
 Appendix B-1 – Form of Legal Opinion of Bond Counsel and Tax Exemption –
 Series A Bonds
 Appendix B-2 – Form of Legal Opinion of Bond Counsel and Tax Exemption –
 Series B Bonds
 Appendix C-1 – Continuing Disclosure Agreement – Series A Bonds
 Appendix C-2 – Continuing Disclosure Agreement – Series B Bonds
 Appendix D – Form of Delayed Delivery Contract

[THIS PAGE INTENTIONALLY LEFT BLANK]

PART I
INFORMATION CONCERNING THE BONDS
THE METROPOLITAN DISTRICT, HARTFORD COUNTY, CONNECTICUT
August 18, 2021

This Official Statement including the cover page, inside cover page, Part I, Part II and the Appendices thereto, of The Metropolitan District, Hartford County, Connecticut (the “District”) is provided for the purpose of presenting certain information relating to the District in connection with the original issuance and sale of \$130,810,000 General Obligation Bonds, Issue of 2021, Series A (the “Series A Bonds”), and \$15,235,000 General Obligation Refunding Bonds, Issue of 2021, Series B (Forward Delivery) (the “Series B Bonds” and together with the Series A Bonds, the “Bonds”) of the District.

Part I of this Official Statement, including the cover page, inside cover page and Appendices thereto, contains information relating to the Bonds. Part II of this Official Statement contains information about the District. The cover page, inside cover page, Part I, Part II and the Appendices thereto should be read collectively and in their entirety.

SERIES A BOND ISSUE SUMMARY

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

Issuer:	The Metropolitan District, Hartford County, Connecticut (the “District”).
Issue:	\$130,810,000 General Obligation Bonds, Issue of 2021, Series A (the “Series A Bonds”).
Dated Date:	Date of Delivery, as defined below.
Interest Due:	March 1, 2022 and semiannually thereafter on September 1 and March 1 in each year until maturity or earlier redemption.
Principal Due:	Serially, September 1, 2022 through 2041, as detailed on the inside cover page of this Official Statement.
Authorization and Purpose:	The Series A Bond proceeds will be used to provide funding for permanently financing the District’s \$93,185,000 General Obligation Bond Anticipation Notes maturing on September 1, 2021 (the “Prior Notes”) and to provide funding for various sewer, water and public improvement projects of the District. See “Part I – Information Concerning the Bonds - Bond Information - Authorization and Purpose” herein.
Redemption:	The Series A Bonds <u>are</u> subject to redemption prior to maturity as more fully described herein. See “Part I – Information Concerning the Bonds – Bond Information – Redemption” herein.
Security:	The Series A Bonds will be general obligations of the District payable, unless paid from other sources, from general property tax revenues from the City of Hartford and the Towns of Bloomfield, East Hartford, Newington, Rocky Hill, West Hartford, Wethersfield and Windsor, Connecticut (collectively, the “Member Municipalities”). The District is authorized to levy unlimited taxes upon the Member Municipalities comprising the District proportionately as provided in the District’s Charter (see “Part II – Information Concerning The Metropolitan District – I. The Issuer – Description of the District”), to pay the principal of and interest on the Series A Bonds when due. See “Part I – Information Concerning the Bonds - Bond Information - Security and Remedies” herein.
Bond Insurance:	The District does not expect to utilize credit enhancement, however reserves the right to do so at its discretion.
Credit Ratings:	The District received credit ratings of “Aa3”, with a stable outlook from Moody’s Investors Service, Inc. (“Moody’s”) and “AA”, with a stable outlook from S&P Global Ratings (“S&P”) on the Series A Bonds. See “Part I – Information Concerning the Bonds - Bond Information - Ratings” herein.
Tax Exemption:	See Appendix B-1 – Form of Legal Opinion of Bond Counsel and Tax Exemption – Series A Bonds.
Bank Qualification:	The Series A Bonds shall not be designated by the District 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 Series A Bonds.
Continuing Disclosure:	In accordance with the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission, the District will agree to provide, or cause to be provided, (i) annual financial information and operating data with respect to the Series A Bonds, (ii) timely notices of the occurrence of certain events, within 10 business days of the occurrence of such events, with respect to the Series A Bonds, and (iii) timely notice of a failure by the District to provide the required annual financial information on or before the date specified in the Continuing Disclosure Agreement, with respect to the Series A Bonds, pursuant to a Continuing Disclosure Agreement to be executed by the District substantially in the form of Appendix C-1 to this Official Statement.
Registrar, Transfer Agent, Certifying Agent and Paying Agent:	U.S. Bank National Association, 185 Asylum Street, 27th Floor, Hartford, Connecticut.
Legal Opinion:	Shipman & Goodwin LLP Hartford, Connecticut, will serve as Bond Counsel and will render its legal opinion on the Series A Bonds in substantially the form set forth in Appendix B-1 to this Official Statement.
Delivery and Payment:	It is expected that delivery of the Series A Bonds in book-entry-only form will be made to The Depository Trust Company on or about August 31, 2021 (the “Date of Delivery”).
Issuer Official:	Questions concerning the District and the Series A Bonds should be addressed to: Robert Barron, Chief Financial Officer/Treasurer, Telephone: 860-513-3345, The Metropolitan District, Hartford County, 555 Main Street, First Floor, Hartford, Connecticut 06103.
Municipal Advisor:	Hilltop Securities Inc., 12 Breakneck Hill Road, Suite 200, Lincoln, Rhode Island 02865, attention: Adam Krea, Director, Telephone: 401-334-4963.

SERIES B BOND ISSUE SUMMARY

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

Issuer:	The Metropolitan District, Hartford County, Connecticut (the “District”).
Issue:	\$15,235,000 General Obligation Refunding Bonds, Issue of 2021, Series B (Forward Delivery) (the “Series B Bonds”).
Dated Date:	The Settlement Date, as defined below.
Interest Due:	February 1, 2022 and semiannually thereafter on August 1 and February 1 in each year until maturity or earlier redemption.
Principal Due:	Serially, February 1, 2022 through 2033, as detailed on the inside cover page of this Official Statement.
Authorization and Purpose:	The Series B Bond proceeds will be used to refund, on a forward-delivery basis, at or prior to maturity any or all of the principal amounts outstanding for the District’s General Obligation Bonds, Issue of 2013, Series A, including applicable interest. See “Part I – Information Concerning the Bonds - Bond Information - Authorization and Purpose” and “Plan of Refunding” herein.
Redemption:	The Series B Bonds <u>are</u> subject to redemption prior to maturity as more fully described herein. See “Part I – Information Concerning the Bonds – Bond Information – Redemption” herein.
Security:	The Series B Bonds will be general obligations of the District payable, unless paid from other sources, from general tax revenues from the City of Hartford and the Towns of Bloomfield, East Hartford, Newington, Rocky Hill, West Hartford, Wethersfield and Windsor, Connecticut (collectively, the “Member Municipalities”). The District is authorized to levy unlimited taxes upon the Member Municipalities comprising the District, proportionately as provided in the District’s Charter (see “Part II – Information Concerning The Metropolitan District – I. The Issuer – Description of the District”), to pay the principal of and interest on the Series B Bonds when due. See “Part I – Information Concerning the Bonds - Bond Information - Security and Remedies” herein.
Bond Insurance:	The District does not expect to utilize credit enhancement, however reserves the right to do so at its discretion.
Credit Ratings:	The District received credit ratings of “Aa3”, with a stable outlook from Moody’s Investors Service, Inc. (“Moody’s”) and “AA”, with a stable outlook from S&P Global Ratings (“S&P”) on the Series B Bonds. See “Part I – Information Concerning the Bonds - Bond Information - Ratings” herein.
Tax Exemption:	See Appendix B-2 – Form of Legal Opinion of Bond Counsel and Tax Exemption – Series B Bonds.
Bank Qualification:	The Series B Bonds <u>shall not</u> be designated by the District 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 Series B Bonds.
Continuing Disclosure:	In accordance with the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission, the District will agree to provide, or cause to be provided, (i) annual financial information and operating data with respect to the Series B Bonds, (ii) timely notices of the occurrence of certain events, within 10 business days of the occurrence of such events, with respect to the Series B Bonds, and (iii) timely notice of a failure by the District to provide the required annual financial information on or before the date specified in the Continuing Disclosure Agreement, with respect to the Series B Bonds, pursuant to a Continuing Disclosure Agreement to be executed by the District substantially in the form of Appendix C-2 to this Official Statement.
Registrar, Transfer Agent, Certifying Agent, Paying Agent and Escrow Agent:	U.S. Bank National Association, 185 Asylum Street, 27th Floor, Hartford, Connecticut.
Legal Opinion:	Shipman & Goodwin LLP Hartford, Connecticut, will serve as Bond Counsel and will render its legal opinion on the Series B Bonds in substantially the form set forth in Appendix B-2 to this Official Statement.
Delivery and Payment:	It is expected that delivery of the Series B Bonds in book-entry-only form will be made to The Depository Trust Company on or about November 3, 2021 (the “Settlement Date”).
Issuer Official:	Questions concerning the District and the Series B Bonds should be addressed to: Robert Barron, Chief Financial Officer/Treasurer, Telephone: 860-513-3345, The Metropolitan District, Hartford County, 555 Main Street, First Floor, Hartford, Connecticut 06103.
Municipal Advisor:	Hilltop Securities Inc., 12 Breakneck Hill Road, Suite 200, Lincoln, Rhode Island 02865, attention: Adam Krea, Director, Telephone: 401-334-4963.

[THIS PAGE INTENTIONALLY LEFT BLANK]

I. BOND INFORMATION

INTRODUCTION

This Official Statement, including the cover page, inside cover page and Appendices, is provided for the purpose of presenting certain information relating to The Metropolitan District, Hartford County, Connecticut (the “District”) in connection with the issuance of \$130,810,00 General Obligation Bonds, Issue of 2021, Series A (the “Series A Bonds”), and \$15,235,000 General Obligation Refunding Bonds, Issue of 2021, Series B (Forward Delivery) (the “Series B Bonds”, and together with the Series A Bonds, the “Bonds”) of the District.

This Official Statement is not to be construed as a contract or agreement between the District and the purchasers or holders of any of the Bonds. Any statement made in this Official Statement involving matters of opinion or estimates is not intended to be a representation of fact, and no representation is made that any such opinion or estimate will be realized. Neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the District since the date hereof. All quotations from and summaries and explanations of provisions of statutes, charters, or other laws and acts and proceedings of the District contained herein do not purport to be complete and are qualified in their entirety by reference to the original official documents, and all references to the Bonds and the proceedings of the District relating thereto are qualified in their entirety by reference to the definitive form of the Bonds and such proceedings.

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

Hilltop Securities Inc. (“HilltopSecurities” or the “Municipal Advisor”) is engaged as Municipal Advisor to the District in connection with the issuance of the Bonds. The Municipal Advisor’s fee for services rendered with respect to the sale of the Bonds is contingent upon the issuance and delivery of the Bonds. HilltopSecurities, in its capacity as Municipal Advisor, does not assume any responsibility for the information, covenants and representations contained in any of the legal documents with respect to the federal income tax status of the Bonds, or the possible impact of any present, pending or future actions taken by any legislative or judicial bodies.

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

Bond Counsel is not passing upon and do not assume responsibility for the accuracy or adequacy of the statements made in this Official Statement (other than matters expressly set forth as their opinions in Appendix B-1 and in Appendix B-2 herein), and it makes no representation that it has independently verified the same.

Bond Counsel express no opinion regarding any tax consequences related to the ownership or disposition of, or the accrual or receipt of interest on, the Bonds other than as set forth in Appendix B-1 – Form of Legal Opinion of Bond Counsel and Tax Exemption – Series A Bonds and Appendix B-2 – Form of Legal Opinion of Bond Counsel and Tax Exemption – Series B Bonds.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITERS MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS AT LEVELS ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

DESCRIPTION OF THE BONDS

The Series A Bonds will be dated the date of delivery and will mature in annual installments on September 1 in each of the years and in the principal amounts set forth on the inside cover page hereof. The Series A Bonds will be issued in denominations of \$5,000 or any integral multiples thereof. Interest on the Series A Bonds will be payable semiannually on March 1 and September 1 in each year until maturity, commencing on March 1, 2022, and will be payable to the registered owners of the Series A Bonds as of the close of business on the fifteenth day of February and August in each year, or the preceding business day if the fifteenth day is not a business day. Interest will be calculated on the basis of a 360-day year, consisting of twelve 30-day months. A book-entry-only transfer system will be employed evidencing ownership of the Series A Bonds with transfers of ownership on the records of The Depository Trust Company, New York, New York (“DTC”), and its participants pursuant to rules and procedures established by DTC and its participants. See “Book-Entry-Only Transfer System” herein. The Certifying Agent, Paying Agent, Registrar, and Transfer Agent for the Series A Bonds will be U.S. Bank National Association, 185 Asylum Street, 27th Floor, Hartford, Connecticut. The legal opinion on the Series A Bonds will be rendered by Shipman & Goodwin LLP in substantially the form set forth in Appendix B-1 to this Official Statement.

The Series B Bonds will be dated the date of delivery and will mature in annual installments on February 1 in each of the years and in the principal amounts set forth on the inside cover page hereof. The Series B Bonds will be issued in denominations of \$5,000 or any integral multiples thereof. Interest on the Series B Bonds will be payable semiannually on February 1 and August 1 in each year until maturity, commencing on February 1, 2022, and will be payable to the registered owners of the Series B Bonds as of the close of business on the fifteenth day of January and July in each year, or the preceding business day if the fifteenth day is not a business day. Interest will be calculated on the basis of a 360-day year, consisting of twelve 30-day months. A book-entry-only transfer system will be employed evidencing ownership of the Series B Bonds with transfers of ownership on the records of DTC, and its participants pursuant to rules and procedures established by DTC and its participants. See “Book-Entry-Only Transfer System” herein. The Certifying Agent, Paying Agent, Registrar, Transfer Agent and Escrow Agent for the Series B Bonds will be U.S. Bank National Association, 185 Asylum Street, 27th Floor, Hartford, Connecticut. The legal opinion on the Series B Bonds will be rendered by Shipman & Goodwin LLP in substantially the form set forth in Appendix B-2 to this Official Statement.

The Series A Bonds and the Series B Bonds are subject to redemption prior to maturity as more fully described herein. See “Redemption” herein.

REDEMPTION

The Series A Bonds maturing on or before September 1, 2031 are **not** subject to redemption prior to maturity. The Series A Bonds maturing on September 1, 2032 and thereafter are subject to redemption prior to maturity, at the option of the District, on and after September 1, 2031, at any time in whole or in part and by lot within a maturity in such amounts and in such order of maturity as the District may determine, at the redemption prices (expressed as a percentage of the principal amount of the Series A Bonds to be redeemed) set forth in the following table, plus accrued interest and unpaid interest, to the redemption date:

<u>Period During Which Redeemed</u>	<u>Redemption Price</u>
September 1, 2031 and thereafter	100%

The Series B Bonds maturing on or before February 1, 2031 are **not** subject to redemption prior to maturity. The Series B Bonds maturing on February 1, 2032 and thereafter are subject to redemption prior to maturity, at the option of the District, on and after February 1, 2031, at any time in whole or in part and by lot within a maturity in such amounts and in such order of maturity as the District may determine, at the redemption prices (expressed as a percentage of the principal amount of the Series B Bonds to be redeemed) set forth in the following table, plus accrued interest and unpaid interest, to the redemption date:

<u>Period During Which Redeemed</u>	<u>Redemption Price</u>
February 1, 2031 and thereafter	100%

Notice of redemption for the Bonds shall be given by the District or its agent by mailing a copy of the redemption notice by first class mail not less than twenty (20) days prior to the redemption date to the registered owner of such

Bonds designated for redemption in whole or in part at the address of such registered owner as the name 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. So long as Cede & Co., as nominee of the Depository Trust Company (“DTC”), is the registered owner of the Bonds, notice of redemption will be sent only to DTC (or a successor securities depository) or its successor nominee.

If less than all the Bonds of any one maturity shall be called for redemption, the particular Bonds or portions of Bonds of such maturity to be redeemed shall be selected by lot in such manner as the District in its discretion may determine, provided, however, that the portion of any Bonds to be redeemed shall be in the principal amount of \$5,000 or integral multiples 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 District or its agent, so long as a book-entry system is used for the Bonds, will send any notice of redemption only to DTC (or a successor securities depository) or its nominee. Any failure of DTC to advise any DTC Participant, or of any DTC Participant or Indirect Participant to notify any Indirect Participant or Beneficial Owner, of any such notice and its content or effect will not affect the validity of the redemption of such Bonds called for redemption. See “Book-Entry-Only Transfer System” herein for a discussion of DTC, “Direct Participants”, “Indirect Participants” and “Beneficial Owners”. Redemption of a portion of the Bonds of any maturity by the District 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 DTC Participants in the Bonds to be redeemed, the interest to be reduced by such redemptions in accordance with its own rules or other agreements with DTC Participants. The DTC Participants and Indirect Participants may allocate reductions of the interest in the Bonds to be redeemed held by the Beneficial Owners. Any such allocation of interest in the Bonds to be redeemed will not be governed by the determination of the District authorizing the issuance of the Bonds and will not be conducted by the District, or be the responsibility of, the District, the Registrar or Paying Agent, for the Bonds.

BOOK-ENTRY-ONLY TRANSFER SYSTEM

This section describes how ownership of the Bonds is to be transferred and how the principal of, premium, if any, and interest on the Bonds are to be paid to and accredited by DTC while the Bonds are registered in its nominee name. The information in this section concerning DTC and the Book-Entry Only System has been provided by DTC for use in disclosure documents such as this Official Statement. The District believes the source of such information to be reliable, but takes no responsibility for the accuracy or completeness thereof.

The District and the Underwriters cannot and do not give any assurance that (1) DTC will distribute payments of debt service on the Bonds, or redemption or other notices, to DTC Participants, (2) DTC Participants or others will distribute debt service payments paid to DTC or its nominee (as the registered owner of the Bonds), or redemption or other notices, to the Beneficial Owners, or that they will do so on a timely basis, or (3) DTC will serve and act in the manner described in this Official Statement. The current rules applicable to DTC are on file with the Securities and Exchange Commission, and the current procedures of DTC to be followed in dealing with DTC Participants are on file with DTC.

DTC 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 fully-registered Bond certificate will be issued for each maturity of the Bonds in the aggregate principal amount of each maturity, and will be deposited with DTC.

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

Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its 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; nothing contained in such website is incorporated into this official statement.

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 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 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 Bond 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 in an issue are being redeemed, DTC’s practice is to determine by lot, the amount of interest for 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 District 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).

All payments on 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 District or the Paying Agent/Registrar, 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/Registrar, or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment on the Bonds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District or the Paying Agent/Registrar, 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 District or the Paying Agent/Registrar. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The District 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.

Neither the District nor the Underwriters will have any responsibility or obligation to DTC Participants, Indirect Participants or Beneficial Owners with respect to the payments or providing notice to DTC Participants, Indirect Participants or Beneficial Owners.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the District believes to be reliable, but neither the District nor the Underwriter take any responsibility for the accuracy thereof.

Neither the District nor the Underwriters can make 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.

SECURITY AND REMEDIES

The Bonds will be general obligations of the District, and the District 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 tax revenues of the District from Member Municipalities. The District is authorized to levy unlimited taxes upon the Member Municipalities, comprising the District, proportionately as provided in the District's Charter, to pay the principal of and interest on the Bonds, and each Member Municipality is authorized to levy *ad valorem* taxes on all taxable property within its respective limits to pay such District taxes without limitation 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 of qualified disabled persons taxable at limited amounts. Under existing statutes, the State of Connecticut (the "State") is obligated to pay the Member Municipalities the amount of tax revenue which the Member Municipalities would have received except for the limitation on their power to tax such dwelling houses, subject to State appropriations of such amounts. See "Part II – Information Concerning The Metropolitan District – VI. Tax Base Data – Tax Collection Procedure" herein.

Payment of the Bonds is not limited to tax revenues of the District or any other revenue source, but certain revenues of the District are 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 District. There are no statutory provisions for a lien on any portion of the tax levy to secure the Bonds, or judgments thereon, in priority to other claims. The District is authorized to issue revenue bonds for sewer or other projects, which may be secured by a pledge of certain revenues. The District has previously issued \$285,500,000 of Clean Water Project Revenue Bonds (excluding bonds that have been refunded), which are secured by a pledge of and payable solely from the District's Clean Water Project Charge (previously known as the Special Sewer Service Surcharge), \$250,250,000 of which are currently outstanding.

The District is subject to suit on its general obligation debt, and a court of competent jurisdiction has the power in appropriate proceedings to render a judgment against the District. Courts of competent jurisdiction also have the power in appropriate proceedings to order payment of a judgment on such debt from funds lawfully available therefor or, in the absence thereof, to order the District 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 District, and the availability and adequacy of other remedies.

Enforcement of a claim for payment of principal or interest on the debt 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. Under the Federal bankruptcy code, the District may seek relief only, among other requirements, if it is specifically authorized to be a debtor under Chapter 9, Title 11 of the United States Code, or by State law or by a governmental officer or organization empowered by State law to authorize such entity to become a debtor under such Chapter. Section 7-566 of the Connecticut General Statutes, Revision of 1958, as amended (the "General Statutes"), provides that no Connecticut municipality shall file a petition in bankruptcy under Chapter 9, aforesaid, without the express

prior written consent of the Governor. This prohibition applies to any town, city, borough, metropolitan district and any other political subdivision of the State having the power to levy taxes and issue bonds or other obligations.

TAXES – LEVY, APPORTIONMENT, COLLECTION

Under the District’s Charter established by special Connecticut legislation, the District is authorized to levy an annual tax on each of its Member Municipalities, currently payable quarterly, in the aggregate amount sufficient to meet its budgeted expenses. Historically, the District has used its taxing power to meet its sewer expenses. The tax is apportioned among the Member Municipalities on the basis of their respective receipts from direct taxation averaged over the prior three fiscal years. Because these taxes are *ad valorem* based, the District’s tax is often referred to as its “*ad valorem*” tax. If the District is not paid by a Member Municipality when due, the District is entitled to obtain the issuance of an execution against the goods and estate of the inhabitants of such Member Municipality, such execution to be directed to a marshal for the seizure and sale of such goods sufficient to produce funds for payment of the District tax.

The District has never had to execute against the goods and estates of the inhabitants of its Member Municipalities due to the fact that all tax warrants have been paid to the District when due.

The table below illustrates each Member Municipality’s budgeted 2021 and actual 2020 tax warrants from the District.

<u>Member Municipality</u>	<u>Budget 2021</u>	<u>%</u>	<u>Actual 2020</u>	<u>%</u>
Bloomfield	\$3,808,100	7.40	\$3,879,300	7.54
East Hartford	6,015,200	11.69	6,089,300	11.83
Hartford	13,169,100	25.58	13,035,400	25.32
Newington	4,681,000	9.09	4,623,100	8.98
Rocky Hill	3,171,200	6.16	3,144,100	6.11
West Hartford	11,865,500	23.05	11,852,100	23.02
Wethersfield	4,214,100	8.19	4,240,800	8.24
Windsor	<u>4,551,500</u>	<u>8.84</u>	<u>4,611,600</u>	<u>8.96</u>
Total	\$51,475,700	100.00	\$51,475,700	100.00

Source: District Officials

Legislation augments the position of the District with respect to collection of its taxes. Specifically, Public Act No. 17-1 (“Public Act 17-1”) establishes a State response to a default by a Member Municipality. Public Act 17-1 provides that if a Member Municipality has not met its tax obligations to the District through September 1 of a year, then State grants otherwise payable to such Member Municipality in October under Section 12-18b of the General Statutes will be withheld by the State. Such grants are payments for tax exempt property owned by the State and nonprofit institutions. If, by December 1 of a year, the Member Municipality has not met its tax obligation to the District in full, the State will make payment to the District of any defaulted amount. The State is authorized to retain an additional 5% of the withheld amount from what it turns over to the Member Municipality. The District has been advised by counsel that, while there is no controlling precedent, its receipt of such payments from the State should not be subject to the automatic stay provisions of the Federal Bankruptcy Code.

In addition to the District’s already existing powers outlined in its Charter, Public Act 17-1:

- Grants the District authority to levy additional taxes on the Member Municipalities during the fiscal year if a Member Municipality was late in paying, or did not pay, its tax obligations.
- Expands the District’s ability to borrow on a short-term basis to include working capital (operational) purposes, in addition to funding for capital projects, for a term up to three years.

The District believes Public Act 17-1 gives it more flexibility in dealing with issues regarding timely payment of its taxes by the Member Municipalities. For example, the following strategies would be available in the event of a delay or a default in payment:

- The District could finance its current operations with short term notes, in the expectation that the Member Municipality would cure its default or in anticipation of the receipt of defaulted amounts from the State.
- The District could establish a payment plan with a defaulting Member Municipality that could restructure the obligations, financing its current operations in the meantime with short term notes.

- The District need not address the possibility of a default by a Member Municipality in its annual budget in advance of the fact, and instead adopt a mid-year tax reflecting an actual default.
- The District could establish a payment plan for a Member Municipality in meeting a mid-year tax, such that it could be incorporated in the Member Municipality's next annual budget, and finance its current operations in the meantime with short term notes.
- The District retains its right to collect on its tax warrants, including, if necessary, executing on the goods and estate of inhabitants of a defaulting Member Municipality.
- The District could rely on the receipt of a defaulting Member Municipality's state grants payable under Section 12-18b of the General Statutes. For example, for the City of Hartford, this grant has averaged \$40 million per year over the last five fiscal years. Hartford's District tax warrant has totaled less than \$13.2 million per year over the same period.

CONSIDERATIONS FOR BONDHOLDERS

In making an investment decision with respect to the Bonds, investors should consider carefully the information in this Official Statement and, in addition to those investment characteristics of fixed-rate municipal debt obligations, consider the following factors.

Global Health Emergency Risk. The spread of COVID-19, the illness caused by a new coronavirus known as SARS-CoV-2, has affected global, national, state and local economic activity. In response to the spread of the disease, national, state and local governments, businesses and other institutions, and individuals appear to be altering behaviors in a manner that may negatively impact economies. In addition, there has been significant volatility in the U.S. and global stock and bond markets that has been attributed to concerns about the spread of COVID-19. In light of concerns regarding the spread of COVID-19, on January 31, 2020, the Secretary of Health and Human Services (HHS) declared a public health emergency, under section 319 of the Public Health Service Act (42 U.S.C. 247d). On March 13, 2020, the President of the United States found and proclaimed that, beginning March 1, 2020, the COVID-19 outbreak in the United States constituted a national emergency. On February 24, 2021, President Biden extended this designation. On March 10, 2020, the Governor of Connecticut issued declarations of public health and civil preparedness emergencies, and subsequently issued a series of executive orders implementing various actions intended to address the spread of COVID-19. The Governor's emergency powers have been extended by the Connecticut Legislature. To date, the District's COVID-19-related costs were less than \$300,000. The District has not received any grant funding for its COVID-19 related expenses.

The District cannot predict whether consequences arising from the continued spread of the disease will have a material impact on its financial condition, its credit ratings or its ability to repay debt service on its outstanding indebtedness. The District continues to collaborate with state and federal agencies to ensure that all appropriately determined COVID-19 pandemic protocols are followed. The District has not experienced any significant decrease in water usage or revenue, and continues to maintain uninterrupted water and wastewater services, and that trend is expected to continue. Internally, the District has successfully modified its manner of operations to ensure the health and safety of its workforce and the public, and is in a position to adapt to further changes as necessary or as may be required by changing federal and state requirements.

The City of Hartford's financial condition may impact the District. The City of Hartford is the most populous Member Municipality and has recently been responsible for approximately one quarter of the District's annual tax revenues. The City has paid, on time and in full, all of its tax obligations to the District to date. As noted above, the District has a number of tools available to it to manage a default by the City in meeting its future tax obligations, but it could be adversely affected by such a default. In December 2017, the City began operating under the supervision of the State's Municipal Accountability Review Board, and on May 3, 2018 adopted a five-year recovery plan which includes full payment of estimated future *ad valorem* taxes to the District. The State has also agreed to pay to the City contract assistance payments each year equal to the general obligation debt service (which does not include the City's payment obligation to the District) of the City, other than with respect to certain stadium bonds. For further information, see "Part II – Information Concerning The Metropolitan District – VII. Financial Information – The City of Hartford."

General obligation debt of a Member Municipality could be made structurally senior to its tax obligations to the District. Public Act No. 17-147, effective July 7, 2017, authorizes a city or town in Connecticut to refund its outstanding indebtedness through July 1, 2022 by issuing 30 year refunding bonds, and allows the issuer by resolution to grant a statutory lien on its revenues from tax levy and collection to secure the refunding bonds. Chapter 117 of the General Statutes also authorizes a Member Municipality to establish a property tax intercept procedure to secure its general obligation debt. Both provisions could have the effect of causing holders of such general obligation debt of

the Member Municipality to have a prior claim on property tax revenues of the Member Municipality. No Member Municipality has yet granted such a lien or established such an intercept procedure. The ability of the District to collect on its tax warrants against the Member Municipality or to execute on the goods and estate of its inhabitants is not affected.

If the District fails to comply with the terms of certain federal and State environmental orders, it could be subject to penalties or restrictions on its operations that would impair its financial performance. If the District were unable to comply with the terms of the Federal and State orders referred to under “Part II – Information Concerning The Metropolitan District – II. Water Pollution Control – Clean Water Project” herein, regulators could take action to force the District to comply. This could include monetary penalties, injunctive proceedings, and amendments to these orders. These amendments could impose a requirement to proceed more swiftly in the District’s efforts, and this may increase the cost of compliance. In addition, regulators could impose additional and more burdensome conditions in the District’s permits, require redesign of certain aspects of the Clean Water Project or seek to prevent new connections until compliance was achieved. These steps could increase the costs of compliance and therefore increase the District’s rates, adversely affect economic development, and otherwise materially adversely affect the District and its customers.

A significant portion of the District’s Clean Water Project is expected to be funded through federal and State loans and grants. The District currently expects grants and low interest loans from the State Clean Water Fund will fund 25-30% of the costs of the Clean Water Project. If the Clean Water Fund has insufficient resources to fund the Clean Water Project at this level, the District may revise or delay the Clean Water Project, or be required to issue more debt than it expects or seek other financing, which will put the District’s finances under greater pressure. The Clean Water Fund receives significant funding from the State and federal government, and a failure of the State or federal government to continue necessary support could lead to these consequences. The current federal administration could implement a change in approach from the prior administration.

The District faces declining water usage which will put upward pressure on water rates. In recent years, water consumption by the District’s customers has declined, reflecting federal and state conservation efforts and declining residential usage. While the District’s marginal cost of producing water is relatively low, and its supplies are ample, the actual charges to customers reflect its overall capital costs, the Clean Water Project Charge, costs of compliance and a new State water assessment. The District has recently imposed a sewer use charge as an alternative to a portion of its *ad valorem* charges. Increased water rates may lead to further conservation efforts and declining water consumption.

The District has a significant receivable with the State representing disputed contaminated discharges. The State discharges groundwater from the Hartford landfill into the District’s sewers. In 2016, the District determined this discharge to be contaminated, and began charging the State a sewer fee based on its fees for contaminated groundwater. The State has disputed these fees and has not paid them to date. The accumulated receivable to date is \$12.8 million. The District has reserved for this dispute, and such amount is reflected in its *ad valorem* levies on its Member Municipalities.

The District’s ability to collect taxes from a Member Municipality would be impaired if the Member Municipality filed for bankruptcy under the Federal Bankruptcy Code. If a Member Municipality seeks protection from its creditors under the Federal Bankruptcy Code, the ability of the District to collect tax payments from the Member Municipality would be impaired. Under current State law, a municipality is prohibited from filing for bankruptcy without the express prior written consent of the Governor. If such consent were granted, a bankruptcy filing likely would act as a stay of the ability of the District to enforce its right to payment, including its right to execute on the goods and estate of the inhabitants of the Member Municipality. Under such circumstances, the District might not be able to collect from the Member Municipality the full amount of taxes owed to it by the Member Municipality when due. In such event, and while a proceeding was pending, the District would have the tools discussed above under “Part I – Information Concerning the Bonds – Bond Information – Taxes – Levy, Apportionment, Collection” including, for example, levying additional taxes on the other Member Municipalities to generate additional revenue. In the event that a Member Municipality is permitted to seek relief under the Federal Bankruptcy Code, it is difficult to predict whether the claim would prevail and what remedies, if any, a bankruptcy judge would permit the District to exercise. The bankruptcy case law is not fully developed in areas where a court has to consider and apply state law and to determine appropriate remedies in connection with the delivery of essential services. The same is true if the District were permitted to seek relief under the Federal Bankruptcy Act.

The District could seek protection from its creditors under the Federal Bankruptcy Act with the consent of the Governor. Under current state law, the District is prohibited from filing for bankruptcy without the consent of the

Governor of the State. The operations of the District as a whole could force it to seek such protection, as have other municipal bodies in other states.

The District's infrastructure may be vulnerable to terrorism, natural disasters such as floods, and other threats that may require expensive repairs. The District's infrastructure of reservoirs, dams, pipes and treatment plants has a large footprint. Some aspects of its infrastructure are not redundant. As a result, the infrastructure could be vulnerable to failures caused by terrorism or natural disasters, such as floods. In particular, the District's Hartford wastewater treatment plant lies in a flood zone protected by levees. The Army Corps of Engineers has identified vulnerabilities in these levees, which are maintained by other governmental entities and not by the District. If the levees were to fail during a flood event, the Hartford wastewater treatment plant could be damaged and require extensive emergency repairs, the cost of which could substantially exceed available insurance proceeds. This could have an adverse financial impact on the District, its service area and its ratepayers. The Clean Water Fund Memorandum (2017-001) Storm Resiliency of Municipal Wastewater Infrastructure identifies the need to consider the impact of climate change on sea level rise and flood protection of wastewater facilities. Sea level rise poses minimal risk for the District's wastewater collection system and typical CSO operation. While the Connecticut River in the City of Hartford is subject to tidal fluctuation during low river conditions, the existing City of Hartford Flood Control System protects the City from flooding for river conditions up to a 500-year stage.

Climate change may increase the magnitude of extreme river flows, impacting the performance of the flood control system and possibly result in more frequent operation of the flood control pumps and flood storage facilities.

Cyber Security. The District is very active in its preparation and planning for cyber events. In 2016, the District developed its Cybersecurity Program in alignment with the NIST Cybersecurity Framework (CSF) and is constantly seeking new innovative solutions to improve threat management and incident response capabilities. Additionally, the District staff are immersed in federal, state and local cybersecurity intelligence communities, staying aware of and mitigating threats at the earliest possible point. In 2018, the EPA passed the America's Water Infrastructure Act (AWIA) which mandated water providers conduct a Risk and Resilience Assessment (RRA), and update their Emergency Response Plans (ERP) to new standards that included cybersecurity. The District completed the RRA in late 2019 and updated the ERP in 2020 and is now fully compliant with the EPA AWIA requirements. Lastly, in 2020, the District conducted its annual Network Vulnerability Assessment and Finance Audit with favorable results, including special mention of the new level of controls from the implementation of its SAP Enterprise System.

QUALIFICATION FOR FINANCIAL INSTITUTIONS

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

AVAILABILITY OF CONTINUING DISCLOSURE

The District prepares, in accordance with State law, annual audited financial statements and files such annual audits with the State Office of Policy and Management within six months of the end of its fiscal year. The District provides, and will continue to provide, to the rating agencies ongoing disclosure in the form of annual audited financial statements, adopted budgets and other materials relating to its management and financial condition as may be necessary or requested. The District has adopted written disclosure procedures that it follows in the preparation of its annual information filings, material event notices and official statements.

In accordance with the requirements of Rule 15c2-12(b)(5) (the "Rule") promulgated by the Securities and Exchange Commission, the District will agree to provide, or cause to be provided, (i) annual financial information and operating data with respect to the Bonds, (ii) timely notice of the occurrence of certain events within 10 days of the occurrence of such events, with respect to the Bonds and (iii) timely notice of a failure by the District to provide the required annual financial information and operating data on or before the date specified in the Continuing Disclosure Agreements, with respect to the Bonds, pursuant to a Continuing Disclosure Agreement for the Series A Bonds to be executed by the District and substantially in the form attached as Appendix C-1 to this Official Statement and pursuant to a Continuing Disclosure Agreement for the Series B Bonds to be executed by the District and substantially in the form attached as Appendix C-2 to this Official Statement.

The intent of such undertakings is to provide on a continuing basis the information described in the Rule. Accordingly, there is reserved the right to modify the disclosure thereunder or format thereof so long as any such modification is made in a manner consistent with the Rule. Furthermore, to the extent that the Rule no longer requires the issuers of

municipal securities to provide all or any portion of such information to be provided under such undertaking, the obligation pursuant to the Rule to provide such information also shall cease immediately.

The purpose of such undertaking is to conform to the requirements of the Rule and not to create new contractual or other rights other than the remedy of specific performance in the event of any actual failure by the District to comply with its written undertaking.

The District 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 annual financial information and event notices pursuant to the Rule. In the last five years, to the best of its knowledge, the District has not failed to comply with its obligations under its continuing disclosure agreements in all material respects.

AUTHORIZATION AND PURPOSE

The District has the power to incur indebtedness as provided by the General Statutes and the District Charter. As of the date of this Official Statement, the District has authorized debt for various water, sewer and combined funding capital projects in the aggregate amount of \$2,355,219,903, of which \$1,678,532,343 has previously been funded, leaving a total of \$676,687,560 of authorized and unissued debt. See “Part II - Information Concerning The Metropolitan District – VIII. Debt Summary - Authorized But Unissued Debt - The District” herein.

The Bonds are issued pursuant to resolutions of the Board of Commissioners of the District adopted on July 7, 2021.

The Series A Bonds are being issued to permanently finance the District’s \$93,185,000 General Obligation Bond Anticipation Notes maturing on September 1, 2021 (the “Prior Notes”) and to provide funding for various capital improvement projects of the District as set forth herein. See “Sources and Uses of Bond Proceeds” herein.

The Series B Bonds are being issued to current refund at or prior to maturity any or all of the principal amounts outstanding for the District’s General Obligation Bonds, Issue of 2013, Series A (the “Refunded Bonds”), including applicable interest and redemption premium if any as set forth herein. See “Plan of Refunding” herein.

PLAN OF REFUNDING

The Series B Bonds are being issued to current refund, on a forward-delivery basis, the aggregate principal amount outstanding of the Refunded Bonds as set forth below:

<u>Issue</u>	<u>Dated Date</u>	<u>Principal Amount Refunded</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Redemption Date</u>	<u>Redemption Price</u>
2013, Series A	2/1/2013	\$1,510,000	2/1/2022	5.000%	N/A	N/A
2013, Series A	2/1/2013	1,510,000	2/1/2023	2.125	2/1/2022	100.00
2013, Series A	2/1/2013	1,510,000	2/1/2024	2.250	2/1/2022	100.00
2013, Series A	2/1/2013	1,510,000	2/1/2025	2.375	2/1/2022	100.00
2013, Series A	2/1/2013	1,510,000	2/1/2026	2.500	2/1/2022	100.00
2013, Series A	2/1/2013	1,510,000	2/1/2027	2.500	2/1/2022	100.00
2013, Series A	2/1/2013	1,510,000	2/1/2028	2.625	2/1/2022	100.00
2013, Series A	2/1/2013	1,510,000	2/1/2029	2.750	2/1/2022	100.00
2013, Series A	2/1/2013	1,510,000	2/1/2030	3.000	2/1/2022	100.00
2013, Series A	2/1/2013	1,510,000	2/1/2031	3.000	2/1/2022	100.00
2013, Series A	2/1/2013	1,510,000	2/1/2032	3.000	2/1/2022	100.00
2013, Series A	2/1/2013	<u>1,510,000</u>	2/1/2033	3.000	2/1/2022	100.00
	Total	\$18,120,000				

The refunding is contingent upon delivery of the Series B Bonds.

Upon delivery of the Series B Bonds, a portion of proceeds of the Series B Bonds, in an amount sufficient to pay the principal, interest and redemption premium, if any, due on the Refunded Bonds upon redemption, will be placed in an irrevocable escrow trust fund (the “Escrow Deposit Fund”) established with U.S. Bank National Association, as escrow agent (the “Escrow Agent”) under an Escrow Agreement (the “Escrow Agreement”) dated as of the date of delivery of the Series B Bonds, between the Escrow Agent and the District. The Escrow Agent will deposit such

proceeds in the Connecticut Treasurer’s Short-Term Investment Fund, or, alternatively, will use such proceeds to purchase a portfolio of non-callable direct obligations of obligations guaranteed by the government of the United States of America, including United States Treasury State and Local Government Series (“SLGS”) securities, Federal National Mortgage Association (“FNMA”) securities and any other securities permitted by Section 7-400 of the General Statutes, all of which shall not be callable or prepayable at the option of the issuer of the securities (the “Escrow Securities”), the principal of and interest on which, when due, will provide amounts sufficient to pay the principal, interest and redemption premium on the Refunded Bonds to the redemption dates or maturity (the “Escrow Requirements”). All investment income and maturing principal of the Escrow Securities held in the Escrow Deposit Fund and needed to pay the principal, interest and redemption premium on the Refunded Bonds will be irrevocably deposited by the District for payment of the Refunded Bonds. The balance of the proceeds of the Series B Bonds will be used to pay costs of issuance and Underwriters’ discount.

VERIFICATION OF MATHEMATICAL COMPUTATIONS

Precision Analytics Inc. of Morristown, New Jersey and Samuel Klein and Company (a Certified Public Accountant) (together the “Verification Agent”), will deliver a report indicating that it has verified, in accordance with the standards established by the American Institute of Certified Public Accountants: (1) the mathematical accuracy of certain computations showing the adequacy of the cash and the maturing principal of and interest on certain Escrow Securities deposited in the Escrow Deposit Fund, to provide for the payment when due of the principal of, interest on and redemption premiums, if any, on the Refunded Bonds; and (2) the yield on the Bonds and the yield on the Escrow Securities. Such verification will be used by Bond Counsel in their determination that the interest on the Bonds is not included in gross income for federal income tax purposes, as a condition to the delivery of the Bonds.

SOURCES AND USES OF BOND PROCEEDS

Sources of Funds

	<u>Series A Bonds</u>	<u>Series B Bonds</u>
Par Amount of the Bonds.....	\$130,810,000.00	\$15,235,000.00
Original Issue Premium.....	<u>30,303,584.55</u>	<u>3,259,393.25</u>
Total Sources.....	\$161,113,584.55	\$18,494,393.25

Uses of Funds

Payment on the Prior Notes.....	\$95,281,662.50	-
Project Fund Deposit.....	65,000,000.00	-
Escrow Deposit Fund.....	-	\$18,377,643.75
Costs of Issuance ¹	296,938.01	61,351.04
Underwriters’ Discount.....	<u>534,984.04</u>	<u>55,398.46</u>
Total Uses.....	\$161,113,584.55	\$18,494,393.25

¹Includes legal fees, printing costs, rating agency fees and other miscellaneous costs of issuance.

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

USE OF SERIES A BOND PROCEEDS

Project	Amount Authorized (\$)	Previously Bonded/Grants/ Contributions (\$)	Notes Maturing 09/01/21 (\$)	Series A Bonds (This Issue)* (\$)	Authorized But Unissued (\$)
<u>Water Projects</u>					
2009 Water Treatment Facility Improvements	2,785,000	2,463,000	194,000	267,000	55,000
2010 General Purpose Water	3,251,000	2,821,320	233,000	242,000	187,680
2010 Water Main Replacement - Hartford	1,000,000	441,000	107,000	107,000	452,000
2010 Water Treatment Facility Upgrade Program	4,953,350	4,871,563	5,000	5,000	76,787
2010 Dam Safety Improvements - Res # 1	1,315,000	813,000	253,000	253,000	249,000
2011 Water Pump Station Improvements	1,200,000	819,396	49,000	49,000	331,604
2011 Water Storage Upgrades-Phase I	2,500,000	117,000	28,000	28,000	2,355,000
2011 Water Supply Facility and Watershed Land Improvements	1,600,000	1,516,000	45,000	45,000	39,000
2011 Water Treatment Facility Upgrades	1,000,000	946,000	6,000	6,000	48,000
2012 General Purpose Water	4,530,000	3,578,995	692,000	758,000	193,005
2012 Radio Frequency Automated Meter Reading	5,000,000	3,506,000	573,000	670,000	824,000
2012 Standpipe & Above Grade Storage Tank Projects	4,224,000	561,000	14,000	14,000	3,649,000
2012 Water Treatment Facilities Upgrades	2,500,000	2,190,000	6,000	6,000	304,000
2013 Asset Management Water Main Replacement	4,460,000	579,000	1,238,000	2,427,000	1,454,000
2013 General Purpose Water	3,860,000	3,073,000	324,000	619,000	168,000
2013 Paving Program	4,200,000	3,849,000	347,000	347,000	4,000
2013 Water Treatment Facilities Upgrades	2,160,000	1,318,000	30,000	69,000	773,000
2013 Wickham Hill Basins, East Hartford	4,980,000	4,079,467	13,000	13,000	887,533
2014 General Purpose Water Program	3,500,000	2,948,000	334,000	334,000	218,000
2014 Kilkenny Water	5,000,000	3,971,000	749,000	749,000	280,000
2014 Radio Frequency Automated Meter Reading	5,000,000	932,000	43,000	213,000	3,855,000
2014 Transmission Main Extension – Newington	3,500,000	1,334,000	127,000	127,000	2,039,000
2014 Various Transmission Main Design & Construction	2,100,000	773,000	187,000	187,000	1,140,000
2014 Water Treatment Facilities Upgrades	2,300,000	1,502,000	296,000	594,000	204,000
2014 Water Main Replacement – Wethersfield	3,000,000	2,459,216	0	137,000	403,784
2014 Orchard Street Water Pump Station, Glastonbury	3,000,000	2,000	81,000	113,000	2,885,000
2015 General Purpose Water Program	4,000,000	2,371,199	1,211,000	1,537,000	91,801
2015 Puddletown Booster Water Pump Station, New Hartford	3,300,000	504,000	10,000	10,000	2,786,000
2015 Water Treatment Facilities Upgrades	1,000,000	686,000	209,000	290,000	24,000
2015 WMR Bond Street Area, Hartford	4,400,000	2,252,805	488,000	488,000	1,659,195
2015 WMR Buckingham Street Area, Hartford	600,000	444,000	100,000	100,000	56,000
2015 WMR Garden Street Area, Wethersfield	2,000,000	1,869,194	130,000	130,000	806
2016 WMR Garden Street Area, Wethersfield	1,000,000	3,000	133,000	133,000	864,000
2016 Bloomfield Transmission Main Extension	8,000,000	3,922,000	1,658,000	1,658,000	2,420,000
2016 General Purpose Water Program	3,000,000	297,000	309,000	408,000	2,295,000
2016 Water Supply Improvements - Raw Water Transmission Mains	500,000	14,000	423,000	461,000	25,000
2017 General Purpose Water Program	2,000,000	913,000	453,000	643,000	444,000
2017 Hydrant Replacement Program	1,600,000	174,000	61,000	61,000	1,365,000
2018 General Purpose Water Program	2,000,000	141,000	432,000	1,048,000	811,000
2018 Madison Ave. Area WMR, Hartford	5,000,000	1,917,156	0	396,000	2,686,844
2018 Paving Program & Restoration	4,000,000	1,737,000	246,000	246,000	2,017,000
2018 Radio Frequency Automated Meter Reading Program	1,000,000	347,000	174,000	174,000	479,000
2018 Water Main Replacement Program	5,000,000	4,084,000	915,000	915,000	1,000
2019 Bloomfield Transmission Main Extension - Phase II	6,000,000	1,552,000	2,665,000	2,665,000	1,783,000
2019 General Purpose Water Program	1,000,000	13,000	629,000	861,000	126,000
2019 Paving Program & Restoration	5,000,000	2,672,000	2,228,000	2,326,000	2,000
2019 Water Main Replacement Program	11,300,000	7,685,000	3,559,000	3,559,000	56,000
2019 Water Supply Infrastructure Rehabilitation, Upgrades & Replacements	2,200,000	3,000	147,000	147,000	2,050,000
2020 District-wide Water Main Replacement Program	14,300,000	171,000	8,774,000	10,257,000	3,872,000
2020 Long Hill Road Water Main, East Hartford and South Windsor	4,000,000	27,000	1,373,000	1,373,000	2,600,000
2020 Paving Program and Restoration	3,000,000	38,000	1,962,000	1,962,000	1,000,000
2020 Water Main Replacements, Hartford and Wethersfield	12,500,000	64,000	3,303,000	3,303,000	9,133,000
2021 New Park Avenue Water Main Replacement, West Hartford	3,400,000	0	0	2,850,000	550,000
2021 Paving Program and Restoration	2,000,000	0	0	1,900,000	100,000
Total Water Projects.....	196,018,350	85,365,310	37,566,000	48,280,000	62,373,040

* Does not reflect application of premium to project purposes.

Project	Previously	Notes	Authorized		
	Amount	Bonded/Grants/	Maturing	Series A Bonds	But
	Authorized (\$)	Contributions (\$)	09/01/21 (\$)	(This Issue)* (\$)	Unissued (\$)
<u>Sewer Projects</u>					
2007 Wastewater Treatment Facility Security and Communication Improvements	3,200,000	2,537,430	50,000	50,000	612,570
2011 Sewer Pump Station Rehabilitation	2,000,000	1,196,000	481,000	608,000	196,000
2011 WPC Electronic Development	1,750,000	970,000	359,000	359,000	421,000
2011 WPC Renewal & Replacements	2,250,000	1,597,800	329,000	592,000	60,200
2012 Sewer Replacement - Montclair Drive, West Hartford	2,642,000	1,687,000	77,000	159,000	796,000
2012 WPC Renewal and Replacements	3,000,000	2,912,498	26,000	46,000	41,502
2014 Pump Station Upgrades - Fishfy Street, Hartford	1,350,000	0	13,000	34,000	1,316,000
2013 General Purpose Sewer	1,920,000	1,517,000	121,000	326,000	77,000
2013 WPC Plant Infrastructure Renewal and Replacements	1,090,000	431,007	12,000	82,000	576,993
2014 Sewer Replacement - Oakwood Ave, West Hartford	4,100,000	226,000	296,000	296,000	3,578,000
2014 Backwater Valve Program	750,000	440,000	95,000	190,000	120,000
2014 General Purpose Sewer	5,000,000	2,516,000	2,174,000	2,188,000	296,000
2014 Sewer Rehabilitation Program	5,000,000	3,491,000	21,000	21,000	1,488,000
2014 Various Sewer Pipe Replacement/Rehab - District Wide	5,000,000	2,833,000	448,000	926,000	1,241,000
2015 Bond Street Area Sewer Rehabilitation, Hartford	1,400,000	124,000	922,000	922,000	354,000
2015 CCTV Generated Sewer Contracts	1,200,000	253,000	272,000	272,000	675,000
2015 Sanitary Sewer Easements Acquisitions & Improvements	3,600,000	2,517,000	23,000	23,000	1,060,000
2015 Sewer Rehabilitation Program	5,000,000	2,548,000	635,000	958,000	1,494,000
2015 Various Sewer Pipe Replacement/Rehab - District Wide	5,000,000	4,749,000	164,000	164,000	87,000
2016 WPC Equipment & Facilities Improvements	2,100,000	697,978	185,000	227,000	1,175,022
2016 WPC Plant Infrastructure Renewal and Replacements	3,200,000	454,333	362,000	1,134,000	1,611,667
2016 Hartford WPCF - Air Permit Compliance Upgrades	4,500,000	248,000	304,000	977,000	3,275,000
2016 Sewer Rehabilitation Program	3,600,000	1,959,000	1,639,000	1,639,000	2,000
2016 Various Sewer Pipe Replacement/Rehab - District Wide	1,000,000	697,000	58,000	58,000	245,000
2017 General Purpose Sewer	3,000,000	30,000	7,000	7,000	2,963,000
2017 Sanitary Sewer Easements Acquisitions & Improvements	1,400,000	8,000	408,000	408,000	984,000
2017 Sanitary Sewer Rehabilitation Program	3,600,000	1,831,000	414,000	414,000	1,355,000
2017 Sewer System Gate Replacement - Collection System	4,800,000	0	0	110,000	4,690,000
2017 Wastewater Pump Station Upgrades	400,000	45,000	93,000	131,000	224,000
2017 WPC Plant Infrastructure Renewal & Replacement	2,000,000	661,000	0	275,000	1,064,000
2017 WPC SCADA Upgrades	2,000,000	434,000	0	300,000	1,266,000
2018 CCTV Generated Sewer Construction	7,000,000	2,604,000	3,175,000	4,275,000	121,000
2018 General Purpose Sewer	5,000,000	59,000	3,008,000	3,308,000	1,633,000
2018 Madison Ave. Area Sewer Rehabilitation/Replacement, Htd	2,000,000	5,000	254,000	254,000	1,741,000
2018 Paving Program & Restoration	3,000,000	1,278,000	92,000	329,000	1,393,000
2018 Sewer Rehabilitation Program	4,600,000	1,932,000	539,000	1,859,000	809,000
2018 Various Sewer Pipe Replacement/Rehabilitations - District-wide	4,000,000	2,680,000	1,220,000	1,220,000	100,000
2018 WPC Infrastructure Rehabilitation, Upgrades & Replacements	5,200,000	706,000	1,052,000	3,452,000	1,042,000
2019 General Purpose Sewer	1,000,000	3,000	156,000	156,000	841,000
2019 Oakwood Avenue Area Sewer Replacement - Phase I	7,000,000	3,500,000	0	1,000,000	2,500,000
2019 Paving Program & Restoration	3,000,000	1,458,000	1,442,000	1,471,000	71,000
2019 Sewer Rehabilitation Program	3,300,000	3,100,000	0	175,000	25,000
2019 Various Sewer Pipe Replacement/Rehabilitation Program	5,000,000	3,988,000	950,000	976,000	36,000
2019 Water Pollution Control Facilities Infrastructure Rehabilitation, Upgrades	4,200,000	700,000	0	741,000	2,759,000
2020 Hartford Large Diameter Sewer Rehabilitation - Phase I	14,600,000	122,000	6,249,000	7,449,000	7,029,000
2020 Levee Protection System, East Hartford and Hartford	2,200,000	2,000	103,000	1,653,000	545,000
2020 Paving Program and Restoration	3,000,000	19,000	981,000	981,000	2,000,000
2020 Sewer Rehabilitation Program	3,400,000	28,000	1,447,000	1,694,000	1,678,000
2020 Various Sewer Pipe Replacement/Rehabilitation Program	6,000,000	34,000	1,762,000	4,952,000	1,014,000
2020 Wastewater Pump Station Upgrades and Equipment	1,500,000	0	0	784,000	716,000
2020 Water Pollution Control Facilities Infrastructure Rehabilitation, Upgrades	15,900,000	6,000	294,000	7,558,000	8,336,000
2021 Large Diameter Sewer Cleaning Program	5,000,000	0	0	4,650,000	350,000
2021 Northern Interceptor Sewer Rehabilitation/Replacement, East Hfd	2,500,000	0	0	2,400,000	100,000
2021 Sanitary Sewer Repair and Rehabilitation Program	5,800,000	0	0	5,450,000	350,000
2021 Various Sewer Pipe Replacement/Rehabilitation Program	8,000,000	0	0	429,000	7,571,000
Total Sewer Projects.....	209,052,000	61,835,046	32,712,000	71,112,000	76,104,954

* Does not reflect application of premium to project purposes.

Project	Amount	Previously	Notes	Series A Bonds	Authorized
	Authorized (\$)	Bonded/Grants/Contributions (\$)	Maturing 09/01/21 (\$)	(This Issue)* (\$)	But Unissued (\$)
Combined Funding Projects					
2011 Facility & Equipment Improvements	1,400,000	1,182,000	65,000	65,000	153,000
2011 Security and Supervisory Control and Data Acquisition (SCADA) Comm.	1,000,000	460,000	402,000	501,000	39,000
2013 Communications Systems Upgrades	1,000,000	547,000	12,000	19,000	434,000
2013 Facilities Improvement Program	2,000,000	1,929,000	33,000	33,000	38,000
2013 Information Technology - Applications	5,000,000	4,160,000	741,000	741,000	99,000
2013 Information Technology- Hardware	5,000,000	4,751,000	109,000	131,000	118,000
2013 Land Improvements	1,000,000	430,000	169,000	169,000	401,000
2016 Administrative Facilities Improvement Program	1,000,000	523,000	439,000	474,000	3,000
2016 Fleet Replacement	1,300,000	1,197,000	83,000	83,000	20,000
2016 Information Systems I/T Upgrades	5,000,000	3,722,000	1,114,000	1,114,000	164,000
2017 Administration Facilities and Equipment Improvements	1,000,000	133,000	560,000	792,000	75,000
2017 Business Transformation	5,000,000	4,688,000	252,000	259,000	53,000
2017 Computerized Management System	1,600,000	1,000	27,000	502,000	1,097,000
2018 Business Transformation Project Management and Data Cleansing	7,500,000	5,031,000	1,614,000	2,418,000	51,000
2018 Fleet and Equipment Replacement	800,000	745,000	43,000	43,000	12,000
2019 Construction Services	3,500,000	1,630,000	519,000	519,000	1,351,000
2019 Engineering Services	2,500,000	1,792,000	505,000	505,000	203,000
2019 Fleet and Equipment Replacement and Upgrade	1,700,000	28,000	1,418,000	1,651,000	21,000
2019 Information Systems Upgrade	3,200,000	11,000	564,000	1,423,000	1,766,000
2019 Survey & Construction	5,000,000	2,885,000	1,298,000	1,298,000	817,000
2019 Technical Services	3,400,000	2,711,000	642,000	642,000	47,000
2020 Construction Services	2,000,000	27,000	1,373,000	1,534,000	439,000
2020 Engineering Services	4,000,000	61,000	3,134,000	3,566,000	373,000
2020 Facilities and Equipment Improvements	2,000,000	0	0	13,000	1,987,000
2020 Fleet and Equipment Replacement and Upgrades	2,000,000	34,000	1,738,000	1,738,000	228,000
2020 Survey & Construction	4,500,000	62,000	3,208,000	3,612,000	826,000
2020 Technical Services	4,000,000	55,000	2,845,000	3,398,000	547,000
2021 Construction Services	2,000,000	0	0	1,400,000	600,000
2021 Engineering Services	4,000,000	0	0	3,600,000	400,000
2021 Inspection Services	3,800,000	0	0	2,550,000	1,250,000
2021 Technical Services	4,500,000	0	0	4,000,000	500,000
Total Combined Funding Projects	91,700,000	38,795,000	22,907,000	38,793,000	14,112,000
Total	496,770,350	185,995,357	93,185,000	158,185,000	152,589,993

* Does not reflect application of premium to project purposes.

RATINGS

The District received credit ratings of “Aa3”, with a stable outlook from Moody’s Investors Service, Inc. (“Moody’s”) and “AA”, with a stable outlook from S&P Global Ratings (“S&P”) on the Bonds.

The ratings reflect only the views of the rating agencies and an explanation of the significance of such ratings may be obtained from Moody’s at 7 World Trade Center at 250 Greenwich Street, New York, New York 10007 and S&P at 55 Water Street, 45th Floor, New York, New York 10041, respectively. There is no assurance that the ratings will continue for any given period of time or that it will not be lowered or withdrawn entirely by such rating agencies if in its judgment circumstances so warrant. Any such downward change in or withdrawal of ratings may have an adverse effect on the marketability or market price of the District’s bonds and notes.

CERTAIN CONSIDERATIONS REGARDING FORWARD DELIVERY OF THE SERIES B BONDS

Forward Delivery. The District anticipates that the Series B Bonds will be issued and delivered by the District to the Underwriters and purchased by the Underwriters (the “Settlement”) on or about November 3, 2021 (the “Settlement Date”). The following is a description of certain provisions of the Forward Delivery Bond Purchase Agreement, dated August 18, 2021 (the “Forward Delivery Bond Purchase Agreement”), by and between the District and the Underwriters with respect to the Series B Bonds. This description is not to be considered a full statement of the terms of the Forward Delivery Bond Purchase Agreement and accordingly is qualified by reference thereto and is subject to the full text thereof.

Until such time as the Series B Bonds are issued and delivered by the District and purchased by the Underwriters on the Settlement Date, certain information contained in this Official Statement may change in a material respect. The District agrees in the Forward Delivery Bond Purchase Agreement to update the Official Statement, if necessary in

the judgment of the Underwriters or the District, so that the Official Statement as amended or supplemented does not contain any untrue statement of a material fact or omit to state a material fact that is necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading.

Additionally, the District agrees in the Forward Delivery Bond Purchase Agreement to prepare an Updated Official Statement, dated a date not more than 25 days nor less than 10 days prior to the Settlement Date, which, as of such date, will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. References under “Part I – Information Concerning the Bonds – Bond Information - Certain Considerations Regarding Forward Delivery of the Series B Bonds” to the Official Statement as of a specific date shall mean (i) this Official Statement, at any point in time during the period from the date of this Official Statement to but not including the date of delivery of the Updated Official Statement to the Underwriters, and (ii) the Updated Official Statement, from and after the date of delivery of the Updated Official Statement, in each case as amended or supplemented.

Conditions of Settlement. The issuance and purchase of the Series B Bonds on the Settlement Date are subject to the satisfaction of certain conditions set forth in the Forward Delivery Bond Purchase Agreement, including, among other things, the delivery to the Underwriters of certain documents and legal opinions on and as of the initial closing date (the “Closing Date”) and certain additional documents and legal opinions, and the satisfaction of other conditions, on and as of the Settlement Date, including the delivery to the Underwriters of: (i) the opinion of Bond Counsel, substantially in the form and to the effect set forth in Appendix B-2 relating to the Series B Bonds, (ii) the Updated Official Statement, and (iii) evidence that, as of the Settlement Date, each of Moody’s Investors Service (“Moody’s”) and S&P Global Ratings (“S&P”) has rated the Series B Bonds and that such Series B Bonds are rated investment grade. Changes or proposed changes in federal or state laws, court decisions, regulations or proposed regulations or rulings of administrative agencies occurring or in effect prior to the Settlement Date or the failure by the District to provide closing documents of the type customarily required in connection with the issuance of state and local government tax-exempt bonds could prevent those conditions from being satisfied. None of the Series B Bonds will be issued unless all of the Series B Bonds are issued and delivered on the Settlement Date.

Termination of Forward Delivery Bond Purchase Agreement. Certain events individually provide the Underwriters with the right to terminate their obligation to purchase the Series B Bonds without liability therefor by written notification to the District if, in the reasonable judgment of the Underwriters, at any time on or after the date of the Forward Delivery Bond Purchase Agreement and on or prior to the Settlement:

- There shall have been a Change in Law. A “Change in Law” means (i) any change in or addition to applicable federal or state law, whether statutory or as interpreted by the courts or by federal or state agencies, including any changes in or new rules, regulations or other pronouncements or interpretations by federal or state agencies, (ii) any legislation enacted by the Congress of the United States (if such enacted legislation has an effective date which is on or before the Settlement), (iii) any law, rule or regulation enacted by any governmental body, department or agency (if such enacted law, rule or regulation has an effective date that is on or before the Settlement) or (iv) any judgment, ruling or order issued by any court or administrative body, which in any such case would, (A) as to the Underwriters, prohibit the Underwriters from completing the underwriting of the Series B Bonds or selling the Series B Bonds or beneficial ownership interests therein to the public, or (B) as to the District, would make the completion of the issuance, sale or delivery of the Series B Bonds illegal.
- As a result of any legislation, regulation, rule, order, release, court decision or judgment or action by the U.S. Department of the Treasury, the Internal Revenue Service, or any agency of the State either enacted, issued, effective, adopted or proposed (but only with respect to any such proposed legislation, regulation, ruling, order, release, court decision or judgment or action that continues to be proposed as of the Settlement), or for any other reason, Bond Counsel cannot issue an opinion to the effect that (a) the interest on the Series B Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the “Code”), and (b) the interest on the Series B Bonds is exempt from State of Connecticut personal income taxes, as stated in the form of opinion of Bond Counsel set forth in Appendix B-2 hereto.
- The Official Statement as of the Closing Date, or the Updated Official Statement as of the Settlement Date, contained or contains an untrue statement or misstatement of material fact or omitted or omits to state a material fact necessary in order to make the statements and information contained therein not misleading in any material respect.

- Legislation shall be enacted, or a decision by a court of the United States shall be rendered, or any action shall be taken by, or on behalf of, the SEC that, in the reasonable opinion of the Representative (as defined in the Forward Delivery Bond Purchase Agreement), following consultation with the District, has the effect of requiring the Series B Bonds to be registered under the Securities Act of 1933, as amended, or requires the Resolution to be qualified under the Trust Indenture Act of 1939, as amended, or an event occurs that would cause the sale of the Series B Bonds to be in violation of any provision of the federal or State of Connecticut securities laws.
- As of the Settlement, the Series B Bonds are no longer rated investment grade by each of Moody's and S&P.
- As of the Settlement, there exists a declaration of a general banking moratorium by federal, New York, or Connecticut authorities, or the general suspension of trading on any national securities exchange.

Forward Delivery Contract. The Underwriters reserve the right to obligate investors purchasing the Series B Bonds to execute a Delayed Delivery Contract (the "Delayed Delivery Contract") in substantially the form set forth in Appendix D hereto. The Delayed Delivery Contract provides that the purchaser will remain obligated to purchase the Series B Bonds, even if the purchaser decides to sell the purchased bonds following the date of the Delayed Delivery Contract. The District will not be a party to any Delayed Delivery Contract, and the District is not in any way responsible for the performance thereof or for any representations or warranties contained therein. The rights and obligations under the Forward Delivery Bond Purchase Agreement are not conditioned or dependent upon the performance of any Delayed Delivery Contract.

Additional Risks Relating to Forward Delivery Period. Between the date of the Forward Delivery Bond Purchase Agreement and the Settlement Date (the "Forward Delivery Period"), certain information contained in this Official Statement may change in material respects. Any changes in such information will not permit the Underwriters to terminate the Forward Delivery Bond Purchase Agreement or release the purchasers of their obligation to purchase the Series B Bonds, unless the change reflects any of the first five events (exclusive of the sixth event) described under " - Termination of Forward Delivery Bond Purchase Agreement" above. In addition to the risks set forth above and under "Part I – Information Concerning the Bonds – Bond Information - Considerations for Bondholders," purchasers of the Series B Bonds are subject to certain additional risks, some of which are described below.

Ratings Risk. No assurances can be given that the ratings assigned to the Series B Bonds on the Settlement Date will not be different from those currently assigned to the Series B Bonds. Issuance of the Series B Bonds and the Underwriters' obligations under the Forward Delivery Bond Purchase Agreement are not conditioned upon the assignment of any particular ratings for the Series B Bonds or the maintenance of the initial ratings of the Series B Bonds, unless the Series B Bonds are no longer rated investment grade by each of Moody's and S&P on the Settlement Date, as described under " - Termination of Forward Delivery Bond Purchase Agreement" above.

Secondary Market Risk. The Underwriters are not obligated to make a secondary market for the Series B Bonds, and no assurance can be given that a secondary market will exist for the Series B Bonds during the Forward Delivery Period or at any time thereafter. Prospective purchasers of the Series B Bonds should assume that there will be no secondary market for the Series B Bonds during the Forward Delivery Period.

Market Value Risk. The market value of the Series B Bonds as of the Settlement Date may be affected by a variety of factors, including, without limitation, general market conditions, the financial condition of the District and the State, and federal and state tax, securities and other laws. The market value of the Series B Bonds as of the Settlement Date could therefore be higher or lower than the price to be paid by the initial purchasers of the Series B Bonds, and that difference could be substantial. The Underwriters will, nevertheless, be obligated to take delivery of and pay for the Series B Bonds if the conditions described in the Forward Delivery Bond Purchase Agreement are satisfied. Neither the District nor the Underwriters makes any representations as to the expected market value of the Series B Bonds as of the Settlement Date.

Tax Law Risk. Subject to the other conditions of Settlement and the Underwriters' rights of termination described above, the Forward Delivery Bond Purchase Agreement obligates the District to deliver, and the Underwriters to accept, the Series B Bonds if the District delivers an opinion of Bond Counsel substantially in the form and to the effect set forth in Appendix B-2 relating to the Series B Bonds. Notwithstanding that the enactment of new legislation,

new court decisions or the promulgation of new regulations or rulings might only diminish (but not completely eliminate) the value of, or otherwise affect, the exclusion from gross income of interest payable on “state or local bonds” (such as the Series B Bonds) for federal income tax purposes, the District might be able to satisfy the requirements for the delivery of the Series B Bonds. In such event, the purchasers would be required to accept delivery of the Series B Bonds. Prospective purchasers are encouraged to consult their tax advisors regarding the likelihood of any such changes in tax law and the consequences of such changes to the purchasers. See Appendix B-2 – Form of Legal Opinion of Bond Counsel and Tax Exemption – Series B Bonds.

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

II. LEGAL AND OTHER INFORMATION

LITIGATION

On February 12, 2014, the Town of Glastonbury filed a lawsuit against the District in State Court seeking a declaratory judgment that the District charged water customers in non-member towns an unlawful surcharge prior to 2014. The surcharge allowed the District to capture the proportional cost of the infrastructure utilized to provide Glastonbury and other non-member town customers with water. The District believed it possessed the authority to impose and collect said surcharge.

While the Glastonbury action was pending, the State Legislature amended the District's charter through Special Act No. 14-21, which authorized the District to impose the surcharge on customers residing in non-member towns, but capped the amount of the surcharge to the amount of the District's customer service charge. The amendment was effective January 1, 2015.

On May 12, 2016, the Superior Court concluded that Special Act No. 14-21 was not retroactive and the non-member town charges imposed prior to the effective date of the Charter amendment were unlawful. The District appealed that decision. On March 2, 2018, the Connecticut Supreme Court affirmed the trial court ruling.

On March 6, 2018, following the Supreme Court decision, an action was filed on behalf of a proposed class of MDC water customers in the non-member towns of Glastonbury, East Granby, Farmington and South Windsor between January 1, 2006 and October 1, 2014 (Laurie Paetzold, William Paetzold and Andrew Pinkowski v. Metropolitan District Commission). The named Plaintiffs allegedly resided in the town of Glastonbury during the relevant period and, consistent with the Supreme Court ruling, alleged that the District wrongfully imposed the unlawful surcharge and sought to recover damages.

The lawsuit asserted claims for breach of contract, breach of good faith and fair dealing and in the alternative, unjust enrichment. In June 2018, the District filed a Motion to Strike on several grounds, including failure to sufficiently allege the existence of a contract, that the District is entitled to governmental immunity and that the claim is untimely based on the statute of limitations. The Court held that the plaintiff sufficiently plead the existence of a contract and that the claim was not untimely. However, the Court limited the time period for recoverable damages based on a six-year statute of limitations. This reduced the relevant period of exposure to possible damages to March 2012 through October 2014. Additionally, the Court granted the District's motion to strike for the plaintiff's unjust enrichment and breach of the covenant of good faith and fair dealing claims.

In January 2020, the District and plaintiffs engaged in mediation and reached a proposed settlement of the class action suit. The District Board approved the Settlement Agreement on February 10, 2020, and the Settlement Agreement has been executed by both parties. On April 21, 2020, the trial court granted a motion for preliminary approval of a class action settlement. In September 2020, the Court (Moukawsher, J.) entered an order granting final approval to the settlement. The basic terms of the settlement are that customers that paid the non-member town surcharge from March 2012 through October 2014 will either receive a credit in the amount of 103% of the surcharges paid on their current MDC water account or, if they are no longer an MDC water customer, receive a payment for 100% of the amount of the surcharges paid by the former customer. The total settlement value of all claims, including attorney's fees, is capped at \$7,680,000.00. This amount is included in the settlement liability and expense in the Water Utility Fund. Unclaimed amounts by former MDC customers will be returned to the District. As of July 1, 2021, all direct payments and credits due members of the class have been issued, subject to administrative tasks necessary to locate, identify and issue payment or credit to a small number of class members (estimated at less than .05% of the approximately 9,000 class members) that were not included in the initial data set. Absent a material change of circumstances relating to this claim, the District Counsel is of the opinion that this claim will no longer have a material effect on the District's financial position, and will be removed from the Litigation Section of the District's Public Offering Statement in the future.

There are other various suits and claims pending against the District, none of which, individually or in the aggregate, is believed by counsel to be likely to result in judgment or judgments that could materially affect the District's financial position.

UNDERWRITING

Raymond James & Associates, Inc., is serving as representative for itself, Goldman Sachs & Co. LLC, Morgan Stanley & Co. LLC and Piper Sandler & Co. (collectively, the “Underwriters”). The Underwriters have agreed, subject to certain conditions and pursuant to a bond purchase agreement with the District (the “Bond Purchase Agreement”), to purchase the Series A Bonds from the District at a net aggregate purchase price of \$160,578,600.51 (consisting of the principal amount of \$130,810,000.00 plus original issue premium of \$30,303,584.55 less Underwriters’ discount of \$534,984.04). The Underwriters will be obligated to purchase all such Series A Bonds if any such Series A Bonds are purchased. The Underwriters have agreed, subject to certain conditions and pursuant to a forward delivery bond purchase agreement (the “Forward Delivery Bond Purchase Agreement”), to purchase the Series B Bonds from the District at a net aggregate purchase price of \$18,438,994.79 (consisting of the principal amount of \$15,235,000.00 plus original issue premium of \$3,259,393.25 less Underwriters’ discount of \$55,398.46). The Underwriters will be obligated to purchase all such Series B Bonds if any such Series B Bonds are purchased. The Underwriters may offer and sell the Bonds to certain dealers (including unit investment trusts and other affiliated portfolios of certain underwriters and other dealers depositing the into investment trusts) at prices lower than the public offering price stated on the inside cover page of this Official Statement, and such public offering price may be changed, from time to time, by the Underwriters.

The Bonds are offered by the Underwriters for sale in those jurisdictions in the United States, Puerto Rico and Guam where it is lawful to make such offers. The Underwriters have undertaken that they have not offered, sold or delivered and will not offer, sell or deliver, directly or indirectly, any of the Bonds or distribute this Official Statement or other material relating to the Bonds in or from any jurisdiction except under circumstances that will, to the best of their knowledge and belief, result in compliance with the applicable laws and regulations thereof. The Underwriters make no representation that the Bonds will at any time be lawfully sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to an exemption available thereunder, and do not assume any responsibility for facilitating such sales.

The Underwriters and their affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage services. The Underwriters and their affiliates have, from time to time, performed, and may in the future perform, various financial advisory and investment banking services for the District, for which they received or will receive customary fees and expenses. In the ordinary course of their various business activities, the Underwriters and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities, which may include credit default swaps) and financial instruments (including bank loans) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of the Issuer. The Underwriters and their affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments.

Morgan Stanley & Co. LLC, an underwriter of the Bonds, has entered into a retail distribution arrangement with its affiliate Morgan Stanley Smith Barney LLC. As part of the distribution arrangement, Morgan Stanley & Co. LLC may distribute municipal securities to retail investors through the financial advisor network of Morgan Stanley Smith Barney LLC. As part of this arrangement, Morgan Stanley & Co. LLC may compensate Morgan Stanley Smith Barney LLC for its selling efforts with respect to the Bonds.

Piper Sandler & Co., one of the Underwriters, has entered into a distribution agreement (the “CS&Co. Distribution Agreement”) with Charles Schwab & Co., Inc. (“CS&Co.”) for the retail distribution of certain securities offerings including the Bonds, at the original issue prices. Pursuant to the CS&Co. Distribution Agreement, CS&Co. will purchase the Bonds from the Underwriter at the original issue price less a negotiated portion of the selling concession applicable to any Bond that CS&Co. sells.

LEGAL MATTERS

The validity of the Bonds and certain other legal matters are subject to the approving opinions of Shipman & Goodwin LLP, Bond Counsel to the District. A complete copy of the proposed forms of Bond Counsel's opinions are set forth as Appendix B-1 and Appendix B-2 hereto.

Certain legal matters will be passed upon for the Underwriters by their counsel, Pullman & Comley, LLC, which undertakes no responsibility for the accuracy, completeness or fairness of this Official Statement.

MUNICIPAL ADVISOR

HilltopSecurities is acting as Municipal Advisor to the District in connection with the Bonds described in this Official Statement. The Municipal Advisor has not independently verified any of the information contained in this Official Statement and makes no guarantee as to its completeness or accuracy. In addition, the Municipal Advisor has not verified and does not assume any responsibility for the information, covenants and representations contained in any of the legal documents with respect to the federal income tax status of the Bonds, or the possible impact of any present, pending or future actions taken by any legislative or judicial bodies or rating agencies. The Municipal Advisor's fee for services rendered with respect to the sale of the Bonds is contingent upon the issuance and delivery of the Bonds, and receipt by the District of payment therefor. The District may engage the Municipal Advisor to perform other services, including without limitation, providing certain investment services with regard to the investment of the Bond proceeds. The participation of HilltopSecurities should not be seen as a recommendation to buy or sell the Bonds and investors should seek the advice of their accountants, lawyers and registered representatives for advice as appropriate.

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

CONCLUDING STATEMENT

This Official Statement is not to be construed as a contract or agreement between the District and the purchaser 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 of 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. Neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the District since the date hereof. References to statutes, charters, or other laws herein may not be complete and such provisions of law are subject to repeal or amendment.

Certain information herein has been derived by the District from various officials, departments and other sources and is believed by the District to be reliable, but such information, other than that obtained from official records of the District, has not been independently confirmed or verified by the District and its accuracy is not guaranteed.

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

**THE METROPOLITAN DISTRICT,
HARTFORD COUNTY, CONNECTICUT**

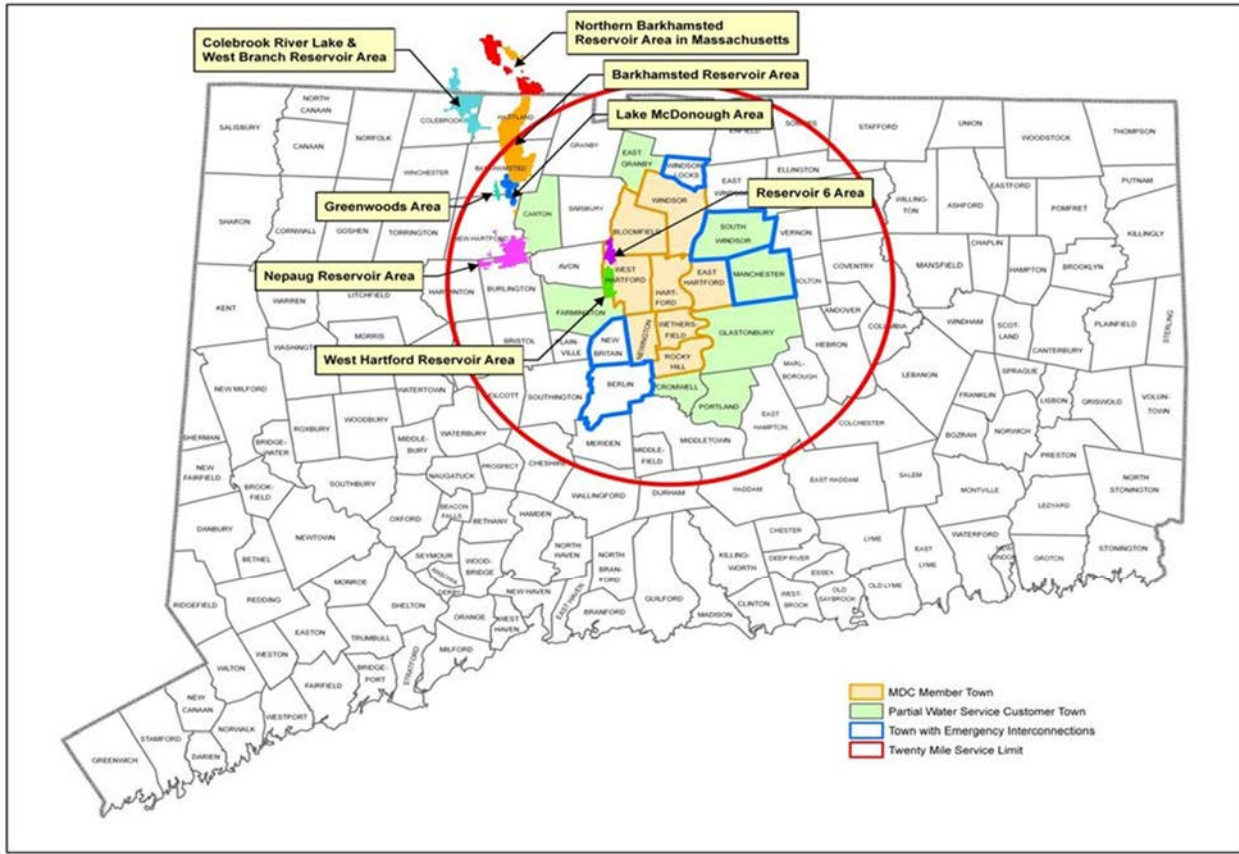
By: /s/ Robert Barron
Robert Barron, *Chief Financial Officer/Treasurer*

August 18, 2021

PART II
INFORMATION CONCERNING
THE METROPOLITAN DISTRICT
August 18, 2021

This Part II contains information through August 18, 2021, concerning the District and includes the December 31, 2020 audited financial statements of the District prepared in accordance with generally accepted accounting principles (“GAAP”) as Appendix A. This Part II and any appendices attached thereto, should be read collectively and in their entirety.

I. THE ISSUER



DESCRIPTION OF THE DISTRICT

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

EFFECTS OF COVID-19 OUTBREAK

The outbreak of COVID-19, a respiratory virus caused by a new strain of coronavirus, has been 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 U.S. Centers for Disease Control and Prevention (CDC) has warned that some areas in the United States are experiencing community spread of COVID-19 and that widespread transmission of COVID-19 in the United States is likely to continue. The outbreak of the virus has affected travel, commerce and financial markets globally, and is widely expected to affect economic growth worldwide.

There can be no assurances that the ongoing impact of COVID-19 will not materially adversely affect local, State, national, and global activity; increase public health emergency response costs; and materially adversely impact the financial condition of the District. As the situation evolves, states, municipalities, businesses and people appear to be

altering behaviors in a manner that is having negative effects on global and local economies. The financial, stock and bond markets in the United States and globally have seen significant volatility attributed to COVID-19.

State and Local Efforts to Mitigate the Ongoing Impact of COVID-19

On March 10, 2020, Governor Lamont declared a state of emergency throughout the State of Connecticut as a result of the COVID-19 outbreak. State agencies have been directed to use all resources necessary to prepare for and respond to the outbreak. Governor Lamont restricted social and recreational gatherings and cancelled all public school classes for all students for the 2019-2020 school year. The Governor has ordered a phased re-opening of the State, and various activities are in various stages of resumption.

On April 1, 2020, Governor Lamont issued an executive order (as subsequently amended, the “Executive Order”), which, among other things, calls for Connecticut municipalities, including Member Municipalities, to offer to eligible taxpayers impacted by COVID-19 one or both of the following tax relief programs: a three-month Deferment Program or a three-month Low Interest Rate Program. Both programs are applicable to amounts payable or delinquent during the period from April 1, 2020 to and including July 1, 2020 and apply to taxes on real property, personal property or motor vehicles, and water, sewer and electric rates, charges and assessments. The Deferment Program provides for a three-month deferment from the time the amount becomes due and payable. However, financial institutions and mortgage services that hold property tax payments in escrow are required to continue to remit property taxes to the municipality according to the regular timetable, so long as the borrower remains current on its mortgage or is in a mortgage forbearance or deferment program. The Low Interest Rate Program provides for a three percent (3%) cap on the interest rate due on the principal amount of delinquent payments on any tax, utility or other assessment. The low interest period runs for three months from the date the payment is due and payable. With respect to payments delinquent on or prior to April 1, 2020, interest shall be capped at three percent (3%) for three months from April 1, 2020. Following the three-month period, the interest rate may return to that previously established. The Member Municipalities have determined their program options. The District cannot predict at this time the impact of the programs called for by the Executive Order on the Member Municipalities.

On June 4, 2020, Governor Lamont established the Connecticut Municipal Coronavirus Relief Fund Program, which details a process by which Connecticut municipalities can receive reimbursements from the State using the Coronavirus Relief Fund to offset non-budgeted COVID-19 related expenditures that are incurred on or after March 1, 2020 through December 30, 2020.

Federal Government Response to COVID-19’s Impact on the Economy

On March 27, 2020, Congress enacted the Coronavirus Aid, Relief, and Economic Stabilization Act (the “CARES Act”) that provides in excess \$2 trillion of relief to industries and entities throughout the country, including state and local governments. Under the CARES Act, \$150 billion will be appropriated to states and other units of government for activities that are directly related to COVID-19; the amount paid to each state will be based on population with a minimum payment of \$1.25 billion. In addition, the CARES Act provides \$454 billion to the Federal Reserve to purchase business, state or municipal securities in order to provide a level of liquidity to the municipal market. Other financial relief affecting states and local governments includes \$30.9 billion for education, \$10 billion for airports, \$25 billion for transit providers, and \$17 billion for housing, including \$5 billion for Community Development Block Grants for COVID-19 related services.

On March 28, 2020, President Trump approved Governor Lamont’s request for a disaster declaration for the State of Connecticut. Under the declaration, it is expected that federal funding will be made available to state, tribal and eligible local governments, including the District, and certain private nonprofit organizations for emergency protective measures, including direct federal assistance, for all areas of Connecticut impacted by COVID-19. The impacted agencies and towns will be reimbursed for 75 percent of the costs associated with their response and emergency protective measures.

On December 21, 2020, Congress passed a \$900 billion stimulus bill that includes funding for stimulus checks, enhanced unemployment benefits, vaccine distribution and development, small businesses and education.

On March 11, 2021, the American Rescue Plan Act of 2021 (the “ARP Act”) was signed into law. Under the ARP Act, the State is eligible to receive up to \$2.6 billion in assistance.

District Efforts to Manage and Mitigate the Ongoing Impact of COVID-19

While the potential long-term impact on the District cannot be predicted at this time, the continued spread of the outbreak and any prolonged effects on the national, State and local economy could have a materially adverse effect on the District’s finances. As an essential service provider, the District has ensured that all of its business continuity

planning is up to date, and being implemented appropriately, including planning related to the implementation of the CARES Act, as well as other State and Federal guidance.

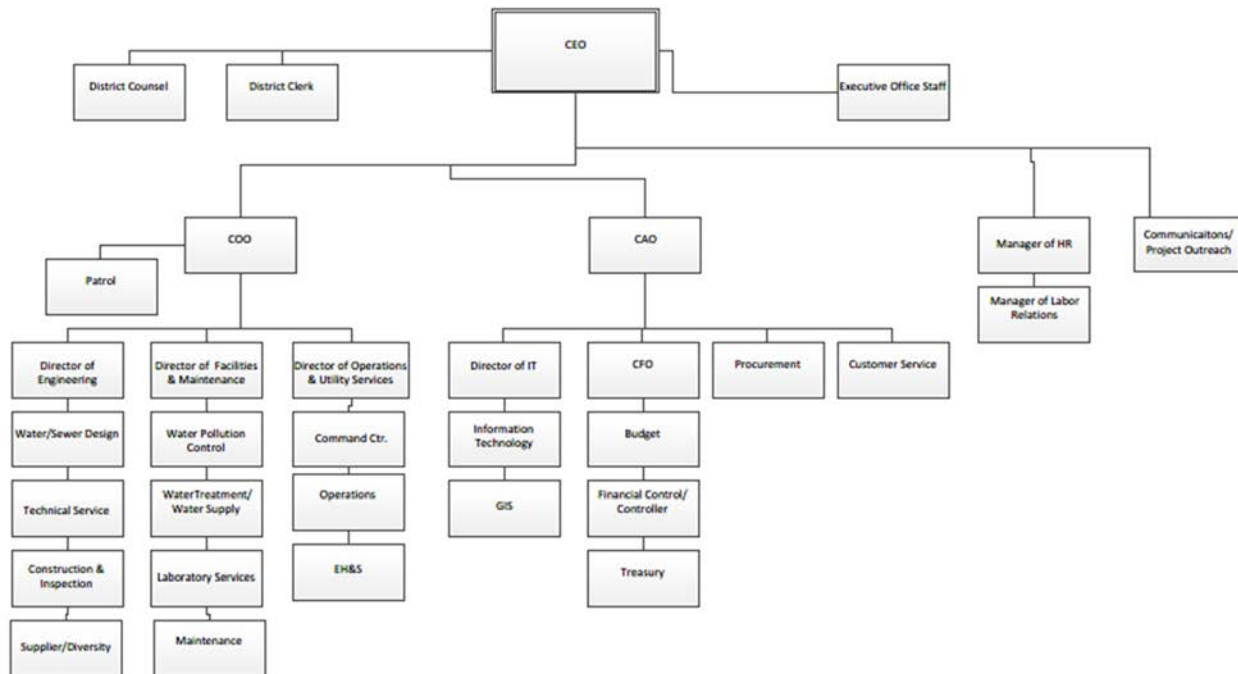
The District began its response to the coronavirus pandemic in March 2020. As an essential service provider, the District began taking steps to conform to guidance from the Governor’s office, which included suspension of service shut-off and charges related to late fees on delinquent accounts. The District began coordinating with the Department of Public Health (DPH) and the CT Department of Energy and Environment Protection (DEEP) that oversee the District’s drinking and wastewater activities and began following CDC guidelines. The District closed District offices to the public except by appointment. Water and wastewater services continue to be uninterrupted. Alternating week work schedules and work from home policies were implemented in mid-March, and continued until mid-June. Back to Work Plans were developed and implemented in June with the full staff reporting to work on June 15th. While working from home from mid-March to mid-June, business operations were not materially impacted. All business staff worked successfully from their remote locations with the support of the District’s secure IT environment.

The District has not experienced any significant change in collections because of issues with customer loss of employment, bankruptcies and similar financial problems. The District continues to collect over 90% of its receivables year to date. Fewer than five commercial accounts of the District have requested a payment arrangement for past due balances and none of those are considered among MDC’s larger customers. The District has seen an increase in delinquencies amounts, mostly attributable to its following the State requirement of suspending its shut-off program. The District cannot predict at this time the impact COVID-19 will ultimately have on revenue collections.

The District continues to track all costs associated with the COVID-19 pandemic including staffing costs related to the implementation of the CARES Act, as well as additional costs of personal protective equipment (“PPE”), and other related operational costs.

The potential impact of the national and State response to COVID-19 to date, and the continued spread of COVID-19 and the national and State response thereto, cannot be predicted at this time, but could have a materially adverse effect on the economies of the State and its municipalities, including the District, its finances, credit ratings and its ability to repay its indebtedness in the future.

ORGANIZATIONAL CHART



THE DISTRICT BOARD

A 33-member Board of Commissioners, referred to as the District Board, governs the District. The Member Municipalities appoint seventeen of the commissioners, eight are appointed by the Governor of the State, and four are appointed by the leadership of the Connecticut State Legislature. Four non-voting commissioners are appointed from non-member municipalities, one each from the towns of Glastonbury, South Windsor, East Granby and Farmington. Appointments made by municipalities having three or more members are subject to the minority representation provisions of Section 9-167a of the Connecticut General Statutes, Revision of 1958, as amended (“CGS”). All commissioners serve without remuneration for a term of six years.

DISTRIBUTION OF COMMISSION MEMBERSHIP

	Commissioners	Appointed By:			
		Member Municipality	Non-Member Municipality	Governor	Connecticut State Legislature
Bloomfield.....	1	1	0	0	0
East Hartford.....	4	3	0	1	0
Hartford.....	9	6	0	3	0
Newington.....	2	1	0	1	0
Rocky Hill.....	1	1	0	0	0
West Hartford.....	4	3	0	1	0
Wethersfield.....	2	1	0	1	0
Windsor.....	1	1	0	0	0
District at Large.....	4	0	0	0	4
Farmington.....	1	*	1	0	0
Glastonbury.....	1	*	1	0	0
South Windsor.....	1	*	1	0	0
East Granby.....	0	*	0	0	0
Total.....	31	20	4	7	4

*Non-voting.

POWERS AND RESPONSIBILITIES OF THE DISTRICT BOARD

The District Board is authorized to establish ordinances or bylaws; organize committees and bureaus; define the powers and duties of such bodies; fix salaries and define the duties of all officers and employees; appoint deputies to any officers or agents of the District; and issue negotiable bonds, notes or other certificates of debt to meet the cost of public improvements or to raise funds in anticipation of taxes or water revenue, which debt shall be an obligation of the District and its inhabitants. The District Board has the power to levy a tax upon the Member Municipalities to finance the operational and capital budget of the General Fund.

The District Board refers a proposed budget of revenues and expenditures to the Board of Finance annually. The Board of Finance reviews the proposed budget, makes adjustments, if desired, and refers it back to the District Board for final review, changes as necessary, and enactment.

Capital project appropriations to be financed by the issuance of bonds, notes and other obligations of the District are subject to approval of the District Board upon recommendation of the Board of Finance.

CONSUMER ADVOCATE

Public Act No. 17-1 established an Independent Consumer Advocate to act as an independent advocate for consumer interest in all matters which may affect District consumers, including, but not limited to, rates, water quality, water supply, and wastewater service quality. The Independent Consumer Advocate may appear and participate in District matters or any other federal or state regulatory or judicial proceeding in which consumers of the District are or may be involved. The Independent Consumer Advocate submits quarterly reports of his or her activities to the District, the Member Municipalities and the State Consumer Counsel. Such reports are available on the District’s website and the Consumer Counsel’s website.

ADMINISTRATION

Responsibility for the overall administration and management of District policy, operations and services rests with the Chief Executive Officer. The Chief Executive Officer has direct responsibility for the Human Resources, Communications functions and manages the remaining functions through the Chief Operating Officer (“COO”) and Chief Administrative Officer (“CAO”). The COO has responsibility for design and construction of the District’s Clean Water Project, Asset Management and capital planning programs, engineering, maintenance, operations, water pollution control, water treatment and supply, patrol and environment, and health and safety functions of the District. The CAO has responsibility for the District’s procurement, accounting, budgeting, treasury, risk management functions, information technology and customer service.

DISTRICT CHAIRS AND DISTRICT OFFICIALS

<u>Function</u>	<u>Chair</u>	<u>Date Term Ends</u>
District Board.....	William A. DiBella	December 2026
Water Bureau.....	Raymond Sweezy	December 2024
Bureau of Public Works.....	Richard V. Vicino	December 2021
Personnel, Pension & Insurance.....	Alvin E. Taylor	December 2022
Board of Finance.....	Pasquale J. Salemi	December 2022

<u>Position</u>	<u>District Officials</u>
Chief Executive Officer.....	Scott W. Jellison
Chief Operating Officer.....	Christopher J. Levesque
Chief Administrative Officer.....	Kelly J. Shane
District Clerk.....	John S. Mirtle
District Counsel.....	Christopher R. Stone
Chief Financial Officer/Treasurer.....	Robert Barron
Director of Engineering.....	Susan Negrelli
Controller.....	Thanh-Tra Phan
Director of Facilities.....	Thomas A. Tyler
Director of Information Technology.....	Robert B. Schwarm

Source: District Officials.

DISTRICT EMPLOYEES

The following table illustrates the full-time District employees for the last five fiscal years:

<u>Fiscal Year</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total Employees.....	454	479	485	489	512

DISTRICT EMPLOYEES BARGAINING UNITS

Bargaining Groups	Positions Covered	Contract Expiration Date
Clerks, Technicians and Non-Supervisory Engineers - Local 3713.....	86	December 31, 2022
Supervisors - Local 1026.....	51	December 31, 2022
Operational - Local 184.....	195	December 31, 2022
Total Union Employees	332	

Source: District Officials.

Connecticut General Statutes Sections 7-473c, 7-474, and 10-153a to 10-153n provide a procedure for binding arbitration of collective bargaining agreements between municipal employers and organizations representing municipal employees, including certificated teachers and certain other employees. The legislative body of an affected municipality may reject an arbitration panel’s decision by a two-thirds majority vote. The State 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.

DISTRICT FUNCTIONS

Principal functions of the District are the development and maintenance of sewer and water systems within the boundaries of its Member Municipalities. Additionally, as a result of Charter amendments approved by the Connecticut General Assembly, the District is also empowered to construct, maintain and operate hydroelectric dams.

The District’s Bureau of Public Works is responsible for the sanitary sewer system, which includes collection, transmission and treatment of sewage from within boundaries of the Member Municipalities and treatment of sewage received from non-member municipalities per special agreement. The Bureau of Public Works is empowered to authorize the layout and construction of additions and improvements to the sewer system, assess the betterments to property abutting the sanitary sewer line, defer assessments as authorized by ordinance and act on such other matters that by District Charter, Ordinances or By-Laws, must first be voted upon by the Bureau and then referred to the District Board for final authorization. Public hearings are held as needed. The Bureau of Public Works acts as a court for the assessment of betterments and appraisal of damages. Any party claiming to be aggrieved may take an appeal to the Superior Court of the Judicial District of Hartford.

The District’s Water Bureau is responsible for the water system that includes storage, transmission, treatment and distribution of water to customers. In addition, the Water Bureau is responsible for acquisition, construction and operation of hydroelectric plants. This bureau is empowered to make such bylaws or regulations for the preservation, protection and management of the water operations as may be deemed advisable. These include the power to establish rates for the use of water, and adopt rates for the assessment of benefits upon lands and buildings resulting from installation of water mains and service pipes.

Several other committees are created by the Charter or established by the District Board to carry out various other functions.

Additionally, the General Assembly of the State passed special legislation enabling the District to maintain a series of parks (developed by Riverfront Recapture) along the Connecticut River. Although the District no longer maintains Riverfront Recapture’s parks some funding is provided to Riverfront Recapture through the District’s water budget and recovered through water rates.

The District also engages in surveying and mapping as a service to its Member Municipalities and its own operations.

II. WATER POLLUTION CONTROL

FACILITIES FOR SEWER SERVICE As of December 31

Facilities for Sewer Service	2020	2019	2018	2017	2016
Total General Fixed Assets ¹	\$1,970,906,638	\$1,905,789,421	\$1,814,591,656	\$1,675,401,598	\$1,477,341,669
Miles of Sewers:					
Sanitary.....	1,093	1,090	1,089	1,088	1,089
Combined.....	159	159	159	159	159
Storm.....	79	79	79	78	79
Estimated Sewer Connections.....	91,376	91,208	91,037	91,011	90,728
Estimated Sewer					
Population Units:					
Estimated Population.....	362,937	364,173	364,969	364,793	365,289
Estimated Family Units Sewered.....	143,431	143,263	144,451	143,558	144,657
Present Sewage Plant Capacity:					
Design Population.....	513,900	513,900	513,900	513,900	513,900
Design Flow (million gallons daily).....	105	105	105	105	105
Average Daily Flow (million gallons)....	72	79	81	65	57

¹ Includes all physical facilities and capital projects except infrastructure, which is excluded under GAAP.
Source: District Officials.

Treatment: Water pollution control operations include the primary and secondary treatment of wastewater that flows into the facilities, septic tank loads received at the Hartford facility, and sludge delivered from regional towns. The District operates four water pollution control treatment facilities in East Hartford (12.5 million gallons per day), Rocky Hill (7.5 million gallons per day), Poquonock (5.0 million gallons per day) and Hartford (90 million gallons per day plus 110 million gallons per day through wet weather, for a total capacity of 200 million gallons per day). All treatment processes are in compliance with the District’s National Pollution Discharge Elimination permits issued by the State’s Department of Energy and Environmental Protection (“DEEP”).

Regulatory Compliance: The District entered into a consent order and a consent decree with the DEEP, the U.S. Department of Justice, and the U.S. Environmental Protection Agency to address sanitary sewer overflow, nitrogen reduction, and combined sewer overflow issues. The District has to date appropriated \$1.7588 billion for the cost of compliance. See “Part II – Information Concerning The Metropolitan District – II. Water Pollution Control – Clean Water Project”.

Maintenance/Replacement: The District’s maintenance of its sewer system is part of the annual sewer operational budget. The District’s replacement program is funded through appropriations under the District’s Capital Improvement Budget.

Revenue: Effective January 1, 1982, the District formally adopted the Adjusted Ad Valorem sewer user charge method of funding its sewer operations. This method of funding allocates the estimated cost of providing sewer services to customers based on actual use of the sewer system. More specifically, the Adjusted Ad Valorem sewer user charge method recovers sewer system costs from three separate user classifications: (1) low flow users (less than 25,000 gallons of discharge per day); (2) high flow users (more than 25,000 gallons per day); and (3) non-municipal tax-exempt users.

Revenue from low flow users is derived from the tax levied on the District’s Member Municipalities and is shown under the revenue item “Tax on Member Municipalities”.

Revenue from high flow users is based on actual sewer flow discharges from those users. A surcharge is levied on high flow users whose share of costs, based on flow, exceeds the portion of their annual property tax payments rendered in support of the District’s sewer system. Conversely, high flow users are eligible for year-end rebates if their user charge, based on flow, is less than the portion of the property tax they pay in support of sewer services.

Revenue from non-municipal tax-exempt properties is based on sewer flows from those properties. In addition, sewer user charge revenues from non-member municipalities, per written agreement, are based on actual sewer flows.

Cost Recovery: The District’s ability to recover costs associated with the operations of the sewer system is defined in the District Charter and Ordinances. Authority to levy a tax on the Member Municipalities and to bill a Sewer User Charge is defined in the District Charter. Specific ordinances relating to the District’s Adjusted Ad Valorem Sewer User Charge are found in the District’s General Sewer Ordinances.

SEWER USER CHARGE
As of January 1
(Per Hundred Cubic Feet)

2021	2020	2019	2018	2017
\$5.31	\$5.15	\$4.64	\$3.37	\$3.06

Source: District Officials.

Section 12 of the District’s Sewer Ordinances was amended on October 1, 2007 by the District Board to allow the implementation of a Clean Water Project Charge (previously the Special Sewer Service Surcharge) to fund the debt issued for the Clean Water Project. The Clean Water Project Charge was implemented in January 2008 and is used exclusively for the payment of debt service on bonds and loans issued to finance the Clean Water Project and for capital expenditures for the Clean Water Project. The District’s goal is to fund project costs with State and Federal grants and State and Federal low-cost loans as they become available, and open market debt. Bonds and loans that are solely supported by the Clean Water Project Charge will not be included in the calculation of overlapping debt of the Member Municipalities. As of August 31, 2021, the District will have issued \$618,831,413 as Interim Funding Obligations (the “IFO’s”) and Project Loan Obligations (the “PLO’s”) under the State’s Clean Water Fund Program associated with the Clean Water Project. See Section VIII “Debt Summary – Clean Water Fund Program”. As of August 31, 2021, the District will have issued \$285,500,000 in Clean Water Project Revenue Bonds, of which \$250,250,000 remains outstanding. The outstanding bonds are being repaid from a portion of the Clean Water Project Charge and are not general obligations of the District. See “Clean Water Project” herein.

CLEAN WATER PROJECT CHARGE
(PREVIOUSLY THE SPECIAL SEWER SERVICE SURCHARGE)
As of January 1
(Per Hundred Cubic Feet)

2021	2020	2019	2018	2017
\$4.10	\$4.10	\$4.10	\$3.80	\$3.50

Source: District Officials.

CLEAN WATER PROJECT¹

The Clean Water Project addresses approximately one billion gallons of combined wastewater and storm water currently released each year to area waterways prior to execution of the Clean Water Project. The project is in response to an Environmental Protection Agency (“EPA”) Sanitary Sewer Overflows (“SSO”) federal consent decree and a Connecticut DEEP Combined Sewer Overflows (“CSO”) consent order to achieve Federal Clean Water Act goals. The project is set forth in a Long-Term Control Plan (the “LTCP”), which is periodically revised and is subject to approval by DEEP. The District’s goal is to achieve compliance through efficient improvements to its system, maximizing funding of the project with State and Federal grants and the use of State and Federal low-cost loans, with the remainder funded with issuance of its own bonds. Project financing is expected to be repaid with the Clean Water Project Charge added to the water bills of customers in Member Municipalities who have sewage and water services from the District.

¹The Clean Water Project, so called, should not be confused with references herein to the “Clean Water Fund”, a program of the State of Connecticut to provide loans and grants to municipal entities for funding sewerage projects generally, and a source of funding for the Clean Water Project,. See “Part II – Information Concerning The Metropolitan District – VII. Debt Summary – Clean Water Fund Program”, herein.

Evolution of the Clean Water Project

As originally conceived in 2005, and as set forth in the initial LTCP, the Clean Water Project was estimated to cost approximately \$2.1 billion, and assumed to be completed in 2021, based on assumptions about, among other things, the design as originally conceived and the pace of design and construction and regulatory review and approval. The original concept relied on sewer separation projects, control of inflow and infiltration, and capacity increases and other improvements to the District's treatment plants.

An updated LTCP was submitted to DEEP in 2012 and revised through December 2014. The revised plan de-emphasized sewer separation projects, which proved expensive in downtown areas, and added a large storage and conveyance tunnel in south Hartford (the "South Tunnel"). It also featured a large storage and conveyance tunnel to the northern part of Hartford (the "North Tunnel") and connecting to the South Tunnel which was intended to both capture overflows in the northern and central part of Hartford and also to eliminate overflows into the North Branch of the Park River. This resubmittal as approved in 2015 set out a completion of the project by 2029.

The LTCP was most recently revised and resubmitted to Connecticut DEEP in December 2018. Meetings with CT DEEP have generated resubmittals, most recently a February 2021 submittal of a Phase I Implementation Plan, which is under review. This resubmitted LTCP introduces the concept of an "Integrated Plan", which recognizes the District's ongoing capital improvement and maintenance program and also furthers compliance with the governmental orders, with remedies such as replacing aged and damaged pipe and other system components, coupled with cleaning and other maintenance and rehabilitation activities, thereby increasing pipe capacity to reduce overflows. The concept and guidelines for Integrated Planning were introduced and accepted by EPA in 2012 for communities dealing with CSO compliance issues while maintaining existing aging infrastructure in an affordable manner. Managing this program balances new capital expenditures with maintenance expenditures, with priorities addressed to reduce, insofar as practical, costly emergency repairs of sewer collapses and other problems. The resubmitted LTCP retains the South Tunnel which is in construction, and related improvements, which are well underway, but replaces the North Tunnel concept with a shortened downtown area tunnel and capacity improvements in the northern part of Hartford. The compliance efforts are integrated with the ongoing capital maintenance and rehabilitation program and span a 40-year term. It contemplates a compliance effort over a longer term, combines the Clean Water Project with other capital improvements that had not been considered part of the project, and continues to finance the combined effort with the Clean Water Project Charge, all with a view to achieving compliance with the governmental orders efficiently and within the context of the District's other capital improvements while implementing a more affordable economic model for the rate payers.

The resubmitted LTCP sets out several compliance options, which incorporate timing and sequencing alternatives. The option preferred by the District would achieve incremental improvements in the coming years and full compliance in 2058. Other options would achieve compliance earlier, but have overlapping elements. The District has deferred designing specific elements of the compliance options until the LTCP is approved, while work continues on the South Tunnel. The District remains committed to working with DEEP, but cannot predict when the resubmitted LTCP will be approved, or its final content.

Cost Estimates

Because the resubmitted LTCP incorporates an Integrated Plan, the nature of the Clean Water Project and its overall cost is not directly comparable to the LTCP as currently approved. Current estimates to complete the LTCP are that the Clean Water Project Charge would remain flat for the next several years and then increase to approximately \$7.40 per hundred cubic feet ("ccf") and remain at least at that level for a considerable period as the ongoing capital maintenance and rehabilitation program continues. The District Board sets the Clean Water Project Charge without the need for other approvals. The primary reasons for the increase in the Clean Water Project Charge are due to inflation of costs to complete the LTCP on a longer schedule and the inclusion of asset management projects, such as sewer lining, which previously were contemplated to be paid for through ad valorem taxes. As a result, the future increases to ad valorem taxes will be mitigated while the estimated total cost to the rate payers for both the Clean Water Project Charge and ad valorem taxes remain about the same on average. This assumes a continued level of Federal and State support in the form of grants and low-cost loans consistent with the support provided to date. Other options would increase the surcharge, particularly those options that accelerate work or change the sequencing, as would a change in the level of Federal and State funding support. The District remains mindful of maintaining an overall level of affordability for rate payers of the District, and in particular the residents of Hartford, which may lead to future adjustment in the nature of the Clean Water Project and its cost and financing. No assurance can be given as to the final cost of the Clean Water Project or the precise composition of its funding.

Referendum Requirements

Generally speaking, appropriations for the cost of large projects must be approved by referendum vote of the electors of the Member Municipalities. Effective October 1, 2015, Public Act No.15-114 excludes from the referendum requirement that portion of any appropriations funded by Federal or State grants. An \$800 million appropriation for the Clean Water Project was approved at referendum on November 7, 2006. An appropriation for an additional \$800 million for the Clean Water Project was approved at referendum on November 6, 2012. An appropriation of \$140 million for a grant, not requiring a referendum, was approved by the District Board on October 5, 2016. Another appropriation of \$18.8 million for a grant not requiring a referendum was approved by the District Board on September 2, 2020. The District expects to appropriate further funds for the Clean Water Project without a referendum for portions paid for by State grants.

The District expects that the treatment plant work and the South Tunnel and related improvements will be completed within existing appropriations, assuming the ongoing South Tunnel work proceeds within contemplated cost estimates and that expected grants are received. Some portion of the Integrated Plan work in the resubmitted LTCP may be undertaken within existing appropriations if future grants are received for eligible projects. Full compliance with the resubmitted LTCP will likely require submission of one or more further appropriations for approval by electors at referendum. The District has made no determination as to when an additional referendum will be held.

The District cannot give any assurances as to when the Clean Water Project will be completed or its total cost as it is highly dependent on the availability of grants and loans from the State.

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

III. WATER OPERATIONS

Shortly after the District was created in 1929, approval was obtained from the Connecticut General Assembly and the Member Municipalities' electorates to construct the Barkhamsted Reservoir located on the east branch of the Farmington River in the towns of Barkhamsted and Hartland. The Barkhamsted Reservoir is the largest single water supply reservoir in Connecticut and has a capacity of 30.3 billion gallons of water. The District also operates a water treatment plant facility in Bloomfield (35 million gallons per day) and West Hartford (70 million gallons per day).

The District has sought and received legislative and voter approval for various water programs, all with the basic objective of providing a water supply and water distribution system sufficient in size to meet current and anticipated future needs. The District's average level of water production for 2020 was 47.6 million gallons per day.

FACILITIES FOR WATER SERVICE As of December 31

	2020	2019	2018	2017	2016
Total Utility Plant.....	\$648,901,852	\$608,196,939	\$599,920,958	\$575,779,741	\$555,389,868
Net Addition to Plant.....	40,704,913	8,275,981	24,141,217	20,389,873	25,404,724
Miles of Water Mains.....	1,562	1,562	1,557	1,554	1,553
Gross Miles Added During Year.....	0	3	4	1	2
Number of Hydrants.....	10,216	10,763	10,720	10,329	10,197
Number of Services.....	101,731	102,184	102,051	101,836	101,599
Number of Meters.....	100,452	98,250	99,949	98,239	102,987
Estimated Population Served.....	443,451	443,451	443,451	443,451	443,451

Source: District Officials.

NUMBER OF WATER CUSTOMERS As of December 31

	2020	2019	2018	2017	2016
Domestic.....	96,093	93,461	95,505	95,471	95,420
Commercial.....	4,515	5,771	5,771	5,536	5,512
Industrial.....	370	545	545	592	592
Public & Other.....	409	1,848	1,848	1,750	1,657
Total.....	101,387	101,625	103,669	103,349	103,181

Source: District Officials.

AVERAGE DAILY CONSUMPTION As of December 31 (Million Gallons Per Day)

	2020	2019	2018	2017	2016
Domestic.....	25.72	23.06	21.38	25.08	24.70
Commercial.....	9.66	8.35	8.43	6.47	6.38
Industrial.....	2.07	1.71	1.61	0.84	0.74
Municipal & Other.....	2.27	2.94	5.89	6.92	7.76
Total Million Gallons Per Day^{1,2}.....	39.72	36.06	37.31	39.31	39.59
Production - Maximum Day.....	69.89	63.65	68.80	61.68	71.94
Production - Minimum Day.....	38.15	38.94	37.84	39.15	39.90

¹ Represents net consumption billed.

² Totals may not add due to rounding.

Source: District Officials.

WATER UTILITY UNIT CHARGE
As of January 1
(Per Hundred Cubic Feet)

2021	2020	2019	2018	2017
\$4.05	\$3.97	\$3.50	\$3.14	\$2.77

Source: District Officials.

Treatment: Standards for the quality of drinking water supplied to District customers are maintained in conformity with the public health code of the Connecticut Department of Public Health and as promulgated under Federal water quality standards, under the Safe Drinking Water Act.

The District is in compliance with the Safe Drinking Water Act, also known as Public Health Code Regulation 19-13-B102, “Standards for Quality of Public Drinking Water”, and all subsequent amendments. The District has consistently pursued a policy to provide its customers a safe, potable water supply.

Maintenance/Replacement: The District’s maintenance of its water system is part of the annual water operational budget. Its replacement program is funded through appropriations under the District’s Capital Improvement Budget.

Revenue: The Public Utilities Regulatory Authority does not have jurisdiction to establish rates for the use of water. Setting of rates for the use of water is vested in the District’s Water Bureau, and as required by Charter, rates must be uniform throughout the District.

Billing Cycles: The District bills its approximately 101,625 customers on a monthly basis.

Cost Recovery: The District’s ability to recover costs associated with the operation of the water system is defined in its Charter and Ordinances. Specific ordinances relating to the above are found in Section W-I of the District’s Water Supply Ordinances.

Economic Development Rate: In March 2020, the District Board approved an Economic Development Rate that is meant to incentivize large consumption customers to utilize more water by providing a discounted water rate for users above 600,000 gallons per day (gpd) over a monthly billing cycle and a reduction of the CWPC based on actual volume discharged once consumption reaches 600,000 gpd.

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IV. HYDROELECTRIC DEVELOPMENT PROGRAM

The District's current hydroelectric program was approved by the District Board on July 20, 1982 and consists of generating facilities at the Goodwin Dam in Hartland, Connecticut and at the United States Army Corps of Engineers owned Colebrook River Dam in Colebrook, Connecticut. The Goodwin station began producing power on February 5, 1986, with commercial operations commencing on April 2, 1986. The Colebrook power station began producing power in May 1988, with full commercial operation commencing later that summer.

In January 2019, the District made the final payment to the United States Army Corps of Engineers for its share of the original construction costs under the fifty (50) year amortized payment schedule. During the life of the Colebrook project, the District learned that its storage capacity for use as an emergency drinking water supply is not available during the type of drought conditions when it would be needed by the District as an emergency supply. Additionally, the District completed a life cycle analysis of the Colebrook hydroelectric facility and determined that the Colebrook hydroelectric facility is reaching the end of its useful life because the timeline to recover the costs associated with necessary repairs or upgrades is far too long to make the facility cost effective. Due to the fact that there is no emergency drinking water supply available during droughts and the hydroelectric facility is at the end of its useful life, the District informed the Army Corps of Engineers that it is in the process of decommissioning the Colebrook hydroelectric facility and will surrender its ownership share in the Colebrook River Dam.

Deregulation: The Connecticut State Legislature mandated that Eversource Energy Co. ("Eversource"), formerly known as the Connecticut Light & Power Company, divest its generating facilities and renegotiate all of its private power producer contracts. The District and Eversource negotiated a buydown agreement, effective March 1, 2001, for the original electrical power production contracts for the Colebrook and Goodwin generating facilities. The District received \$13,000,000 from the original buydown agreement.

The negotiated buydown agreement requires Eversource to purchase electricity from the District's Goodwin and Colebrook power generating facilities over the remaining life of the original contract. These contracts have now expired and the District has entered into a contract with Connecticut Municipal Electric Energy Cooperative ("CMEEC") to act as the lead market participant to assist in marketing and selling the power generated at the Goodwin and Colebrook power generating facilities at the best price. The CMEEC contract was extended for the Goodwin facility until December 31, 2023.

Revenues from power sales and from the buydown agreement are estimated by the District to be adequate to finance budget commitments applicable to the hydroelectric program.

Operations and Maintenance: The maintenance of the District's hydroelectric facilities is part of the annual hydroelectric budget. Appropriations for operating and maintenance expenses are established annually as part of the overall budget process, and these expenses are funded primarily from power sales and proceeds from the power sales and District buydown agreement.

V. ECONOMIC AND DEMOGRAPHIC INFORMATION

POPULATION TRENDS

Town of Bloomfield				Town of East Hartford			
Year	Population ¹	% Increase	Density ²	Year	Population ¹	% Increase	Density ²
2019	21,022	2.6	803	2019	50,272	(1.9)	2,677
2010	20,486	4.6	783	2010	51,252	3.4	2,729
2000	19,587	0.5	748	2000	49,575	(1.7)	2,640
1990	19,483	4.7	744	1990	50,452	(4.0)	2,686
1980	18,608	1.7	711	1980	52,563	(8.7)	2,799
1970	18,301	34.4	699	1970	57,583	30.9	3,066

City of Hartford				Town of Newington			
Year	Population ¹	% Increase	Density ²	Year	Population ¹	% Increase	Density ²
2019	123,088	(1.4)	6,850	2019	30,234	(1.1)	2,294
2010	124,775	0.2	6,944	2010	30,562	4.3	2,319
2000	124,578	(10.8)	6,933	2000	29,306	0.3	2,224
1990	139,739	2.5	7,776	1990	29,208	1.3	2,216
1980	136,392	(13.7)	7,590	1980	28,841	10.8	2,188
1970	158,017	(2.6)	8,793	1970	26,037	47.4	1,975

Town of Rocky Hill				Town of West Hartford			
Year	Population ¹	% Increase	Density ²	Year	Population ¹	% Increase	Density ²
2019	20,168	2.3	1,461	2019	63,063	(0.3)	2,820
2010	19,709	9.7	1,428	2010	63,268	(0.5)	2,830
2000	17,966	8.5	1,302	2000	63,589	5.8	2,844
1990	16,554	13.7	1,200	1990	60,110	(1.9)	2,688
1980	14,559	31.1	1,055	1980	61,301	(9.9)	2,742
1970	11,103	50.0	805	1970	68,031	9.1	3,043

Town of Wethersfield				Town of Windsor			
Year	Population ¹	% Increase	Density ²	Year	Population ¹	% Increase	Density ²
2019	26,171	(1.9)	1,996	2019	28,859	(0.6)	975
2010	26,668	1.5	2,034	2010	29,044	2.9	981
2000	26,271	2.4	2,004	2000	28,237	1.5	954
1990	25,651	(1.4)	1,957	1990	27,817	10.4	940
1980	26,013	(2.4)	1,984	1980	25,204	12.0	851
1970	26,662	29.7	2,034	1970	22,502	15.6	760

¹ 1970-2010 – U.S. Department of Commerce, Bureau of Census; U.S. Census Bureau, 2015-2019 American Community Survey.

² Per square mile: Bloomfield: 26.2 square miles; East Hartford: 18.8 square miles; Hartford: 18.0 square miles; Newington: 13.2 square miles; Rocky Hill: 13.8 square miles; West Hartford: 22.4 square miles; Wethersfield: 13.1 square miles; Windsor: 29.6 square miles.

AGE DISTRIBUTION OF THE POPULATION¹

	Town of Bloomfield		Town of East Hartford		City of Hartford	
	Number	Percent	Number	Percent	Number	Percent
Under 5.....	707	3.4%	3,378	6.7%	7,635	6.2%
5 - 19.....	2,704	12.9%	9,236	18.4%	26,625	21.6%
20 - 44.....	5,486	26.1%	18,249	36.3%	47,650	38.7%
45 - 64.....	6,522	31.0%	12,161	24.2%	27,310	22.2%
65 - 84.....	4,444	21.1%	6,181	12.3%	12,205	9.9%
85 and over.....	1,159	5.5%	1,067	2.1%	1,663	1.4%
Totals.....	21,022	100.0%	50,272	100.0%	123,088	100.0%
Median Age (years)		51.3		37.8		32.1

	Town of Newington		Town of Rocky Hill		Town of West Hartford	
	Number	Percent	Number	Percent	Number	Percent
Under 5.....	1,274	4.2%	807	4.0%	3,322	5.3%
5 - 19.....	4,793	15.9%	3,002	14.9%	12,164	19.3%
20 - 44	8,770	29.0%	6,730	33.4%	19,156	30.4%
45 - 64.....	9,050	29.9%	5,490	27.2%	16,842	26.7%
65 - 84.....	5,132	17.0%	3,461	17.2%	9,233	14.6%
85 and over.....	1,215	4.0%	678	3.4%	2,346	3.7%
Totals.....	30,234	100.0%	20,168	100.0%	63,063	100.0%
Median Age (years)		45.5		43.2		40.7

	Town of Wethersfield		Town of Windsor		State of Connecticut	
	Number	Percent	Number	Percent	Number	Percent
Under 5.....	1,355	5.2%	1,394	4.8%	183,808	5.1%
5 - 19.....	4,424	16.9%	4,649	16.1%	663,574	18.6%
20 - 44	7,521	28.7%	8,804	30.5%	1,111,078	31.1%
45 - 64.....	7,825	29.9%	8,917	30.9%	1,015,561	28.4%
65 - 84.....	4,268	16.3%	4,351	15.1%	511,309	14.3%
85 and over.....	778	3.0%	744	2.6%	89,744	2.5%
Totals.....	26,171	100.0%	28,859	100.0%	3,575,074	100.0%
Median Age (years)		44.5		43.6		41.0

¹Totals may not add due to rounding.

Source: U.S. Census Bureau, 2015-2019 American Community Survey.

INCOME DISTRIBUTION

	Town of Bloomfield		Town of East Hartford		City of Hartford	
	Families	Percent	Families	Percent	Families	Percent
\$ 0 - \$ 9,999.....	137	2.5%	459	3.8%	2,763	10.6%
10,000 - 14,999.....	91	1.6%	313	2.6%	1,601	6.1%
15,000 - 24,999.....	128	2.3%	902	7.4%	3,087	11.8%
25,000 - 34,999.....	259	4.7%	1,078	8.8%	3,490	13.4%
35,000 - 49,999.....	455	8.2%	1,565	12.8%	3,994	15.3%
50,000 - 74,999.....	919	16.5%	2,072	17.0%	4,562	17.5%
75,000 - 99,999.....	909	16.4%	1,714	14.0%	2,707	10.4%
100,000 - 149,999.....	1,325	23.8%	2,534	20.7%	2,396	9.2%
150,000 - 199,999.....	695	12.5%	1,103	9.0%	875	3.4%
200,000 and over.....	640	11.5%	475	3.9%	612	2.3%
Totals.....	5,558	100.0%	12,215	100.0%	26,087	100.0%

	Town of Newington		Town of Rocky Hill		Town of West Hartford	
	Families	Percent	Families	Percent	Families	Percent
\$ 0 - \$ 9,999.....	202	2.6%	66	1.2%	271	1.7%
10,000 - 14,999.....	98	1.3%	53	1.0%	126	0.8%
15,000 - 24,999.....	251	3.2%	128	2.4%	306	2.0%
25,000 - 34,999.....	307	4.0%	215	4.0%	454	2.9%
35,000 - 49,999.....	553	7.1%	257	4.8%	843	5.4%
50,000 - 74,999.....	1,049	13.6%	742	13.8%	1,552	10.0%
75,000 - 99,999.....	1,560	20.2%	902	16.8%	1,793	11.5%
100,000 - 149,999.....	1,970	25.5%	1,488	27.7%	2,946	19.0%
150,000 - 199,999.....	1,148	14.8%	627	11.7%	2,549	16.4%
200,000 and over.....	602	7.8%	901	16.8%	4,704	30.3%
Totals.....	7,740	100.0%	5,379	100.0%	15,544	100.0%

	Town of Wethersfield		Town of Windsor		State of Connecticut	
	Families	Percent	Families	Percent	Families	Percent
\$ 0 - \$ 9,999.....	70	1.0%	25	0.3%	24,799	2.8%
10,000 - 14,999.....	113	1.6%	66	0.9%	16,037	1.8%
15,000 - 24,999.....	171	2.5%	87	1.2%	38,364	4.3%
25,000 - 34,999.....	200	2.9%	288	4.0%	48,110	5.4%
35,000 - 49,999.....	666	9.7%	587	8.1%	77,010	8.6%
50,000 - 74,999.....	856	12.4%	1,135	15.7%	123,980	13.9%
75,000 - 99,999.....	955	13.8%	1,121	15.5%	116,676	13.1%
100,000 - 149,999.....	1,926	27.9%	2,114	29.2%	186,246	20.8%
150,000 - 199,999.....	901	13.1%	958	13.2%	109,258	12.2%
200,000 and over.....	1,041	15.1%	854	11.8%	152,958	17.1%
Totals.....	6,899	100.0%	7,235	100.0%	893,438	100.0%

Source: U.S. Census Bureau, 2015-2019 American Community Survey.

INCOME LEVELS

	Town of Bloomfield	Town of East Hartford	City of Hartford	Town of Newington	Town of Rocky Hill
Per Capita Income, 2019.....	\$43,800	\$29,015	\$21,163	\$39,397	\$46,153
Per Capita Income, 2010.....	\$39,738	\$24,373	\$16,798	\$32,561	\$36,021
Per Capita Income, 1999.....	\$28,843	\$21,763	\$13,428	\$26,881	\$29,701
Per Capita Income, 1989.....	\$22,478	\$16,575	\$11,081	\$19,668	\$21,918
Median Family Income, 2019.....	\$92,912	\$70,319	\$42,536	\$97,427	\$107,654
Median Family Income, 2010.....	\$84,583	\$57,848	\$32,820	\$80,597	\$88,750
Median Family Income, 1999.....	\$64,892	\$50,540	\$27,051	\$67,085	\$72,726
Median Family Income, 1989.....	\$56,541	\$36,584	\$24,774	\$50,916	\$56,396
Percent Below Poverty Level 2019.....	4.9%	10.2%	23.6%	4.3%	2.2%

	Town of West Hartford	Town of Wethersfield	Town of Windsor	State of Connecticut
Per Capita Income, 2019.....	\$56,692	\$45,922	\$41,080	\$44,496
Per Capita Income, 2010.....	\$43,534	\$37,329	\$35,780	\$36,775
Per Capita Income, 1999.....	\$33,468	\$28,930	\$27,633	\$28,766
Per Capita Income, 1989	\$26,943	\$22,246	\$19,592	\$20,189
Median Family Income, 2019.....	\$138,365	\$110,090	\$105,415	\$100,418
Median Family Income, 2010.....	\$102,547	\$91,563	\$90,865	\$84,170
Median Family Income, 1999.....	\$77,865	\$68,154	\$73,064	\$65,521
Median Family Income, 1989.....	\$60,518	\$53,111	\$55,400	\$49,199
Percent Below Poverty Level 2019.....	3.7%	4.1%	2.1%	6.8%

Source: U.S. Department of Commerce, Bureau of Census, 2010, 2000, and 1990; Census Bureau, 2015-2019 American Community Survey.

EDUCATIONAL ATTAINMENT

Years of School Completed Age 25 and Over

	Town of Bloomfield		Town of East Hartford		City of Hartford	
	Number	Percent	Number	Percent	Number	Percent
Less than 9th grade.....	546	3.3%	2,908	8.6%	8,968	11.8%
9th to 12th grade.....	982	6.0%	2,723	8.0%	10,503	13.8%
High School graduate.....	4,699	28.7%	12,017	35.5%	25,329	33.2%
Some college, no degree.....	3,015	18.4%	6,504	19.2%	13,769	18.1%
Associate's degree	1,439	8.8%	3,140	9.3%	4,789	6.3%
Bachelor's degree.....	2,863	17.5%	4,472	13.2%	7,642	10.0%
Graduate or professional degree....	2,841	17.3%	2,090	6.2%	5,234	6.9%
Totals.....	16,385	100.0%	33,854	100.0%	76,234	100.0%
Total high school graduate or higher (%)......	90.7%		83.4%		74.5%	
Total bachelor's degree or higher (%)......	34.8%		19.4%		16.9%	

	Town of Newington		Town of Rocky Hill		Town of West Hartford	
	Number	Percent	Number	Percent	Number	Percent
Less than 9th grade.....	792	3.5%	406	2.6%	1,209	2.8%
9th to 12th grade.....	1,114	5.0%	447	2.9%	1,240	2.8%
High School graduate.....	5,725	25.5%	3,327	21.7%	5,807	13.2%
Some college, no degree.....	3,910	17.4%	2,116	13.8%	4,886	11.1%
Associate's degree	2,120	9.4%	1,304	8.5%	2,379	5.4%
Bachelor's degree.....	5,311	23.6%	4,877	31.8%	13,207	30.1%
Graduate or professional degree....	3,486	15.5%	2,865	18.7%	15,204	34.6%
Totals.....	22,458	100.0%	15,342	100.0%	43,932	100.0%
Total high school graduate or higher (%)......	91.5%		94.4%		94.4%	
Total bachelor's degree or higher (%)......	39.2%		50.5%		64.7%	

	Town of Wethersfield		Town of Windsor		State of Connecticut	
	Number	Percent	Number	Percent	Number	Percent
Less than 9th grade.....	639	3.4%	713	3.5%	99,837	4.0%
9th to 12th grade.....	560	3.0%	846	4.1%	132,826	5.3%
High School graduate.....	4,981	26.4%	4,732	23.0%	666,828	26.9%
Some college, no degree.....	2,944	15.6%	4,258	20.7%	416,175	16.8%
Associate's degree	1,214	6.4%	1,573	7.7%	191,964	7.7%
Bachelor's degree.....	4,823	25.5%	4,729	23.0%	541,380	21.8%
Graduate or professional degree...	3,740	19.8%	3,711	18.0%	434,085	17.5%
Totals.....	18,901	100.0%	20,562	100.0%	2,483,095	100.0%
Total high school graduate or higher (%).....		93.7%		92.4%		90.6%
Total bachelor's degree or higher (%).....		45.3%		41.0%		39.3%

Source: U.S. Census Bureau, 2015-2019 American Community Survey.

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

MAJOR EMPLOYERS WITHIN THE DISTRICT

Employer	Product	Location	Estimated Number of Employees
Hartford Financial Svc Group	Insurance	Hartford	(5,000 - 9,999)
Hartford Hospital	Hospitals	Hartford	(5,000 - 9,999)
Pratt & Whitney	Aerospace Industries (mfrs)	East Hartford	(5,000 - 9,999)
Aetna Inc	Insurance	Hartford	(1,000 - 4,999)
Amazon Fulfillment Ctr	Mail Order Fulfillment Service	Windsor	(1,000 - 4,999)
BankBoston	Banks	Hartford	(1,000 - 4,999)
CIGNA	Insurance	Bloomfield	(1,000 - 4,999)
CIGNA	Insurance (Data Center)	Windsor	(1,000 - 4,999)
Connecticut Children's Med Ctr	Hospitals	Hartford	(1,000 - 4,999)
Environmental Protection Dept	Government Offices-State	Hartford	(1,000 - 4,999)
Institute of Living	Mental Health Services	Hartford	(1,000 - 4,999)
Hartford Life	Financial Services	Windsor	(1,000 - 4,999)
Hartford Hospital	Health Services	Newington	(1,000 - 4,999)
Kaman Aerospace Corp	Aerospace Industries (mfrs)	Bloomfield	(1,000 - 4,999)
Lincoln Theater	Theatres-Movie	West Hartford	(1,000 - 4,999)
Lincoln Waste Solutions	Waste Reduction & Disposal Equip-Ind	Rocky Hill	(1,000 - 4,999)
St Francis Hospital & Med Ctr	Hospitals	Hartford	(1,000 - 4,999)
Stanadyne LLC	Fuel Injection Equipment & Service-	Windsor	(1,000 - 4,999)
Talcott Resolution Life Ins Co	Insurance	Windsor	(1,000 - 4,999)
Transportation Department	Government Offices-State	Newington	(1,000 - 4,999)
Travelers Indemnity Co	Insurance	Hartford	(1,000 - 4,999)
University of Hartford	Education	West Hartford	(1,000 - 4,999)
Voya	Insurance/Financial Services	Windsor	(1,000 - 4,999)
B 2B Data	Mailing Lists	Hartford	(500 - 999)
Capital Community College	Junior-Community College-Tech	Hartford	(500 - 999)
Community Renewal Team Inc	Social Service & Welfare Organizations	Hartford	(500 - 999)
Compu-Data	Advertising-Direct Mail	Newington	(500 - 999)
Connecticut Natural Gas Corp	Gas Companies	East Hartford	(500 - 999)
Connecticut State Dept-Pubc	City Government-Social & Human	Hartford	(500 - 999)
Data Mail Inc	Advertising-Direct Mail	Newington	(500 - 999)
Dunn Paper	Paper-Manufacturers	East Hartford	(500 - 999)
Eversource	Utility	Windsor	(500 - 999)
GE/Alstrom Power	Power Plant Engineering/Customer	Windsor	(500 - 999)
Hartford Healthcare At Home	Home Health Service	West Hartford	(500 - 999)
Hartford Police Dept	Police Departments	Hartford	(500 - 999)
Henkel Corporation	Manufacturer	Rocky Hill	(500 - 999)
Homegoods Distribution	Distribution Center	Bloomfield	(500 - 999)
Hospital At Hebrew Health Care	Hospitals	West Hartford	(500 - 999)
Labor Department	State Government-Licensing &	Wethersfield	(500 - 999)
Lincoln National Life Ins Co	Insurance-Life (agents)	Hartford	(500 - 999)
Met Life	Insurance	Bloomfield	(500 - 999)
PWC	Accountants	Hartford	(500 - 999)
Regional Market	Government Offices-State	Hartford	(500 - 999)
Revenue Services Dept	Government Offices-State	Hartford	(500 - 999)
Shipman & Goodwin LLP	Attorneys	Hartford	(500 - 999)
SS&C Technologies	Business Equipment Sales	Windsor	(500 - 999)
State-Ct Dept-Public Health	State Government-Public Health	Hartford	(500 - 999)
Sysco Connecticut LLC	Food Products (whls)	Rocky Hill	(500 - 999)
Town of West Hartford Ct	City Government-Social & Human	West Hartford	(500 - 999)
Unicco Service Co	Janitor Service	East Hartford	(500 - 999)
Waste Management	Waste Disposal/Recycling	Windsor	(500 - 999)
Walgreens	Distribution Center	Windsor	(500 - 999)
World Class Distributors	Warehouse Distribution	Bloomfield	(500 - 999)
X L Ctr Catering Svc	Halls & Auditoriums	Hartford	(500 - 999)
Bone & Joint Institute	Medical Centers	Hartford	(250 - 499)
Burris Logistics	Logistics Warehouse	Rocky Hill	(250 - 499)
Cheescake Factory	Restaurant	West Hartford	(250 - 499)
Congregational Church Home Inc	Skilled Nursing Care Facilities	Hartford	(250 - 499)
Connecticut Veterinary Center	Animal Hospital	West Hartford	(250 - 499)
Constructive Workshops	Rehabilitation Services	West Hartford	(250 - 499)
Duncaster	Retirement Community	Bloomfield	(250 - 499)
Hartford Fire Dept	Fire Departments	Hartford	(250 - 499)
Hartford Healthcare	House Cleaning	Bloomfield	(250 - 499)
Henkel Corp	Chemicals-Manufacturers	Rocky Hill	(250 - 499)
Jacobs Vehicle Systems Inc	Truck Equipment & Parts-	Bloomfield	(250 - 499)
Konica Minolta	Copying & Duplicating Machines &	Windsor	(250 - 499)
Otis Elevator Co	Elevators-Supplies & Parts (whls)	Bloomfield	(250 - 499)
Public Works Dept	Government Offices-City/Village & Twp	Hartford	(250 - 499)
Rexel	Metal Goods-Manufacturers	Hartford	(250 - 499)
Riverside Health & Rehab Ctr	Rest Homes	East Hartford	(250 - 499)
Seabury	Retirement Community	Bloomfield	(250 - 499)
Stew Leonards	Grocery	Newington	(250 - 499)
Triumph Engine Control Systems	Aircraft Components-Manufacturers	West Hartford	(250 - 499)
Veterans Administration Hospital	Health Service	Newington	(250 - 499)
Veterans Affairs	State Government-Veterans Affairs	Rocky Hill	(250 - 499)
Town of West Hartford	Municipality	West Hartford	1,100-2,250
Town of East Hartford	Municipality	East Hartford	1,756
Town of Bloomfield	Municipality	Bloomfield	621

Source: 2020 Audited Financial Statements of Member Municipalities; State of Connecticut Department of Labor website as of July 12, 2021 <https://www1.ctdol.state.ct.us/lmi/EmpSearchTopList.asp?intAreaType=3&intArea=3&intTopEmployer=100> ; Bloomfield Official Statement dated January 27, 2021, Newington dated June 4, 2020, Rocky Hill dated July 29, 2020, West Hartford dated July 8, 2021 and Windsor Official Statement dated June 24, 2021

Note: The information shown above was derived from information obtained from various sources believed to be reliable as of the date provided. It should be noted the data may not reflect all consolidation or workforce reduction plans.

EMPLOYMENT BY INDUSTRY

Sector	Town of Bloomfield		Town of East Hartford		City of Hartford	
	Number	Percent	Number	Percent	Number	Percent
Agriculture, forestry, fishing and hunting, and mining.....	0	0.0%	5	0.0%	56	0.1%
Construction.....	437	4.2%	1,426	5.5%	2,690	5.2%
Manufacturing.....	706	6.9%	2,482	9.5%	3,664	7.1%
Wholesale Trade.....	292	2.8%	660	2.5%	732	1.4%
Retail Trade.....	873	8.5%	3,440	13.2%	6,632	12.8%
Transportation and warehousing, and utilities.....	690	6.7%	2,037	7.8%	4,320	8.3%
Information	122	1.2%	477	1.8%	668	1.3%
Finance, insurance, real estate, and rental and leasing.....	1,238	12.0%	2,108	8.1%	3,048	5.9%
Professional, scientific, management, administrative, and waste management svcs....	935	9.1%	2,023	7.8%	5,222	10.1%
Educational, health and social services.....	3,359	32.6%	7,082	27.2%	15,096	29.1%
Arts, entertainment, recreation, accommodation and food services.....	727	7.1%	2,028	7.8%	5,036	9.7%
Other services (except public administration).....	301	2.9%	1,088	4.2%	2,787	5.4%
Public Administration	619	6.0%	1,198	4.6%	2,000	3.8%
Total Labor Force, Employed.....	10,299	100.0%	26,054	100.0%	51,951	100.0%

Sector	Town of Newington		Town of Rocky Hill		Town of West Hartford	
	Number	Percent	Number	Percent	Number	Percent
Agriculture, forestry, fishing and hunting, and mining.....	0	0.0%	0	0.0%	76	0.2%
Construction.....	766	4.6%	433	4.0%	1,165	3.5%
Manufacturing.....	1,744	10.5%	834	7.7%	3,221	9.6%
Wholesale Trade.....	503	3.0%	368	3.4%	635	1.9%
Retail Trade.....	1,746	10.5%	995	9.2%	2,301	6.9%
Transportation and warehousing, and utilities.....	621	3.7%	437	4.0%	566	1.7%
Information	282	1.7%	150	1.4%	1,066	3.2%
Finance, insurance, real estate, and rental and leasing.....	1,876	11.3%	1,284	11.8%	4,741	14.2%
Professional, scientific, management, administrative, and waste management svcs....	1,795	10.8%	1,789	16.5%	4,007	12.0%
Educational, health and social services.....	4,357	26.2%	2,481	22.9%	11,127	33.3%
Arts, entertainment, recreation, accommodation and food services.....	1,319	7.9%	726	6.7%	2,144	6.4%
Other services (except public administration).....	818	4.9%	627	5.8%	1,311	3.9%
Public Administration	817	4.9%	717	6.6%	1,073	3.2%
Total Labor Force, Employed.....	16,644	100.0%	10,841	100.0%	33,433	100.0%

Sector	Town of Wethersfield		Town of Windsor		State of Connecticut	
	Number	Percent	Number	Percent	Number	Percent
Agriculture, forestry, fishing and hunting, and mining.....	75	0.5%	25	0.2%	7,057	0.4%
Construction.....	744	5.2%	725	4.5%	109,467	6.0%
Manufacturing.....	1,002	7.0%	1,634	10.2%	189,162	10.4%
Wholesale Trade.....	214	1.5%	382	2.4%	44,344	2.4%
Retail Trade.....	1,380	9.6%	1,395	8.7%	191,756	10.6%
Transportation and warehousing, and utilities.....	618	4.3%	925	5.8%	76,439	4.2%
Information	237	1.6%	227	1.4%	39,585	2.2%
Finance, insurance, real estate, and rental and leasing.....	1,922	13.4%	1,596	9.9%	162,153	8.9%
Professional, scientific, management, administrative, and waste management svcs....	1,451	10.1%	1,605	10.0%	208,379	11.5%
Educational, health and social services.....	4,044	28.1%	4,593	28.6%	484,166	26.7%
Arts, entertainment, recreation, accommodation and food services.....	1,199	8.3%	952	5.9%	152,041	8.4%
Other services (except public administration).....	757	5.3%	1,061	6.6%	84,915	4.7%
Public Administration	724	5.0%	950	5.9%	66,172	3.6%
Total Labor Force, Employed.....	14,367	100.0%	16,070	100.0%	1,815,636	100.0%

Source: U.S. Census Bureau, 2015-2019 American Community Survey.

EMPLOYMENT DATA

Period ¹	Percentage Unemployed				
	Town of Bloomfield	Town of East Hartford	City of Hartford	Town of Newington	Town of Rocky Hill
May 2021.....	7.0%	8.5%	11.5%	5.1%	4.3%
April 2021.....	8.7	10.8	14.0	6.9	5.5
March 2021.....	8.6	10.8	13.9	7.3	5.9
February 2021.....	8.3	10.5	13.7	7.2	6.1
January 2021.....	8.3	11.0	13.8	7.3	6.2
<u>Annual Average</u>					
2020.....	8.1%	10.4%	13.3%	7.3%	6.0%
2019.....	3.9	4.7	6.6	3.4	2.8
2018.....	4.3	5.3	7.1	3.7	3.1
2017.....	5.2	5.7	8.2	4.1	3.6
2016.....	5.4	6.5	9.2	4.5	4.0
2015.....	6.2	7.1	10.1	4.8	4.3
2014.....	6.8	8.2	11.4	5.5	5.0
2013.....	8.2	9.6	13.5	6.6	5.8
2012.....	8.9	10.2	14.2	7.1	6.2
2011.....	9.0	10.8	14.9	7.7	6.9

Period ¹	Percentage Unemployed				
	Town of West Hartford	Town of Wethersfield	Town of Windsor	Hartford Labor Market	State of Connecticut
May 2021.....	4.3%	5.4%	6.3%	6.1%	6.0%
April 2021.....	5.3	6.6	7.8	7.6	7.5
March 2021.....	5.7	7.2	7.7	8.2	8.2
February 2021.....	5.8	7.4	7.8	8.2	8.3
January 2021.....	6.2	7.6	8.3	8.3	8.5
<u>Annual Average</u>					
2020.....	6.0%	7.2%	8.0%	7.7%	7.9%
2019.....	2.8	3.2	3.8	3.8	3.7
2018.....	3.1	3.6	4.1	4.2	4.1
2017.....	3.4	4.4	4.7	4.7	4.7
2016.....	3.8	4.6	5.0	5.2	5.1
2015.....	4.2	4.9	5.4	5.7	5.7
2014.....	4.8	5.8	6.4	6.6	6.6
2013.....	5.7	6.7	7.6	7.8	7.8
2012.....	6.1	7.0	8.2	8.3	8.3
2011.....	6.6	7.8	8.4	8.8	8.8

¹ Not seasonally adjusted.

Source: Department of Labor, State of Connecticut.

AGE DISTRIBUTION OF HOUSING

Year Built	Town of Bloomfield		Town of East Hartford		City of Hartford	
	Units	Percent	Units	Percent	Units	Percent
1939 or earlier.....	502	5.4%	3,495	16.7%	21,948	40.1%
1940 to 1969.....	4,317	46.4%	12,379	59.0%	19,902	36.3%
1970 to 1979.....	1,671	18.0%	2,438	11.6%	4,633	8.5%
1980 to 1989.....	1,161	12.5%	1,525	7.3%	3,621	6.6%
1990 to 2000.....	679	7.3%	517	2.5%	2,241	4.1%
Later than 2000.....	970	10.4%	622	3.0%	2,408	4.4%
Total housing units, 2019....	9,300	100.0%	20,976	100.0%	54,753	100.0%
Percent Owner Occupied, 2019		71.5%		58.5%		24.0%

Year Built	Town of Newington		Town of Rocky Hill		Town of West Hartford	
	Units	Percent	Units	Percent	Units	Percent
1939 or earlier.....	1,171	9.1%	456	4.9%	7,581	28.7%
1940 to 1969.....	5,790	45.2%	2,389	25.8%	13,351	50.5%
1970 to 1979.....	2,854	22.3%	2,459	26.6%	2,142	8.1%
1980 to 1989.....	1,290	10.1%	2,189	23.7%	1,248	4.7%
1990 to 2000.....	711	5.6%	810	8.8%	726	2.7%
Later than 2000.....	994	7.8%	948	10.2%	1,389	5.3%
Total housing units, 2019....	12,810	100.0%	9,251	100.0%	26,437	100.0%
Percent Owner Occupied, 2019		78.3%		63.5%		71.0%

Year Built	Town of Wethersfield		Town of Windsor		State of Connecticut	
	Units	Percent	Units	Percent	Units	Percent
1939 or earlier.....	2,203	19.2%	1,922	16.9%	334,845	22.1%
1940 to 1969.....	5,637	49.1%	4,364	38.4%	532,280	35.1%
1970 to 1979.....	1,362	11.9%	1,663	14.6%	203,700	13.4%
1980 to 1989.....	1,268	11.0%	1,706	15.0%	188,655	12.4%
1990 to 2000.....	736	6.4%	896	7.9%	116,028	7.7%
Later than 2000.....	275	2.4%	820	7.2%	141,121	9.3%
Total housing units, 2019....	11,481	100.0%	11,371	100.0%	1,516,629	100.0%
Percent Owner Occupied, 2019		79.3%		82.7%		66.1%

Source: U.S. Census Bureau, 2015-2019 American Community Survey.

HOUSING INVENTORY

Type	Town of Bloomfield		Town of East Hartford		City of Hartford	
	Units	Percent	Units	Percent	Units	Percent
1 unit detached.....	6,281	67.5%	11,252	53.6%	7,654	14.0%
1 unit attached.....	529	5.7%	1,265	6.0%	1,825	3.3%
2 to 4 units.....	897	9.6%	3,359	16.0%	20,820	38.0%
5 to 9 units.....	480	5.2%	1,115	5.3%	7,117	13.0%
10 or more units.....	1,062	11.4%	3,370	16.1%	17,320	31.6%
Mobile home, trailer, other....	51	0.5%	615	2.9%	17	0.0%
Total Inventory.....	9,300	100.0%	20,976	100.0%	54,753	100.0%

Type	Town of Newington		Town of Rocky Hill		Town of West Hartford	
	Units	Percent	Units	Percent	Units	Percent
1 unit detached.....	8,202	64.0%	4,565	49.3%	17,570	66.5%
1 unit attached.....	1,425	11.1%	926	10.0%	1,039	3.9%
2 to 4 units.....	885	6.9%	1,008	10.9%	2,827	10.7%
5 to 9 units.....	677	5.3%	509	5.5%	616	2.3%
10 or more units.....	1,613	12.6%	2,243	24.2%	4,261	16.1%
Mobile home, trailer, other....	8	0.1%	0	0.0%	124	0.5%
Total Inventory.....	12,810	100.0%	9,251	100.0%	26,437	100.0%

Type	Town of Wethersfield		Town of Windsor		State of Connecticut	
	Units	Percent	Units	Percent	Units	Percent
1 unit detached.....	8,724	76.0%	8,859	77.9%	893,531	58.9%
1 unit attached.....	553	4.8%	718	6.3%	81,832	5.4%
2 to 4 units.....	939	8.2%	1,068	9.4%	254,945	16.8%
5 to 9 units.....	197	1.7%	306	2.7%	82,695	5.5%
10 or more units.....	1,068	9.3%	420	3.7%	191,374	12.6%
Mobile home, trailer, other....	0	0.0%	0	0.0%	12,252	0.8%
Total Inventory.....	11,481	100.0%	11,371	100.0%	1,516,629	100.0%

Source: U.S. Census Bureau, 2015-2019 American Community Survey.

OWNER-OCCUPIED HOUSING VALUES

Specified Owner-Occupied Units	Town of Bloomfield		Town of East Hartford		City of Hartford	
	Number	Percent	Number	Percent	Number	Percent
Less than \$50,000.....	102	1.6%	467	4.2%	296	2.6%
\$50,000 to \$99,999.....	257	4.1%	691	6.2%	1,086	9.7%
\$100,000 to \$149,999.....	771	12.4%	2,966	26.6%	2,776	24.8%
\$150,000 to \$199,999.....	1,604	25.7%	4,217	37.8%	3,742	33.4%
\$200,000 to \$299,999.....	2,093	33.5%	2,416	21.7%	1,928	17.2%
\$300,000 to \$499,999.....	1,234	19.8%	281	2.5%	818	7.3%
\$500,000 to \$999,999.....	156	2.5%	57	0.5%	430	3.8%
\$1,000,000 or more.....	24	0.4%	49	0.4%	120	1.1%
Totals.....	6,241	100.0%	11,144	100.0%	11,196	100.0%

Median Sales Price ¹	\$134,000	\$112,800	\$93,900
Median Sales Price ²	\$214,600	\$164,200	\$165,300

Specified Owner-Occupied Units	Town of Newington		Town of Rocky Hill		Town of West Hartford	
	Number	Percent	Number	Percent	Number	Percent
Less than \$50,000.....	94	1.0%	86	1.6%	143	0.8%
\$50,000 to \$99,999.....	286	3.0%	79	1.4%	115	0.7%
\$100,000 to \$149,999.....	824	8.5%	400	7.3%	342	1.9%
\$150,000 to \$199,999.....	2,157	22.3%	668	12.2%	1,350	7.7%
\$200,000 to \$299,999.....	4,511	46.6%	2,295	41.9%	5,226	29.8%
\$300,000 to \$499,999.....	1,640	16.9%	1,607	29.4%	7,533	42.9%
\$500,000 to \$999,999.....	132	1.4%	339	6.2%	2,678	15.2%
\$1,000,000 or more.....	34	0.4%	0	0.0%	176	1.0%
Totals.....	9,678	100.0%	5,474	100.0%	17,563	100.0%

Median Sales Price ¹	\$144,800	\$165,400	\$176,400
Median Sales Price ²	\$230,500	\$268,700	\$334,300

Specified Owner-Occupied Units	Town of Wethersfield		Town of Windsor		State of Connecticut	
	Number	Percent	Number	Percent	Number	Percent
Less than \$50,000.....	113	1.3%	244	2.7%	17,522	1.9%
\$50,000 to \$99,999.....	101	1.2%	371	4.2%	28,440	3.1%
\$100,000 to \$149,999.....	385	4.4%	904	10.1%	78,467	8.7%
\$150,000 to \$199,999.....	1,538	17.8%	1,828	20.5%	137,944	15.2%
\$200,000 to \$299,999.....	3,701	42.8%	3,978	44.7%	248,431	27.4%
\$300,000 to \$499,999.....	2,571	29.7%	1,480	16.6%	244,855	27.0%
\$500,000 to \$999,999.....	246	2.8%	61	0.7%	107,504	11.9%
\$1,000,000 or more.....	0	0.0%	42	0.5%	42,518	4.7%
Totals.....	8,655	100.0%	8,908	100.0%	905,681	100.0%
Median Sales Price ¹		\$159,300		\$142,200		\$166,900
Median Sales Price ²		\$255,300		\$225,600		\$275,400

¹ Median Sales Price, U.S. Department of Commerce, Bureau of Census, 2000.

² U. S. Census Bureau, 2015-2019 American Community Survey.

Source: U. S. Census Bureau, 2015-2019 American Community Survey.

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

VI. TAX BASE DATA

TAX COLLECTION PROCEDURE

The method for taxing Member Municipalities is set forth in Section 3-12 of the District Charter which grants the District Board, acting on the recommendation of the Board of Finance, the power to levy tax upon the Member Municipalities sufficient to finance the District's budgeted expenses. The tax is divided among the Member Municipalities in proportion to the total revenue received yearly from direct taxation in each Member Municipality, as averaged over the prior three years.

COMPARATIVE ASSESSED VALUATIONS

Town of Bloomfield			Town of East Hartford		
Grand List of 10/1	Net Taxable Grand List	% Growth	Grand List of 10/1	Net Taxable Grand List	% Growth
2020	\$2,402,488,570	1.0%	2020	\$2,807,364,070	0.5%
2019 ¹	2,377,731,476	10.3%	2019	2,794,244,994	0.4%
2018	2,155,023,283	1.8%	2018	2,783,862,372	-1.0%
2017	2,116,863,202	4.9%	2017	2,811,967,294	2.0%
2016	2,018,358,356	-1.0%	2016 ¹	2,757,568,984	0.8%
2015	2,038,195,880	0.2%	2015	2,736,032,759	1.7%
2014 ¹	2,033,984,990	-1.6%	2014	2,689,464,641	0.1%
2013	2,067,157,242	1.7%	2013	2,687,876,591	-0.1%
2012	2,032,528,017	2.6%	2012	2,691,709,967	-0.1%
2011	1,981,916,344	1.7%	2011 ¹	2,695,242,754	-12.9%

¹ Revaluation Year.

¹ Revaluation Year.

City of Hartford			Town of Newington		
Grand List of 10/1	Net Taxable Grand List	% Growth	Grand List of 10/1	Net Taxable Grand List	% Growth
2020	\$4,115,886,472	2.0%	2020	\$2,765,341,316	4.1%
2019	4,036,000,866	0.3%	2019	2,656,844,617	0.6%
2018	4,025,919,645	-0.9%	2018	2,640,307,103	0.6%
2017	4,061,916,449	-0.1%	2017	2,623,718,787	0.5%
2016 ¹	4,068,017,222	9.9%	2016	2,609,986,139	-0.2%
2015	3,701,904,978	2.3%	2015 ¹	2,615,695,201	2.5%
2014	3,619,341,714	2.5%	2014	2,550,822,204	0.1%
2013	3,531,344,777	1.2%	2013	2,548,042,597	0.5%
2012	3,487,781,236	2.0%	2012	2,536,619,686	-1.1%
2011 ¹	3,417,940,335	-8.6%	2011 ¹	2,564,276,354	-4.3%

¹ Revaluation Year.

¹ Revaluation Year.

Town of Rocky Hill

Grand List of 10/1	Net Taxable Grand List	% Growth
2020	\$2,243,544,929	0.4%
2019	2,235,057,168	1.2%
2018 ¹	2,208,948,420	5.5%
2017	2,094,054,395	1.6%
2016	2,061,636,790	1.4%
2015	2,033,673,437	0.8%
2014	2,018,435,060	1.5%
2013 ¹	1,988,502,360	-8.1%
2012	2,164,593,839	0.4%
2011	2,156,334,575	0.0%

¹ Revaluation Year

Town of West Hartford

Grand List of 10/1	Net Taxable Grand List	% Growth
2020	\$6,394,578,261	0.5%
2019	6,363,394,009	0.8%
2018	6,314,734,062	0.5%
2017	6,285,118,569	0.8%
2016 ¹	6,232,711,742	4.2%
2015	5,981,347,789	0.6%
2014	5,946,170,476	0.4%
2013	5,924,661,849	0.5%
2012	5,893,896,106	0.2%
2011 ¹	5,880,331,173	16.8%

¹ Revaluation Year.

Town of Wethersfield

Grand List of 10/1	Net Taxable Grand List	% Growth
2020	\$2,365,265,780	1.2%
2019	2,336,707,216	0.7%
2018 ¹	2,321,469,775	3.1%
2017	2,251,449,143	0.4%
2016	2,242,958,976	1.3%
2015	2,214,180,160	0.0%
2014	2,213,400,730	0.3%
2013 ¹	2,205,813,324	-5.7%
2012	2,338,758,240	0.4%
2011	2,329,648,250	0.6%

¹ Revaluation Year.

Town of Windsor

Grand List of 10/1	Net Taxable Grand List	% Growth
2020	\$3,212,190,082	1.8%
2019	3,153,873,769	1.5%
2018 ¹	3,105,965,090	4.9%
2017	2,959,778,035	2.5%
2016	2,886,742,186	-1.3%
2015	2,924,503,409	2.6%
2014	2,849,933,303	0.7%
2013 ¹	2,831,162,216	-6.1%
2012	3,014,279,336	3.7%
2011	2,907,891,898	3.4%

¹ Revaluation Year.

Source: Assessor's Office, Towns of Bloomfield, East Hartford, Newington, Rocky Hill, West Hartford, Wethersfield, Windsor and the City of Hartford.

PROPERTY TAX LEVIES AND COLLECTIONS – TOWN OF BLOOMFIELD

Grand List of 10/1	Fiscal Year Ending 6/30	Net Taxable Grand List	Mill Rate	Tax Levy	Percent Annual Levy Collected End of Fiscal Year	Percent Annual Levy Uncollected End of Fiscal Year	Percent Annual Levy Uncollected 6/30/2020
2019	2021	\$2,377,731,476	35.01	\$78,847,940	<i>Collections 7/1/20 & 1/1/21</i>		
2018	2020	2,155,023,283	37.46	78,744,103	98.7%	1.3%	1.4%
2017	2019	2,116,863,202	37.52	80,638,872	98.4%	1.6%	0.7%
2016	2018	2,018,358,356	37.56	68,644,146	98.4%	1.6%	0.5%
2015	2017	2,038,195,880	36.65	74,666,544	98.6%	1.4%	0.1%
2014	2016	2,033,984,990	36.00	73,160,192	98.7%	1.3%	0.0%
2013	2015	2,067,157,242	34.84	72,246,279	98.6%	1.4%	0.1%
2012	2014	2,032,528,017	34.85	71,075,964	98.5%	1.5%	0.0%
2011	2013	1,981,916,344	34.55	68,561,240	98.4%	1.6%	0.0%
2010	2012	1,948,057,019	33.70	65,281,933	98.7%	1.3%	0.0%

Source: Tax Collector's Office, Town of Bloomfield.

PROPERTY TAX LEVIES AND COLLECTIONS – TOWN OF EAST HARTFORD

Grand List of 10/1	Fiscal Year Ending 6/30	Net Taxable Grand List	Mill Rate	Tax Levy	Percent Annual Levy Collected	Percent Annual Levy Uncollected	Percent Annual Levy Uncollected
					End of Fiscal Year	End of Fiscal Year	6/30/2020
2019	2021	\$2,794,244,994	49.92	\$137,690,693	<i>Collections 7/1/20 & 1/1/21</i>		
2018	2020	2,783,862,372	49.11	134,305,000	97.5%	2.6%	0.7%
2017	2019	2,811,967,294	47.66	133,952,000	100.0%	0.0%	0.0%
2016	2018	2,757,568,984	47.05	127,053,000	98.0%	2.0%	0.0%
2015	2017	2,736,032,759	45.86	122,966,000	97.9%	2.1%	0.0%
2014	2016	2,689,464,641	45.86	124,388,000	97.3%	2.7%	0.0%
2013	2015	2,687,876,591	45.40	121,245,000	97.6%	2.4%	0.0%
2012	2014	2,691,709,967	43.90	117,379,000	97.9%	2.1%	0.0%
2011	2013	2,695,242,754	42.79	115,155,000	97.1%	2.9%	0.0%
2010	2012	3,095,300,382	34.42	106,016,000	97.3%	2.7%	0.0%

Source: Tax Collector’s Office, Town of East Hartford.

PROPERTY TAX LEVIES AND COLLECTIONS – CITY OF HARTFORD

Grand List of 10/1	Fiscal Year Ending 6/30	Net Taxable Grand List	Mill Rate	Tax Levy	Percent Annual Levy Collected	Percent Annual Levy Uncollected	Percent Annual Levy Uncollected
					End of Fiscal Year	End of Fiscal Year	6/30/2020
2019	2021	\$4,036,000,866	74.29	\$272,347,014	<i>Collections 7/1/20 & 1/1/21</i>		
2018	2020	4,025,919,645	74.29	284,124,000	96.6%	3.4%	4.7%
2017	2019	4,061,916,449	74.29	279,414,000	97.7%	2.3%	4.7%
2016	2018	4,068,017,222	74.29	282,448,000	97.8%	2.2%	2.2%
2015	2017	3,701,904,978	74.29	257,563,000	98.1%	1.9%	1.9%
2014	2016	3,619,341,714	74.29	262,887,000	98.5%	1.6%	1.6%
2013	2015	3,531,344,777	76.79	253,546,000	98.8%	1.2%	1.2%
2012	2014	3,487,781,236	74.29	248,851,000	98.9%	1.1%	1.1%
2011	2013	3,417,940,335	74.29	247,520,000	99.8%	0.2%	0.2%
2010	2012	3,738,377,678	71.79	278,481,000	96.6%	3.4%	3.4%

Source: Tax Collector’s Office, City of Hartford.

PROPERTY TAX LEVIES AND COLLECTIONS – TOWN OF NEWINGTON

Grand List of 10/1	Fiscal Year Ending 6/30	Net Taxable Grand List	Mill Rate	Tax Levy	Percent Annual Levy Collected	Percent Annual Levy Uncollected	Percent Annual Levy Uncollected
					End of Fiscal Year	End of Fiscal Year	6/30/2020
2019	2021	\$2,656,844,617	39.28	\$102,152,232	<i>Collections 7/1/20 & 1/1/21</i>		
2018	2020	2,640,307,103	39.45	104,725,000	99.3%	0.7%	0.7%
2017	2019	2,623,718,787	38.50	101,640,000	99.2%	0.8%	0.1%
2016	2018	2,609,986,139	36.59	95,685,000	99.1%	0.9%	0.0%
2015	2017	2,615,695,201	35.75	93,302,000	99.3%	0.7%	0.0%
2014	2016	2,550,822,204	35.80	91,453,000	99.3%	0.7%	0.0%
2013	2015	2,548,042,597	34.77	88,599,000	99.2%	0.8%	0.0%
2012	2014	2,536,619,686	33.63	85,346,000	99.1%	0.9%	0.0%
2011	2013	2,564,276,354	32.64	82,937,000	99.3%	0.7%	0.0%
2010	2012	2,679,238,211	30.02	80,441,000	99.0%	1.0%	0.0%

Source: Tax Collector’s Office, Town of Newington.

PROPERTY TAX LEVIES AND COLLECTIONS – TOWN OF ROCKY HILL

Grand List of 10/1	Fiscal Year Ending 6/30	Net Taxable Grand List	Mill Rate	Tax Levy	Percent Annual Levy Collected End of	Percent Annual Levy Uncollected	Percent Annual Levy Uncollected
					Fiscal Year	End of Fiscal Year	6/30/2020
2019	2021	\$2,235,057,168	33.60	\$74,241,218	<i>Collections 7/1/20 & 1/1/21</i>		
2018	2020	2,208,948,420	32.50	70,993,728	99.3%	0.7%	0.8%
2017	2019	2,094,054,395	32.40	67,152,444	99.5%	0.5%	0.3%
2016	2018	2,061,636,790	31.60	65,812,091	99.1%	0.9%	0.0%
2015	2017	2,033,673,437	31.00	63,539,767	99.3%	0.7%	0.0%
2014	2016	2,018,435,060	29.70	60,060,008	99.3%	0.7%	0.0%
2013	2015	1,988,502,360	31.00	59,329,833	99.4%	0.6%	0.0%
2012	2014	2,164,593,839	26.60	57,774,467	99.0%	1.1%	0.0%
2011	2013	2,156,334,575	25.90	56,093,759	99.0%	1.0%	0.0%
2010	2012	2,155,935,688	24.50	52,823,294	99.1%	0.9%	0.0%

Source: Tax Collector’s Office, Town of Rocky Hill.

PROPERTY TAX LEVIES AND COLLECTIONS – TOWN OF WEST HARTFORD

Grand List of 10/1	Fiscal Year Ending 6/30	Net Taxable Grand List	Mill Rate	Tax Levy	Percent Annual Levy Collected End of	Percent Annual Levy Uncollected	Percent Annual Levy Uncollected
					Fiscal Year	End of Fiscal Year	6/30/2020
2019	2021	\$6,363,394,009	41.80	\$266,732,000	<i>Collections 7/1/20 & 1/1/21</i>		
2018	2020	6,314,734,062	41.80	265,632,000	99.3%	0.7%	0.7%
2017	2019	6,285,118,569	41.00	258,647,000	99.3%	0.7%	0.3%
2016	2018	6,232,711,742	41.04	255,988,000	99.9%	0.1%	0.1%
2015	2017	5,981,347,789	39.51	236,740,000	99.2%	0.8%	0.1%
2014	2016	5,946,170,476	38.31	229,112,000	99.3%	0.7%	0.0%
2013	2015	5,924,661,849	37.37	222,213,000	99.2%	0.8%	0.0%
2012	2014	5,893,896,106	36.30	214,310,000	99.2%	0.8%	0.0%
2011	2013	5,880,331,173	35.75	210,066,000	99.1%	0.9%	0.0%
2010	2012	5,034,401,821	39.44	199,192,000	99.1%	0.9%	0.0%

Source: Tax Collector’s Office, Town of West Hartford.

PROPERTY TAX LEVIES AND COLLECTIONS – TOWN OF WETHERSFIELD

Grand List of 10/1	Fiscal Year Ending 6/30	Net Taxable Grand List	Mill Rate	Tax Levy	Percent Annual Levy Collected End of	Percent Annual Levy Uncollected	Percent Annual Levy Uncollected
					Fiscal Year	End of Fiscal Year	6/30/2020
2019	2021	\$2,336,707,216	40.21	\$92,573,385	<i>Collections 7/1/20 & 1/1/21</i>		
2018	2020	2,321,469,775	40.74	92,193,981	99.1%	0.9%	0.9%
2017	2019	2,251,449,143	40.78	91,511,510	99.1%	0.9%	0.3%
2016	2018	2,242,958,976	39.77	88,497,998	99.1%	0.9%	0.2%
2015	2017	2,214,180,160	38.54	85,282,173	99.2%	0.8%	0.1%
2014	2016	2,213,400,730	38.19	84,329,250	99.1%	0.9%	0.1%
2013	2015	2,205,813,324	36.74	80,862,756	99.1%	0.9%	0.1%
2012	2014	2,338,758,240	33.46	78,123,896	99.0%	1.0%	0.1%
2011	2013	2,329,648,250	32.58	75,725,740	99.0%	1.0%	0.1%
2010	2012	2,314,769,170	31.42	72,558,938	98.9%	1.1%	0.1%

Source: Tax Collector’s Office, Town of Wethersfield.

PROPERTY TAX LEVIES AND COLLECTIONS – TOWN OF WINDSOR

Grand List of 10/1	Fiscal Year Ending 6/30	Net Taxable Grand List	Mill Rate	Tax Levy	Percent Annual Levy Collected End of	Percent Annual Levy Uncollected	Percent Annual Levy Uncollected
					Fiscal Year	End of Fiscal Year	6/30/2020
2019	2021	\$3,153,873,769	32.11	\$103,423,411	<i>Collections 7/1/20 & 1/1/21</i>		
2018	2020	3,105,965,090	32.38	100,912,792	99.3%	0.7%	1.1%
2017	2019	2,959,778,035	32.96	98,322,429	99.0%	1.0%	0.4%
2016	2018	2,886,742,186	32.45	93,966,005	99.3%	0.7%	0.1%
2015	2017	2,924,503,409	31.52	93,031,833	99.0%	1.0%	0.0%
2014	2016	2,849,933,303	30.92	88,799,152	98.8%	1.2%	0.0%
2013	2015	2,831,162,216	30.47	86,548,952	98.8%	1.2%	0.0%
2012	2014	3,014,279,336	27.33	82,919,994	98.6%	1.4%	0.0%
2011	2013	2,907,891,898	27.95	81,403,784	98.7%	1.3%	0.0%
2010	2012	2,811,979,697	28.03	79,201,381	98.8%	1.2%	0.0%

Source: Tax Collector’s Office, Town of Windsor.

TEN LARGEST TAXPAYERS – TOWN OF BLOOMFIELD¹

Name of Taxpayer	Nature of Business	Assessed Valuation	Percent of Net Taxable Grand List
Eversource.....	Utility	\$94,615,790	3.94%
HG Conn Realty Corp.....	Commercial Real Estate	41,585,260	1.73%
AMCAP Copaco LLC.....	Shopping Center	40,748,911	1.70%
Trader Joes East Inc.....	Shopping Center	39,223,400	1.63%
Connecticut General Life Insurance Co.....	Insurance	38,103,590	1.59%
Church Home of Hartford Inc.....	Retirement Facility	35,438,520	1.48%
Duncaster Inc.....	Assisted Living	33,422,980	1.39%
Metropolitan Life Insurance Co.....	Insurance	31,867,500	1.33%
WE Hawthorne LLC.....	Residential Real Estate	26,707,660	1.11%
CIGNA Health & Life Insurance Co.....	Insurance	18,269,600	0.76%
Total.....		\$399,983,211	16.65%

¹ Based on a 10/1/20 Net Taxable Grand List of \$2,402,488,570.
Source: Town of Bloomfield.

TEN LARGEST TAXPAYERS – TOWN OF EAST HARTFORD¹

Name of Taxpayer	Nature of Business	Assessed Valuation	Percent of Net Taxable Grand List
United Technologies Corp.....	Manufacturing	\$196,940,000	7.02%
Coca-Cola Bottling Co.....	Beverage Mfg./Distributor	19,483,000	0.69%
Connecticut Light & Power.....	Utility	49,364,000	1.76%
Connecticut Natural Gas Corp.....	Utility	31,379,000	1.12%
Merchant Group.....	Offices	29,680,000	1.06%
Fremont Riverview LLC.....	Offices	25,899,000	0.92%
Ansonia Acquisitions LLC.....	Apartments	23,739,000	0.85%
Cabela's Inc.....	Retail	20,210,000	0.72%
Colonial Rivemead MHC LLC.....	Real Estate	18,414,000	0.66%
Goodwin College.....	College	3,192,000	0.11%
Total.....		\$418,300,000	14.90%

¹ Based on a 10/1/20 Net Taxable Grand List of \$2,807,364,070.
Source: Town of East Hartford.

TEN LARGEST TAXPAYERS – CITY OF HARTFORD¹

<u>Name of Taxpayer</u>	<u>Nature of Business</u>	<u>Assessed Valuation</u>	<u>Percent of Net Taxable Grand List</u>
Eversource.....	Utility	\$187,100,000	4.55%
Travelers Indemnity Co. Affiliate.....	Insurance	143,243,000	3.48%
Hartford Fire Insurance & Twin City Ins.....	Insurance	124,275,000	3.02%
Aetna Life Insurance Co. & Annuity.....	Insurance	108,549,000	2.64%
RP Asylum LLC.....	Real Estate	72,425,000	1.76%
Hartford Hospital & HHMOB Corp.....	Hospital	51,187,000	1.24%
Mac-State Square LLC.....	Office Complex	49,000,000	1.19%
Talcott II Gold, LLC.....	Office Complex	44,937,000	1.09%
Constitution Plaza Holding LLC.....	Office Complex	41,355,000	1.00%
Hartford Steam Boiler Inspection & Ins.....	Utility	37,620,000	0.91%
Total.....		\$859,691,000	20.89%

¹ Based on a 10/1/20 Net Taxable Grand List of \$4,115,886,472.
Source: City of Hartford.

TEN LARGEST TAXPAYERS – TOWN OF NEWINGTON¹

<u>Name of Taxpayer</u>	<u>Nature of Business</u>	<u>Assessed Valuation</u>	<u>Percent of Net Taxable Grand List</u>
Connecticut Light & Power.....	Utility	\$47,472,000	1.72%
IREIT Newington Fair LLC.....	Shopping Center	21,510,000	0.78%
Newington VF LLC.....	Shopping Center	20,300,000	0.73%
Newington Gross LLC.....	Shopping Center	19,463,000	0.70%
TLG Newington LLC.....	Shopping Center	18,316,000	0.66%
Brixmor GA Turnpike Plaza LLC.....	Shopping Center	17,850,000	0.65%
Hayes Kaufman Newington Assoc. LLC.....	Real Estate	13,724,000	0.50%
Scelza/Landmark Cambridge/Baldwin Apts....	Apartments	13,005,000	0.47%
Lowes Home Centers Inc #623.....	Retail	10,969,000	0.40%
Target Corporation.....	Retail	10,852,000	0.39%
Total.....		\$193,461,000	7.00%

¹ Based on a 10/1/20 Net Taxable Grand List of \$2,765,341,316.
Source: Town of Newington.

TEN LARGEST TAXPAYERS – TOWN OF ROCKY HILL¹

<u>Name of Taxpayer</u>	<u>Nature of Business</u>	<u>Assessed Valuation</u>	<u>Percent of Net Taxable Grand List</u>
Connecticut Natural Gas Corporation.....	Utility	\$47,768,000	2.13%
Century Hills Property Owner LLC.....	Apartments	41,972,000	1.87%
RP Glenbrook LLC.....	Warehouse	31,269,000	1.39%
MKS - 500 Enterprise LLC.....	Real Estate	26,385,000	1.18%
Burris Logistics Inc.....	Real Estate	24,683,000	1.10%
Henkel Corporation.....	Manufacturer of Adhesives	21,339,000	0.95%
Rocky Hill Holdings LLC.....	Real Estate	19,171,000	0.85%
Connecticut Light & Power.....	Utility	19,115,000	0.85%
Rocky Hill Hotel Partners LLC.....	Real Estate	14,650,000	0.65%
VTR Northeast Holdings LLC.....	Real Estate	14,237,000	0.63%
Total.....		\$260,589,000	11.62%

¹ Based on a 10/1/20 Net Taxable Grand List of \$2,243,544,929.
Source: Town of Rocky Hill.

TEN LARGEST TAXPAYERS – TOWN OF WEST HARTFORD¹

<u>Name of Taxpayer</u>	<u>Nature of Business</u>	<u>Assessed Valuation</u>	<u>Percent of Net Taxable Grand List</u>
Sof-Ix Blueback Square Holdings LP.....	Real Estate	\$80,035,440	1.25%
West Farms Mall.....	Shopping Mall	52,579,570	0.82%
Eversource.....	Utility	44,538,820	0.70%
FW CT - Corbins Corner.....	Retail, Office	42,378,420	0.66%
SF West Hartford Property Owner LLC.....	Real Estate	29,271,060	0.46%
Town Center West Associates.....	Office	28,068,950	0.44%
McAuley Center Incorporated.....	Assisted Living	25,529,610	0.40%
BFN Westgate LLC.....	Apartments	20,515,980	0.32%
Steele Road LLC.....	Real Estate	20,047,790	0.31%
E&A Northeast Limited Partnership.....	Shopping Center	18,884,600	0.30%
Total.....		\$361,850,240	5.66%

¹ Based on a 10/1/20 Net Taxable Grand List of \$6,394,578,261.
Source: Town of West Hartford.

TEN LARGEST TAXPAYERS – TOWN OF WETHERSFIELD¹

<u>Name of Taxpayer</u>	<u>Nature of Business</u>	<u>Assessed Valuation</u>	<u>Percent of Net Taxable Grand List</u>
Wethersfield Apartments Assoc. LLC.....	Apartments	\$21,700,000	0.92%
Executive Square LTD Partnership.....	Apartments	19,552,960	0.83%
Cedar-Jordan Lane LLC.....	Shopping Center	15,848,780	0.67%
Eversource.....	Utility	15,305,160	0.65%
Wethersfield Shopping Center LLC.....	Shopping Center	14,700,000	0.62%
100 Great Meadow Road.....	Real Estate	14,080,150	0.60%
Connecticut Natural Gas.....	Utility	9,926,100	0.42%
Goodwin Gardens LLC.....	Apartments	9,300,690	0.39%
Goff Brook Shoppes of Wethersfield LLC.....	Shopping Center	7,578,350	0.32%
Extra Space Properties 131 LLC.....	Real Estate	7,069,240	0.30%
Total.....		\$135,061,430	5.71%

¹ Based on a 10/1/20 Net Taxable Grand List of \$2,365,265,780.
Source: Town of Wethersfield.

TEN LARGEST TAXPAYERS – TOWN OF WINDSOR¹

<u>Name of Taxpayer</u>	<u>Nature of Business</u>	<u>Assessed Valuation</u>	<u>Percent of Net Taxable Grand List</u>
Deka Immobilioen Investment (Amazon).....	Real Estate	\$98,917,654	3.08%
Griffin Land & Affiliates.....	Real Estate	89,562,346	2.79%
Walgreens.....	Pharmacy	76,947,455	2.40%
Eversource.....	Utility	70,489,608	2.19%
CIGNA.....	Insurance	58,521,410	1.82%
Voya Retirement Insurance.....	Finance	56,373,315	1.75%
Dollar Tree Distribution Inc.....	Real Estate	55,979,689	1.74%
Hartford Financial Corporation.....	Finance	51,404,269	1.60%
Cellco/Verizon Wireless.....	Information Technology	34,840,873	1.08%
Addison Property Owner LLC.....	Real Estate	31,115,350	0.97%
Total.....		\$624,151,969	19.43%

¹ Based on a 10/1/20 Net Taxable Grand List of \$3,212,190,082.
Source: Town of Windsor.

EQUALIZED NET GRAND LIST¹

Town of Bloomfield			Town of East Hartford		
Grand List of 10/1	Equalized Net Grand List	% Growth	Grand List of 10/1	Equalized Net Grand List	% Growth
2018	\$3,617,060,628	17.93%	2018	4,354,385,580	4.20%
2017	3,067,207,322	2.35%	2017	4,178,783,910	6.03%
2016	2,996,916,298	-0.76%	2016	3,940,968,591	0.95%
2015	3,020,013,609	3.92%	2015	3,903,976,521	2.78%
2014	2,906,211,229	2.42%	2014	3,798,403,109	-0.82%
2013	2,837,611,566	1.24%	2013	3,829,879,530	-2.72%
2012	2,802,966,115	8.00%	2012	3,936,906,558	2.28%
2011	2,595,430,274	-6.87%	2011	3,849,203,343	-2.96%
2010	2,786,819,016	-5.97%	2010	3,966,619,309	-7.51%
2009	2,963,847,920	-5.66%	2009	4,288,594,846	-2.31%

City of Hartford			Town of Newington		
Grand List of 10/1	Equalized Net Grand List	% Growth	Grand List of 10/1	Equalized Net Grand List	% Growth
2018	\$7,617,691,245	-0.51%	2018	\$3,992,003,012	-5.57%
2017	7,657,042,945	31.71%	2017	4,227,649,658	8.04%
2016	5,813,578,706	-17.54%	2016	3,912,907,248	4.84%
2015	7,050,499,019	8.53%	2015	3,732,257,306	-3.39%
2014	6,496,073,222	-5.55%	2014	3,863,277,039	0.74%
2013	6,877,950,983	-0.15%	2013	3,834,827,702	5.01%
2012	6,888,293,807	5.55%	2012	3,651,832,566	0.08%
2011	6,526,348,965	-8.69%	2011	3,648,904,984	-5.97%
2010	7,147,577,757	-7.34%	2010	3,880,511,002	-4.74%
2009	7,713,607,784	5.52%	2009	4,073,474,409	2.99%

Town of Rocky Hill			Town of West Hartford		
Grand List of 10/1	Equalized Net Grand List	% Growth	Grand List of 10/1	Equalized Net Grand List	% Growth
2018	\$3,156,173,943	1.72%	2018	\$9,876,620,438	2.82%
2017	3,102,901,837	2.30%	2017	9,605,646,775	7.83%
2016	3,033,011,924	-0.87%	2016	8,907,859,189	-3.72%
2015	3,059,763,412	-4.18%	2015	9,251,991,620	-0.77%
2014	3,193,390,993	12.39%	2014	9,323,512,094	1.83%
2013	2,841,314,800	2.02%	2013	9,156,172,567	1.33%
2012	2,784,951,675	1.59%	2012	9,035,908,810	7.56%
2011	2,741,368,613	-0.81%	2011	8,400,921,331	15.96%
2010	2,763,696,337	-6.61%	2010	7,244,491,864	1.50%
2009	2,959,219,154	-6.24%	2009	7,137,413,505	-4.48%

Town of Wethersfield			Town of Windsor		
<u>Grand List of 10/1</u>	<u>Equalized Net Grand List</u>	<u>% Growth</u>	<u>Grand List of 10/1</u>	<u>Equalized Net Grand List</u>	<u>% Growth</u>
2018	\$3,317,732,536	-1.82%	2018	\$4,440,713,889	-1.72%
2017	3,379,119,934	-0.40%	2017	4,518,598,159	6.51%
2016	3,392,683,688	6.86%	2016	4,242,507,812	-4.45%
2015	3,174,823,747	2.27%	2015	4,440,057,842	4.25%
2014	3,104,460,582	-1.54%	2014	4,259,039,357	5.21%
2013	3,153,114,691	0.19%	2013	4,047,961,669	0.54%
2012	3,147,128,675	0.02%	2012	4,026,160,993	0.00%
2011	3,146,435,531	0.59%	2011	4,026,157,221	0.56%
2010	3,128,048,308	-4.47%	2010	4,003,835,033	-0.89%
2009	3,274,360,078	-0.76%	2009	4,039,645,772	-5.96%

¹Totals may not add due to rounding.

Source: State of Connecticut, Office of Policy and Management.

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

VII. FINANCIAL INFORMATION

FISCAL YEAR

Financial information for the District for fiscal years ending December 31, 2016 through December 31, 2020 and for the Member Municipalities for fiscal years ended June 30, 2016 through June 30, 2020, was taken from audited financial statements. Budget and audited financial data for the Member Municipalities of the District was provided by the Member Municipalities.

The District's fiscal year begins January 1 and ends December 31. The fiscal year for the Member Municipalities begins July 1 and ends June 30.

BASIS OF ACCOUNTING AND ACCOUNTING POLICIES

The District's accounting system is organized and operated on a fund accounting basis, conforming to the Charter and Ordinances of the District, the Governmental Accounting Standards Board ("GASB"), Generally Accepted Accounting Principles ("GAAP") for municipalities, and the American Institute of Certified Public Accountants industry audit guide, "Audits of State and Local Governmental Units". The District's proprietary funds apply all GASB pronouncements as well as follow pronouncements issued before November 30, 1989, unless they contradict GASB pronouncements: Statements and Interpretations of the Financial Accounting Standards Board, Accounting Principles Board Opinions and Accounting Research Bulletins of the Committee on Accounting Procedures. Please refer to Appendix A "Notes to the Financial Statements" herein for compliance and implementation details.

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

Actual data for the General Fund for the District and Member Municipalities is presented in this Official Statement on a modified accrual basis of accounting and a current financial resources measurement focus. Revenues are recorded when they become measurable and available to finance operations of the fiscal year and expenditures are recorded when the related liability has been incurred. Actual data for the Water Utility Fund, the Hydroelectric Fund, and the Mid-Connecticut Fund utilize the accrual basis of accounting. Revenues are recognized when they are earned and their expenses are recognized when they are incurred. Budget data for the District and all Member Municipalities are presented on a budgetary non-GAAP basis, whereby 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 reflected in budgetary reports as expenditures in the current year. All unencumbered budget appropriations lapse at the end of each fiscal year. Actual expenditures include current encumbrances, which method of accounting for encumbrances is different from that utilized by the GAAP accounting method.

BUDGETARY PROCEDURES

During the last quarter of the year, the ensuing year's proposed operating budget, including proposed expenditures/expenses and the means of financing them, is compiled by the Finance Department based upon estimates submitted by the various departments.

The proposed operating budget is then published in line item format in one or more local newspapers servicing the District for a period of three consecutive days, excluding holidays and Sundays. Prior to January 1, of the new year, the published budget is submitted to the District Board for acceptance and adoption.

Annual operating budgets are legally adopted for the General Fund and the Water Utility Enterprise Fund. A fund budget was adopted for the Hydroelectric Development Project. Formal budgetary integration is employed as a management control device for these funds. The unencumbered balance of appropriations in the General Fund lapses at year end. Encumbered appropriations are carried forward. Except for encumbrance accounting, the General Fund budget is prepared on a modified accrual basis. Budgetary and actual data are presented on a budgetary basis. Since accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with GAAP, the reconciliation of resultant basis, timing and perspective differences appear at the bottom of the actual vs. budget schedule. The legal level of budgetary control is at the functional level. Any revisions that alter total appropriations at the level of control must have the prior approval of the Board of Finance and the District Board.

Budgetary integration is employed on a continuing (project length) basis for capital projects funds, in which appropriations do not lapse at year end, but rather at the completion of the construction relating to a specific improvement project. Formal budgetary integration is not employed for the Debt Service Fund because effective budgetary control is alternately achieved through the capital budgeting processes for both CIP (general obligation) and the Clean Water Project.

Encumbrances accounting, under which purchase orders, contracts and other commitments for the expenditures of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the General Fund. Encumbrances outstanding at year end are recorded in budgetary reports as expenditures of the current year, whereas, on a GAAP basis, encumbrances are recorded as either restricted, committed or assigned fund balance depending on the level of restriction.

DEBT ADMINISTRATION POLICY

Capital appropriations require approval by a two-thirds vote of the entire District Board and by a majority of the electors of the District at a referendum with the following exceptions:

1. Capital appropriations not exceeding (calculated as of November 18, 2020) \$21,842,967, indexed for inflation, excluding those portions of an appropriation payable from Federal or State grants for any single item within the capital section of the budget.
2. Appropriations for any reason involving not more than \$25,000,000 in any one year for the purpose of meeting a public emergency threatening the lives, health or property of citizens of the District.
3. Construction of or leasing headquarters facilities.
4. Any public improvement all or a portion of which is to be paid for by assessments of benefits or from funds established to pay for waste or water facilities.

With the exception of the two \$800,000,000 appropriations, and bond authorizations for the District's Clean Water Project approved at referenda in November 2006 and November 2012, and supplemental \$158,800,000 appropriation of grants, which are expected to be supported by general obligation bonds, revenue bonds, and clean water fund obligations payable from the Clean Water Project Charge (previously the Special Sewer Service Surcharge) (*see "Clean Water Project" and "Authorized but Unissued Debt – The District" herein*), the District has followed a policy of financing capital expenditures by issuing general obligation bonds secured by unlimited taxes levied proportionately upon the Member Municipalities comprising the District.

In addition to taxes, certain water charges, sewer user fees, and assessments are available to repay the general obligation bonds. Sewer bonds are payable from the municipal tax levy on each Member Municipality and from sewer user charges levied on tax-exempt and high-flow users. General obligation water bonds are paid from water sale revenues. Assessable sewer construction bonds are secured by liens against assessments on benefited properties. The receipts from assessments are deposited in a separate fund, and payments for debt service on assessable sewer construction bonds are made from such fund. Hydroelectric bonds are funded from power sales revenue deposited in a separate fund, and payments of the debt service on the Hydroelectric bonds are made from said fund.

ANNUAL AUDIT

Pursuant to its Charter and Connecticut law, the District is required to undergo an annual examination by an independent certified public accountant. The audit must be conducted under the guidelines issued by the State's Office of Policy and Management and a copy of the report must be filed with such Office within six months of the end of the fiscal year. For the fiscal year ended December 31, 2020, the examination was conducted by the firm of CliftonLarsonAllen LLP, independent certified public accountants and business consultants, of West Hartford, Connecticut. The firm was appointed by the Board of Finance. See Appendix A "Basic Financial Statements".

PENSION PLAN

The District has an employee retirement system with a pension plan which was adopted January 1, 1944 and amended on January 1, 1997. The Aetna Insurance Company is the administrator of the Metropolitan District Employees' Retirement System ("MDERS"), which is a defined benefit, single employer retirement system. The MDERS provides retirement, disability and death benefits to plan members and beneficiaries.

Management of the plans rests with the Personnel, Pension and Insurance Committee ("PPI Committee"), which consists of 11 members.

The pension plan is included in the District's financial reporting entity and accounted for in the pension trust fund. The MDERS does not issue a stand-alone financial report.

Participation in the plan is immediate upon employment for all full-time employees. Vesting in benefits occurs after ten years of service. Termination of employment before that time results in forfeiture of the District's portion of the accrued benefit.

The District's PPI Committee, as provided by the District's general ordinances, establishes the benefit provisions and the employer's and employees' obligations. Any bargaining or nonbargaining unit employee who becomes totally and permanently disabled and has completed 10 years of service will receive 100% of the pension that the employee would have been entitled to. Annual pension payments are determined at 2% times years of service times final average earnings, subject to a maximum of 32 years.

Six-Year Trend Information			
Year Ended	Annual Required Contribution (ARC)	Actual Contribution	% of ARC Funded
MDC			
2015	\$5,805,223	\$6,000,000	103%
2016	\$6,361,424	\$6,361,424	100%
2017	\$5,376,378	\$6,300,000	117%
2018	\$5,647,479	\$6,500,000	115%
2019	\$6,756,345	\$5,688,000	84%
2020	\$6,756,345	\$8,650,763	128%

The District implemented GASB Statement No. 67 effective in Fiscal Year 2014. The following net pension liability of the District at December 31, 2020, determined by an actuarial valuation as of January 1, 2020 and based on actuarial assumptions as of that date, were as follows.

GASB 67 Schedules	
Total pension liability at December 31, 2020	\$310,703,505
Plan fiduciary net position	253,346,293
District's net pension liability	\$57,357,212
Plan fiduciary net position as % of total pension liability	81.54%

The following presents the net pension liability, calculated using the discount rate of 6.875% as well as what the District's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.875%) or 1-percentage-point higher (7.875%) than the current rate.

	1% Decrease	Current	1% Increase
	(5.875%)	Discount	(7.875%)
		(6.875%)	
District Plan's net pension liability as of December 31, 2020	\$92,413,471	\$57,357,212	\$27,207,651

457(f) Nonqualified Deferred Compensation Plan

The District has a 457(f) Nonqualified Deferred Compensation Plan for certain qualified key employees as deemed eligible by the Personnel, Pension and Insurance Committee. The District will make contributions to the plan as deemed necessary.

Please refer to Appendix A “Basic Financial Statements” under section “Notes to Financial Statements - Note 4” herein for information on the District’s Pension Plan.

OTHER POST EMPLOYMENT BENEFITS

The Retiree Health Plan (“RHP”) is a single-employer defined healthcare plan and provides medical, dental and life insurance benefits to eligible retirees and their spouses. Spouses and eligible dependents are covered on medical and dental insurance only if the retiree declares at least a 90% pension annuity. District employees eligible to participate in the plan are as follows: 65 years old or 55 years old with 10 years of service or the sum of age and service is 85. Benefit provisions are established through negotiations between the District and the various unions representing the employees.

Expenses for post-employment benefits were paid out of the OPEB trust fund during fiscal year ended December 31, 2020. The plan does not issue a stand-alone financial report.

The contribution requirements of the plan members and the District are also negotiated with the various unions representing the employees. Employees hired prior to June 5, 2018 are required to contribute 5% of regular compensation and new employees hired after June 5, 2018 are required to contribute 7.5% of regular compensation.

As of January 1, 2019, all employees also contribute 1.0% of regular compensation into the OPEB Trust Fund. This fund is typically depleted by the end of the calendar year and is used to support medical costs. Since the early 1990’s, the District has embraced “self-insurance”.

Prior to June 5, 2018, the District also offered post-retirement life insurance to new bargaining unit retirees. The coverage was partially funded by retiree monthly contributions and primarily by the District. Since 2015, the non-unionized group was not provided any post-employment life insurance.

For bargaining unit retirees after June 5, 2018, the District has agreements to “buy-out” the base amount (\$5,000) and the new retiree has the option of continuing any optional life insurance but at the full group rate annually adjusted. The buy-out of the base coverage is supported by operating funds.

Finally, the District has reimbursed the cost of Medicare Part B through the retiree’s monthly pension distribution. Effective for new employees hired after June 5, 2018, the District will not reimburse this cost when the new employee ultimately retires. The reimbursement cost is covered through operating funds.

The District implemented GASB Statement No. 74 effective in Fiscal Year 2017. The following net pension liability of the District at December 31, 2020, determined by an actuarial valuation as of December 31, 2020 and based on actuarial assumptions as of that date, were as follows.

GASB 74 Schedules	
Total OPEB liability at December 31, 2020	\$182,380,057
Plan fiduciary net position	9,118,153
District's net OPEB liability	<u>\$173,261,904</u>
Plan fiduciary net position as % of total OPEB liability	5.00%

	1% Decrease	Current Discount	1% Increase
	(5.875%)	(6.875%)	(7.875%)
District Plan's net OPEB liability as of December 31, 2020	\$196,351,189	\$173,261,904	\$104,223,053

Please refer to Appendix A “Basic Financial Statements” under section “Notes to Financial Statements - Note 5” herein for information on the District’s Post Employment Healthcare Plan.

INVESTMENT POLICIES AND PRACTICES

Connecticut General Statutes define the legal investments available to municipalities and establish criteria for financial institutions to receive municipal deposits.

Sections 7-400 and 7-402 allow municipalities to 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.

Sections 3-27a through 3-27i allow for the purchases of participation certificates in the Short Term Investment Fund (“STIF”) managed by the State Treasurer. STIF’s primary investment vehicles are United States Government Obligations, United States agency obligations, United States Postal Service obligations, certificates of deposit, commercial paper, corporate bonds, savings accounts and bank acceptances.

Section 36a-330 defines the collateralization requirements and risk-based capital ratios for financial institutions to accept municipal deposits. A financial institution must collateralize varying levels of public deposits depending on its risk-based capital ratio. A qualified public depository (financial institution) must collateralize 10% of its deposits, if its risk-based capital ratio is above 10%. However, if the public depository’s risk-based capital ratio is greater or equal to 8% but less than 10%, the public depository must collateralize 25% of its total public deposits. A financial institution must provide collateral equal to 100% of its public deposits, if its risk-based capital ratio is greater than or equal to 3% but less than 8%. If the financial institution’s risk-based capital is less than 3%, the firm’s public deposits must be collateralized at 120%.

DISTRICT CASH MANAGEMENT INVESTMENT POLICY

The District’s Cash Management Investment Policy further defines the investment and deposit of District funds. This policy is the direct responsibility of the Board of Finance with oversight of the District Board. The District’s funds are deposited and invested with qualified public depositories that have a risk-based capital ratio greater than or equal to 10%. In addition, the only investments allowed under this policy are obligations of the United States and certain of its agencies, fully collateralized repurchase agreements of such investment, certificates of deposit, the State of Connecticut Short Term Investment Fund, custodial pools, investment companies or investment trusts.

The District's Cash Management Investment Policy defines the primary objectives of investment activities as safety, liquidity and return on investment.

RISK MANAGEMENT

The District purchases commercial insurance for all risks of loss except as described in this paragraph. The District is self-insured for health care, workers' compensation claims up to \$500,000 for each accident, deductibles for property damage up to \$100,000 for each location and general and automobile liability up to \$250,000 for each incident. Additionally, the District has provided for \$1.0 million of excess coverage for liability coverage with no limits for workers' compensation excess coverage. The District established an internal service fund, the self-insurance fund, to account for and finance the retained risk of loss.

COMPENSATED ABSENCES

The District's liability for accumulated unpaid vacation, sick pay and other employee time off is accrued when incurred in governmental and proprietary fund financial statements. The liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. The remaining unmatured amount is recorded in the general long-term obligations account group. Accrued compensated absences as of December 31, 2020 were \$6,450,033.

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

**REVENUES AND APPROPRIATIONS
ADOPTED BUDGET FOR 2021**

	Adopted Budget 2021
Water Revenues	
Sale of Water.....	\$96,801,400
Other Operating Revenue.....	8,019,100
Total Operating Revenue.....	\$104,820,500
Non-Operating Revenue.....	2,331,200
Contribution from (to) Working Funds.....	1,400,000
Total Water Revenues.....	\$108,551,700
 Sewer Revenues	
Tax on Member Municipalities.....	\$51,475,700
Revenue From Other Governmental Agencies.....	5,566,400
Other Sewer Revenues.....	15,091,900
Sewer User Charge Revenue.....	21,030,200
Total Operating Revenue.....	\$93,164,200
Contributions/Transfers From Other Funds.....	0
Revenue Surplus Designated from Prior Year.....	3,800,000
Total Sewer Revenues.....	\$96,964,200
 Total Water and Sewer Revenues.....	\$205,515,900
 Hydroelectric Revenues.....	409,100
Total Revenues and Other Financing Sources.....	\$205,925,000

	Adopted 2021		
	Water	Sewer	Total
Appropriations Water And Sewer Budgets			
District Board.....	\$ 211,900	\$ 203,600	\$ 415,500
Executive Office.....	1,521,600	1,462,000	2,983,600
Administrative Services.....	-	-	-
Legal.....	774,700	744,400	1,519,100
Human Resources.....	-	-	-
Information Technology.....	5,603,600	2,760,000	8,363,600
Finance.....	3,677,000	3,532,700	7,209,700
Environment, Health, Safety.....	488,500	469,400	957,900
Engineering and Planning.....	568,800	546,500	1,115,300
Customer Service.....	2,936,300	1,512,700	4,449,000
Operating Office.....	375,100	360,300	735,400
Operations.....	9,206,300	3,068,800	12,275,100
Laboratory Services.....	813,200	750,700	1,563,900
Water Pollution Control.....	-	17,456,700	17,456,700
Maintenance.....	6,210,400	5,966,800	12,177,200
Water Treatment & Supply.....	8,087,800	-	8,087,800
Patrol.....	1,519,200	-	1,519,200
Debt Service.....	35,114,000	36,090,300	71,204,300
Employee Benefits.....	19,622,200	16,054,500	35,676,700
General Insurance.....	3,671,800	2,447,900	6,119,700
Taxes and Fees.....	3,810,500	-	3,810,500
Special Agreements, Programs.....	4,338,800	1,556,900	5,895,700
Contingency.....	-	1,980,000	1,980,000
Riverfront Park Systems.....	-	-	-
Total Water and Sewer Budgets....	\$ 108,551,700	\$ 96,964,200	\$ 205,515,900
 Hydroelectric Budget.....	409,100		409,100
Total Appropriations.....	\$ 108,960,800	\$ 96,964,200	\$ 205,925,000

**SOURCES OF FUNDS
ADOPTED BUDGET FOR 2021**

Sale of Water by User	Adopted Budget 2021
Domestic.....	33.54%
Commercial.....	7.79
Industrial.....	1.96
Public Authority.....	3.07
Other Water Companies.....	0.74
Total	47.10%
Sewer Revenues Paid By Member Municipality Tax	
Hartford.....	6.41
East Hartford.....	2.93
Newington.....	2.28
Wethersfield.....	2.05
Windsor.....	2.21
Bloomfield.....	1.85
Rocky Hill.....	1.54
West Hartford.....	5.77
Total	25.04%
Other Sources of Funds for Sewer & Water	
Other Sewer & Water Revenues.....	27.86%
Total Sources of Funds for Sewer & Water	100.00%
Sources of Funds for All Projects	
Water Revenues.....	52.71
Sewer Revenues.....	47.09
Hydroelectric Revenues.....	0.20
Total	100.00%

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

GENERAL FUND REVENUES AND EXPENDITURES³
The District
Summary of Audited Revenues and Expenditures (GAAP BASIS)

	Adopted Budget 2021 ¹	Actual 2020	Actual 2019	Actual 2018	Actual 2017	Actual 2016
REVENUES:						
Taxation - Member Towns.....	\$51,475,700	\$51,475,700	\$48,153,100	\$45,004,000	\$41,670,400	\$38,944,300
Sewer User Fees.....	21,030,200	20,404,896	15,670,998	9,804,814	7,639,768	7,536,807
Intergovernmental.....	5,566,400	10,111,198	5,514,708	5,819,727	4,693,503	5,599,705
Investment Income.....	-	145,404	734,871	655,763	532,877	72,125
Other Revenues.....	18,891,900	1,287,228	5,582,358	7,613,648	5,683,498	3,692,370
Transfers In.....	-	-	-	-	-	-
Total Revenues and Transfers In.....	\$96,964,200	\$83,424,426	\$75,656,035	\$68,897,952	\$60,220,046	\$55,845,307
EXPENDITURES:						
General Government.....	\$9,172,100	\$4,446,417	\$4,548,043	\$4,762,419	\$3,436,145	\$3,918,725
Engineering & Planning.....	546,500	-	-	-	-	-
Operations.....	4,941,800	3,573,467	3,745,528	3,918,542	2,313,810	6,343,886
Plants & Maintenance.....	24,174,200	19,643,333	18,150,755	15,144,347	20,148,645	17,673,827
Employee Benefits & Other.....	22,039,300	16,194,956	15,335,071	11,162,192	10,881,861	11,034,670
Transfers Out.....	36,090,300	32,084,297	32,064,862	27,213,487 ²	21,390,625	16,817,348
Total Expenditures.....	\$96,964,200	\$75,942,470	\$73,844,259	\$62,200,987	\$58,171,086	\$55,788,456
Results from Operations.....		\$7,481,956	\$1,811,776	\$6,696,965	\$2,048,960	\$56,851
Fund Balance, January 1.....		\$28,103,719	\$26,291,943	\$19,594,975	\$17,546,018	\$17,489,167
Fund Balance, December 31...		\$35,585,675	\$28,103,719	\$26,291,943	\$19,594,978	\$17,546,018

¹ Budgetary Basis.

³Totals may not add due to rounding.

ANALYSIS OF GENERAL FUND EQUITY
The District
(GAAP BASIS)

	Actual 2020	Actual 2019	Actual 2018	Actual 2017	Actual 2016
Nonspendable.....	\$3,715,448	\$3,403,852	\$3,065,322	\$16,743,975	\$3,047,848
Unassigned.....	31,870,227	24,699,867	23,226,621	19,594,978	14,498,170
Total Fund Balance	\$35,585,675	\$28,103,719	\$26,291,943	\$19,594,978	\$17,546,018

Source: Audit Reports 2016-2020; Budget 2021.

HISTORY OF MEMBER MUNICIPALITY'S TAXATION ¹

<u>Member Municipality</u>	<u>Budget</u>		<u>Actual</u>		<u>Actual</u>	
	<u>2021</u>	<u>%</u>	<u>2020</u>	<u>%</u>	<u>2019</u>	<u>%</u>
Bloomfield	\$ 3,808,100	7.40	\$ 3,879,300	7.54	\$ 3,488,600	7.24
East Hartford	6,015,200	11.69	6,089,300	11.83	5,775,200	11.99
Hartford	13,169,100	25.58	13,035,400	25.32	12,372,000	25.69
Newington	4,681,000	9.09	4,623,100	8.98	4,318,900	8.97
Rocky Hill	3,171,200	6.16	3,144,100	6.11	2,909,600	6.04
West Hartford	11,865,500	23.05	11,852,100	23.02	11,034,500	22.93
Wethersfield	4,214,100	8.19	4,240,800	8.24	3,979,400	8.26
Windsor	4,551,500	8.84	4,611,600	8.96	4,274,900	8.88
Total	\$ 51,475,700	100.0%	\$ 51,475,700	100.0%	\$ 48,153,100	100.0%

<u>Member Municipality</u>	<u>Actual</u>		<u>Actual</u>		<u>Actual</u>	
	<u>2018</u>	<u>%</u>	<u>2017</u>	<u>%</u>	<u>2016</u>	<u>%</u>
Bloomfield	\$ 3,256,200	7.24	\$ 3,067,100	7.36	\$ 2,936,000	7.54
East Hartford	5,486,600	12.19	5,059,400	12.14	4,762,000	12.23
Hartford	11,550,400	25.67	10,963,200	26.31	10,174,900	26.13
Newington	4,120,900	9.16	3,752,900	9.01	3,508,400	9.00
Rocky Hill	2,712,500	6.03	2,475,800	5.94	2,239,700	5.75
West Hartford	10,168,100	22.58	9,286,900	22.28	8,710,900	22.37
Wethersfield	3,707,800	8.24	3,408,200	8.18	3,207,700	8.24
Windsor	4,001,500	8.89	3,656,900	8.78	3,404,700	8.74
Total	\$ 45,004,000	100.0%	\$ 41,670,400	100.0%	\$ 38,944,300	100.0%

¹ The District has the power to levy a tax upon the Member Municipalities sufficient to finance the District's budgeted expenses. The tax is divided among the Member Municipalities in proportion to the total revenue received yearly from direct taxation in each Member Municipality, as averaged over the prior three years.

Source: District Officials.

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

WATER UTILITY FUND REVENUES AND EXPENDITURES

The District

Summary of Audited Revenues and Expenditures

(GAAP BASIS)

See Section III, "Water Operations"

	Adopted Budget 2021 ¹	Actual 2020	Actual 2019	Actual 2018	Actual 2017	Actual 2016
Operating Revenues:						
Water Sales.....	\$96,801,400	\$98,277,039	\$86,566,574	\$74,795,863	\$78,137,873	\$71,187,491
Other Operating Revenues.....	8,019,100	7,427,376	5,491,192	3,631,305	3,991,268	4,021,248
Total Operating Revenue.....	\$104,820,500	\$105,704,415	\$92,057,766	\$78,427,168	\$82,129,141	\$75,208,739
Total Operating Expenses.....						
	108,551,700	67,216,489	93,666,059	113,268,096	81,134,700	75,584,741
Operating Income (Loss).....	(3,731,200)	38,487,926	(1,608,293)	(34,840,928)	994,441	(376,002)
Non-operating Revenues.....						
	3,731,200	1,065,377	(5,315,658)	(32,807)	2,108,636	2,171,467
Income (Loss) Before Interest &						
Fiscal Charges & Operating Transfers....	-	39,553,303	(6,923,951)	(34,873,735)	3,103,077	1,795,465
Interest & Fiscal Charges.....	-	(11,112,851)	(11,287,082)	(9,573,365)	(9,117,593)	(8,528,444)
Income Before Operating Transfers..	-	\$28,440,452	(\$18,211,033)	(\$44,447,100)	(\$6,014,516)	(\$6,732,979)
Transfers						
Grants & Contributions.....		\$6,651,401	\$15,921,555	\$22,060,020	\$20,596,616	\$12,285,315
Net Operating Transfers.....		15,266,267	(26,146,960)	(17,088,617)	0	(28,760,431)
Net Income (Loss).....		\$50,358,120	(\$28,436,438)	(\$39,475,697)	\$14,582,100	(\$23,208,095)
Net Assets, January 1.....		\$88,375,359	\$116,811,797	\$156,287,494 ³	\$255,525,700	\$278,733,795 ²
Net Assets, December 31.....		\$138,733,479	\$88,375,359	\$116,811,797	\$270,107,800	\$255,525,700

¹ Budgetary Basis.

² Restated.

³ Restated to reflect implementation of GASB 75.

Source: Audit Reports 2016-2020; Adopted Budget 2021.

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

HYDROELECTRIC FUND REVENUES AND EXPENDITURES

The District

Summary of Audited Revenues and Expenditures

(GAAP BASIS)

See Section IV, "Hydroelectric Development Program"

	Adopted Budget 2021¹	Actual 2020	Actual 2019	Actual 2018	Actual 2017	Actual 2016
Operating Revenues:						
Power Sales.....	\$260,900	\$471,876	\$816,141	\$1,288,293	\$707,463	\$397,832
Miscellaneous.....	0	0	0	0	0	
Total Operating Revenue.....	\$260,900	\$471,876	\$816,141	\$1,288,293	\$707,463	\$397,832
Total Operating Expenses.....	\$409,100	\$432,713	\$688,775	\$247,281	\$702,704	\$827,100
Operating Income (Loss).....	(\$148,200)	\$39,163	\$127,366	\$1,041,012	\$4,759	(\$429,268)
Non-operating Revenues (Expenses).	\$0	(\$878,871)	(\$1,428,032)	\$0	\$0	\$0
Income Before Operating Transfers.	(\$148,200)	(\$839,708)	(\$1,300,666)	\$1,041,012	\$4,759	(\$429,268)
Net Operating Transfers.....	0	0	1,066,000	0	0	0
Net Income (Loss).....	(\$148,200)	(\$839,708)	(\$234,666)	\$1,041,012	\$4,759	(\$429,268)
Net Assets, January 1.....		\$8,465,711	\$8,700,377	\$7,659,365²	\$8,299,796	\$8,729,064
Net Assets, December 31.....		\$7,626,003	\$8,465,711	\$8,700,377	\$8,304,555	\$8,299,796

¹ Budgetary Basis.

² Restated to reflect implementation of GASB 75.

Source: Audit Reports 2016-2020; Adopted Budget 2021.

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

MEMBER MUNICIPALITY FINANCIAL INFORMATION

GENERAL FUND REVENUES AND EXPENDITURES

Town of Bloomfield

Summary of Audited Revenues and Expenditures
(GAAP BASIS)

	Adopted Budget 2020-21 ¹	Actual 2019-20	Actual 2018-19	Actual 2017-18	Actual 2016-17	Actual 2015-16
REVENUES:						
Taxes and Assessments.....	\$80,432,940	\$81,834,237	\$80,621,613	\$76,396,187	\$74,698,743	\$73,563,398
State and Federal Grants.....	6,519,510	12,099,989	9,237,517	14,695,223	14,366,350	11,091,620
Charges for Services.....	1,168,350	2,966,976	3,008,250	2,538,033	3,281,387	4,265,991
Investment Income.....	150,000	568,007	684,288	376,677	157,151	89,745
Licenses and Permits.....	828,350	0	0	0	0	0
Other.....	1,129,762	346,528	260,643	239,084	134,357	129,526
Transfers In.....	4,410,000 ⁹	175,000 ⁸	335,684 ⁶	15,377,019 ⁴	10,065,675 ²	100,000
Total Revenues and Transfers In.....	\$94,638,912	\$97,990,737	\$94,147,995	\$109,622,223	\$102,703,663	\$89,240,280
EXPENDITURES:						
General Government.....	\$6,146,912	\$4,796,116	\$4,610,382	\$4,425,358	\$4,287,191	\$4,198,861
Public Safety.....	10,505,194	7,653,249	7,760,470	7,304,494	7,505,124	7,471,347
Public Works.....	4,056,699	3,191,310	3,106,586	3,091,766	3,067,339	2,895,926
Leisure Services.....	875,119	806,755	798,191	728,656	724,178	730,653
Public Libraries.....	2,129,020	1,719,406	1,733,695	1,621,318	1,580,730	1,524,108
Human Services.....	2,156,057	1,681,886	1,620,017	1,558,112	1,465,096	1,427,964
Facilities.....	1,637,020	1,747,651	1,590,269	1,640,342	1,461,766	1,561,150
Fixed Charges.....	13,362,561	17,784,106	17,767,465	16,168,272	16,005,256	15,915,492
Miscellaneous.....	239,000	252,341	207,429	150,137	73,839	170,017
Education.....	45,164,111	48,686,569	46,334,201	49,016,467	47,763,637	43,740,001
Debt Service.....	7,806,892	6,586,187	5,687,779	5,808,960	6,205,214	6,198,138
Transfers Out.....	560,327	888,762	1,587,110	16,317,181 ⁵	11,161,499 ³	2,419,246
Total Expenditures and Transfers Out.....	\$94,638,912	\$95,794,338	\$92,803,594	\$107,831,063	\$101,300,869	\$88,252,903
Results from Operations.....		\$2,196,399	\$1,344,401	\$1,791,160	\$1,402,794	\$987,377
Fund Balance, July 1.....		\$22,689,467	\$21,345,066	\$19,553,906	\$18,151,112	\$17,163,735
Fund Balance, June 30.....		\$24,885,866	\$22,689,467	\$21,345,066	\$19,553,906	\$18,151,112

¹ Budgetary Basis.

² Includes \$51,299 premium on notes and \$117,288 premium on bond issuance.

³ Includes \$8,745,000 refunding bonds issued and \$1,195,675 premium on refunding bond issuance.

⁴ Includes \$9,815,139 payment to refunded bond escrow agent.

⁵ Includes \$13,050,000 refunding bonds issued and \$2,202,019 premium on refunding bond issuance.

⁶ Includes \$15,109,225 payment to refunded bond escrow agent.

⁷ Includes \$41,906 of bond proceeds and \$143,778 in premium on bond issuance

⁸ Represents \$1,400,000 appropriated from prior years' surplus, and residual fund balance of \$325,000 for FY 2020.

⁹ Includes \$2,500,000 applied from General Fund Balance.

ANALYSIS OF GENERAL FUND EQUITY

Town of Bloomfield

(GAAP BASIS)

	Actual 2019-20	Actual 2018-19	Actual 2017-18	Actual 2016-17	Actual 2015-16
Nonspendable.....	\$0	\$7,878	\$391,200	\$104,250	
Restricted.....					
Assigned.....	4,156,461	3,925,697	2,596,815	2,064,444	\$1,551,424
Unassigned.....	22,506,929	18,755,892	18,357,051	17,385,212	16,599,688
Total Fund Balance.....	\$26,663,390	\$22,689,467	\$21,345,066	\$19,553,906	\$18,151,112
Unassigned Fund Balance As % of Total Expenditures	<u>23.50%</u>	<u>20.21%</u>	<u>17.02%</u>	<u>17.16%</u>	<u>18.81%</u>

Source: Audit Reports 2016-2020; Adopted Budget 2021.

GENERAL FUND REVENUES AND EXPENDITURES
Town of East Hartford
Summary of Audited Revenues and Expenditures
(GAAP BASIS)

	Adopted Budget 2020-21 ¹	Actual 2019-20	Actual 2018-19	Actual 2017-18	Actual 2016-17	Actual 2015-16
REVENUES:						
Property Taxes.....	\$139,692,413	\$134,810,000	\$135,079,000	\$128,413,000	\$124,038,000	\$124,808,000
Licenses and permits.....	\$1,460,650	\$1,531,000	\$2,515,000	2,948,000	3,111,000	0
Intergovernmental.....	51,382,543	73,509,000	61,193,000	77,839,000	77,850,000	66,149,000
Charges for services.....	3,068,500	13,473,000	10,362,000	9,977,000	9,043,000	0
Investment income (loss).....	425,000	409,000	670,000	364,000	163,000	0
Other local revenues.....	716,000	985,000	768,000	1,880,000	486,000	11,348,000
Transfers In.....	10,000	2,772,000	1,270,000	497,000	1,110,000	945,000
Total Revenues and Transfers In.....	\$196,755,106	\$227,489,000	\$211,857,000	\$221,918,000	\$215,801,000	\$203,250,000
EXPENDITURES:						
General Government.....	\$42,769,631	\$47,600,000	\$45,037,000	\$39,923,000	\$38,651,000	\$39,621,000
Public Safety.....	30,220,024	30,132,000	29,701,000	28,862,000	28,594,000	27,982,000
Inspection/Permits.....	859,290	694,000	718,000	691,000	674,000	636,000
Public Works.....	16,406,612	10,677,000	10,325,000	9,175,000	8,839,000	8,800,000
Parks and Recreation.....	3,367,557	3,012,000	3,427,000	3,254,000	3,323,000	3,103,000
Health and Social Services.....	1,463,458	4,101,000	4,357,000	4,550,000	4,690,000	4,765,000
Debt Service.....	8,989,289	10,912,000	10,516,000	10,133,000	9,101,000	9,182,000
Education.....	92,679,245	120,280,000	106,944,000	119,545,000	115,962,000	106,475,000
Transfers Out.....	0	1,301,000	1,021,000	1,969,000	2,457,000	1,709,000
Total Expenditures and Transfers Out.....	\$196,755,106	\$228,709,000	\$212,046,000	\$218,102,000	\$212,291,000	\$202,273,000
Results from Operations.....		(\$1,220,000)	(\$189,000)	\$3,816,000	\$3,510,000	\$977,000
Fund Balance, July 1.....		\$24,410,000	\$24,599,000	\$20,783,000	\$17,273,000	\$16,296,000
Fund Balance, June 30.....		\$23,190,000	\$24,410,000	\$24,599,000	\$20,783,000	\$17,273,000

¹ Budgetary Basis.

² Includes \$12,230,000 of Refunding Bond Issuance and \$1,076,000 of refunding bond premium.

³ Includes \$13,188,000 in refunding bond escrow.

ANALYSIS OF GENERAL FUND EQUITY
Town of East Hartford
(GAAP BASIS)

	Actual 2019-20	Actual 2018-19	Actual 2017-18	Actual 2016-17	Actual 2015-16
Nonspendable.....	\$1,873,000	\$1,760,000	\$3,437,000	\$3,652,000	
Assigned.....	1,484,000	703,000	1,051,000	549,000	\$961,000
Unassigned.....	19,833,000	21,947,000	20,111,000	16,582,000	16,312,000
Total Fund Balance.....	\$23,190,000	\$24,410,000	\$24,599,000	\$20,783,000	\$17,273,000
Unassigned Fund Balance As % of Total Expenditures	<u>8.67%</u>	<u>10.35%</u>	<u>9.22%</u>	<u>7.81%</u>	<u>8.06%</u>

Source: Audit Reports 2016-2020; Adopted Budget 2021.

GENERAL FUND REVENUES AND EXPENDITURES
City of Hartford
Summary of Audited Revenues and Expenditures
(GAAP BASIS)

	Adopted Budget 2020-21 ¹	Actual 2019-20	Actual 2018-19	Actual 2017-18	Actual 2016-17	Actual 2015-16
REVENUES:						
Property Taxes.....	\$281,967,014	\$280,410,000	\$278,967,000	\$283,758,000	\$260,363,000	\$266,870,000
Licenses and Permits.....	6,161,581	6,579,000	6,630,000	6,218,000	5,376,000	7,613,000
Investment Income.....	194,282	2,418,000	327,441,000	1,403,000	442,000	301,000
Intergovernmental.....	258,570,285	349,114,000	2,255,000	360,400,000	327,341,000	282,708,000
Charges for Services.....	3,087,015	2,042,000	1,153,000	2,344,000	2,454,000	2,235,000
Use of Property.....	2,478,879	943,000	3,121,000	979,000	1,925,000	0
Other Revenues.....	15,299,254	11,081,000	10,380,000	1,447,000	2,013,000	5,853,000
Transfers In.....	0	6,393,000	6,949,000	13,644,000	5,372,000	5,438,000
Total Revenues and Transfers In.....	\$567,758,310	\$658,980,000	\$636,896,000	\$670,193,000	\$605,286,000	\$571,018,000
EXPENDITURES:						
General Government.....	\$19,770,697	\$12,916,000	\$12,991,000	\$13,334,000	\$14,508,000	\$19,251,000
Public Safety.....	84,197,366	77,805,000	75,775,000	81,237,000	80,688,000	82,680,000
Public Works.....	16,237,382	14,076,000	13,176,000	12,212,000	12,652,000	13,162,000
Development and Community	4,281,035	3,642,000	3,290,000	3,380,000	2,918,000	3,629,000
Human Services.....	5,263,784	4,453,000	2,645,000	3,800,000	4,789,000	4,438,000
Library.....	8,335,687	0	0	0	0	0
Education.....	284,013,274	324,546,000	301,665,000	351,430,000	344,877,000	323,155,000
Recreation and Culture.....	0	9,519,000	9,360,000	9,199,000	7,854,000	8,215,000
Benefits and Insurance.....	93,872,044	81,326,000	87,260,000	93,366,000	78,172,000	81,255,000
Debt Service.....	11,697,446	95,000	401,000	398,000	0 ²	0
Other.....	40,089,595	30,668,000	33,525,000	31,286,000	33,121,000	29,969,000
Transfers Out.....	0	82,697,000	89,107,000	70,177,000	34,745,000	13,059,000
Total Expenditures and Transfers Out.....	\$567,758,310	\$641,743,000	\$629,195,000	\$669,819,000	\$614,324,000	\$578,813,000
Results from Operations.....		\$17,237,000	\$7,701,000	\$374,000	(\$9,038,000)	(\$7,795,000)
Fund Balance, July 1.....		\$12,585,000	\$4,884,000	\$4,510,000³	\$14,131,000	\$21,926,000
Fund Balance, June 30.....		\$29,822,000	\$12,585,000	\$4,884,000	\$5,093,000	\$14,131,000

¹ Budgetary Basis.

² The City of Hartford expended \$95,829,000 on debt service from governmental funds in fiscal year ended June 30, 2017 and \$77,504,000 on debt service from governmental funds for fiscal year ended June 30, 2016, as shown in the Statement of Revenues, Expenditures and Changes in Fund Balances—Governmental Funds included in the City of Hartford's CAFR report for each such fiscal year, which are available on EMMA

³ Restated

ANALYSIS OF GENERAL FUND EQUITY
City of Hartford
(GAAP BASIS)

	Actual 2019-20	Actual 2018-19	Actual 2017-18	Actual 2016-17	Actual 2015-16
Assigned.....	\$5,262,000	\$0	\$0	\$583,000	\$8,663,000
Committed.....	5,680,000	2,933,000	0	0	0
Unassigned.....	18,880,000	9,652,000	4,884,000	4,510,000	5,468,000
Total Fund Balance.....	\$29,822,000	\$12,585,000	\$4,884,000	\$5,093,000	\$14,131,000
Unassigned Fund Balance As % of Total Expenditures	<u>2.94%</u>	<u>1.53%</u>	<u>0.73%</u>	<u>0.73%</u>	<u>0.94%</u>

Source: Audit Reports 2016-2020; Adopted Budget 2021.

THE CITY OF HARTFORD

The State of Connecticut took steps to address Hartford's financial stress. In 2018, the legislature created the Municipal Accountability Review Board (the "MARB") with specific powers over "Tier III" and "Tier IV" municipalities. These powers include approving five-year recovery plans on an annual basis. The legislature also appropriated \$28 million in each of fiscal year 2018 and 2019 for municipal restructuring grants to such municipalities.

In December 2017, Hartford applied for and was certified as a Tier III municipality. On May 3, 2018, it presented a five-year recovery plan, which was approved by the MARB. That plan assumes that the City would apply for, and receive, a \$20 million restructuring grant for fiscal year 2018, and no grant for fiscal year 2019. The five-year recovery plan contemplates balanced budgets, including provision for the estimated *ad valorem* taxes the City would owe the District. In June 2018, the City was awarded a \$20 million restructuring grant for fiscal year 2018.

Separately, the State Treasurer and the Secretary of Connecticut's Office of Policy and Management, on behalf of the State, entered into a contract with the City under which the State would annually pay to the City amounts equal to the general obligation debt service of the City, except as to certain stadium bonds, over the life of such obligations. The obligation of the State to make such payments is not subject to further appropriation. The contract provides that, without the consent of the State, the City cannot issue any further debt obligations. Failure to maintain certain financial covenants would cause the City to become a Tier IV municipality, which would bring it under more stringent oversight of the MARB.

A significant portion of the revenues of the City come from annual discretionary grants of the State to the City, which are subject to appropriation. The legislature could change the level of such grants from that assumed in the City's five-year recovery plan, which could create new financial stress for the City. There is no assurance that the State's grants will be maintained at any particular level.

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

GENERAL FUND REVENUES AND EXPENDITURES
Town of Newington
Summary of Audited Revenues and Expenditures
(GAAP BASIS)

	Adopted Budget 2020-21 ¹	Actual 2019-20	Actual 2018-19	Actual 2017-18	Actual 2016-17	Actual 2015-16
REVENUES:						
Property Taxes.....	\$104,002,869	\$106,053,000	\$102,616,000	\$95,968,000	\$93,725,000	\$92,240,000
Payment in Lieu of Taxes.....	1,984,600	2,000,000	2,002,000	968,000	2,409,000	2,811,000
Licenses, Fees and Permits.....	284,500	307,000	296,000	289,000	319,000	380,000
Intergovernmental.....	15,494,881	26,775,000	19,825,000	27,920,000	29,005,000	23,340,000
Rental.....	97,000	101,000	102,000	107,000	107,000	100,000
Income on Investments.....	475,000	566,000	791,000	378,000	78,000	76,000
Fines.....	22,000	26,000	27,000	29,000	23,000	35,000
Charges for Services.....	544,875	640,000	566,000	627,000	703,000	558,000
Refunds and Reimbursements.....	30,000	0	0	0	0	0
Other.....	80,320	103,000	61,000	200,000	98,000	143,000
Transfers In ²	2,659,866	159,000	149,000	124,000	119,000	223,000
Total Revenues and Transfers In.....	\$125,675,911	\$136,730,000	\$126,435,000	\$126,610,000	\$126,586,000	\$119,906,000
EXPENDITURES:						
General Government.....	\$5,229,808	\$5,047,000	\$5,066,000	\$4,709,000	\$4,858,000	\$4,508,000
Public Safety.....	9,476,543	8,407,000	8,729,000	8,345,000	8,372,000	8,204,000
Public Works.....	5,509,009	5,018,000	4,965,000	4,732,000	4,702,000	4,608,000
Community Planning & Develop	480,302	536,000	547,000	551,000	542,000	551,000
Health and Human Services.....	1,289,697	1,243,000	1,221,000	1,163,000	1,179,000	1,176,000
Library.....	1,849,577	1,721,000	1,770,000	1,726,000	1,704,000	1,758,000
Parks and Recreation.....	1,863,885	1,700,000	1,668,000	1,614,000	1,571,000	1,566,000
Education.....	76,768,011	83,358,000	77,976,000	84,487,000	82,546,000	76,094,000
Miscellaneous.....	12,675,277	16,204,000	15,829,000	14,791,000	14,201,000	13,668,000
Debt Service.....	2,482,598	1,686,000	786,000	1,151,000	1,192,000	1,228,000
Transfers Out.....	8,051,204	5,423,000	3,854,000	3,040,000	6,431,000	5,958,000
Total Expenditures and Transfers Out.....	\$125,675,911	\$130,343,000	\$122,411,000	\$126,309,000	\$127,298,000	\$119,319,000
Results from Operations.....		\$6,387,000	\$4,024,000	\$301,000	(\$712,000)	\$587,000
Fund Balance, July 1.....		\$25,569,000	\$21,545,000	\$21,244,000	\$21,956,000	\$21,369,000
Fund Balance, June 30.....		\$31,956,000	\$25,569,000	\$21,545,000	\$21,244,000	\$21,956,000

¹ Budgetary Basis.

² Includes \$2,500,000 appropriated from prior years' surplus in FY 2021.

ANALYSIS OF GENERAL FUND EQUITY
Town of Newington
(GAAP BASIS)

	Actual 2019-20	Actual 2018-19	Actual 2017-18	Actual 2016-17	Actual 2015-16
Committed.....	\$2,361,000	\$1,025,000	\$297,000	\$1,217,000	\$515,000
Assigned.....	7,620,000	5,286,000	5,970,000	5,406,000	6,460,000
Unassigned.....	21,975,000	19,258,000	15,278,000	14,621,000	14,981,000
Total Fund Balance	\$31,956,000	\$25,569,000	\$21,545,000	\$21,244,000	\$21,956,000
Unassigned Fund Balance As % of Total Expenditures	<u>16.86%</u>	<u>15.73%</u>	<u>12.10%</u>	<u>11.49%</u>	<u>12.56%</u>

Source: Audit Reports 2016-2020; Adopted Budget 2021.

GENERAL FUND REVENUES AND EXPENDITURES

Town of Rocky Hill
Summary of Audited Revenues and Expenditures
(GAAP BASIS)

	Budget 2020-21¹	Actual 2019-20	Actual 2018-19	Actual 2017-18	Actual 2016-17	Actual 2015-16
REVENUES:						
Taxes and Assessments.....	75,631,218	72,368,801	68,994,399	65,847,448	\$63,824,640	\$60,302,037
Intergovernmental.....	6,969,247	12,844,727	8,868,613	13,901,560	14,250,686	10,581,229
Charges for Services.....	1,167,455	1,003,548	990,903	1,353,501	1,310,171	818,744
Income on Investments.....	280,000	317,076	433,539	163,106	102,915	113,184
Miscellaneous.....	325,000	1,147,639	1,205,323	921,984	1,132,793	850,968
Transfers In.....	1,422,318 ²	0	0	0	0	0
Total Revenues and Transfers In.....	\$85,795,238	\$87,681,791	\$80,492,777	\$82,187,599	\$80,621,205	\$72,666,162
EXPENDITURES:						
General Government.....	\$3,854,778	\$2,585,465	\$2,664,972	\$2,492,107	\$2,618,786	\$2,418,314
Public Safety.....	7,071,251	7,230,537	6,969,341	6,574,134	6,198,790	6,192,277
Public Works.....	7,747,370	7,264,026	7,083,253	6,587,320	6,121,363	5,909,559
Health and Human Services.....	855,107	632,080	656,842	585,186	575,603	551,466
Parks, Recreation and Facilities...	3,053,684	3,719,938	3,880,725	3,686,552	3,582,333	3,694,591
Library Services.....	1,057,186	1,025,198	1,023,351	1,009,221	1,002,004	939,663
Education.....	46,464,971	50,302,127	44,999,956	48,763,436	46,278,174	41,398,116
Miscellaneous.....	6,543,758	7,377,960	7,547,315	6,812,816	6,437,077	7,022,382
Capital Outlay.....	1,495,635	968,524	1,332,786	1,819,749	1,830,361	1,622,895
Debt Service.....	7,651,498	4,504,622	4,182,491	3,232,311	3,260,660	2,636,065
Transfers Out.....	0	221,167	499,643	675,415	2,533,987	567,117
Total Expenditures and Transfers Out.....	\$85,795,238	\$85,831,644	\$80,840,675	\$82,238,247	\$80,439,138	\$72,952,445
Results from Operations.....		\$1,850,147	(\$347,898)	(\$50,648)	\$182,067	(\$286,283)
Fund Balance, July 1.....		\$5,786,109	\$6,134,007	\$6,184,655	\$6,002,588	\$6,288,871
Fund Balance, June 30.....		\$7,636,256	\$5,786,109	\$6,134,007	\$6,184,655	\$6,002,588

¹ Budgetary Basis

² Includes \$941,477 appropriated from prior years' surplus designated for capital projects in FY 2021.

ANALYSIS OF GENERAL FUND EQUITY

Town of Rocky Hill
(GAAP BASIS)

	Actual 2019-20	Actual 2018-19	Actual 2017-18	Actual 2016-17	Actual 2015-16
Assigned.....	\$2,287,918	\$668,386	\$1,567,594	\$542,330	\$1,733,105
Unassigned.....	5,348,338	5,117,723	4,566,413	5,642,325	4,269,483
Total Fund Balance	\$7,636,256	\$5,786,109	\$6,134,007	\$6,184,655	\$6,002,588

Unassigned Fund Balance

As % of Total Expenditures	<u>6.23%</u>	<u>6.33%</u>	<u>5.55%</u>	<u>7.01%</u>	<u>5.85%</u>
-----------------------------------	---------------------	---------------------	---------------------	---------------------	---------------------

Source: Audit Reports 2016-2020; Adopted Budget 2021.

GENERAL FUND REVENUES AND EXPENDITURES
Town of West Hartford
Summary of Audited Revenues and Expenditures
(GAAP BASIS)

	Adopted Budget 2020-21 ¹	Actual 2019-20	Actual 2018-19	Actual 2017-18	Actual 2016-17	Actual 2015-16
REVENUES:						
Property Taxes.....	\$265,926,135	\$265,957,000	\$258,047,000	\$253,000,000	\$236,916,000	\$229,630,000
Intergovernmental.....	24,716,822	53,272,000	39,827,000	57,711,000	59,758,000	44,086,000
Charges for Services.....	5,942,333	5,807,000	5,768,000	5,579,000	5,374,000	5,625,000
Income on Investments.....	850,000	1,287,000	1,714,000	987,000	377,000	629,000
Miscellaneous.....	752,000	1,161,000	930,000	1,154,000	1,227,000	976,000
Transfers In.....	2,059,468 ⁴	44,756,000	396,000	3,577,000	593,000	14,481,000
Total Revenues.....	\$300,246,758	\$372,240,000	\$306,682,000	\$322,008,000	\$304,245,000	\$295,427,000
EXPENDITURES:						
Current:						
General Government.....	\$6,503,019	\$6,316,000	\$6,236,000	\$5,954,000	\$6,300,000	\$5,807,000
Public Safety.....	29,391,597	30,251,000	28,971,000	26,530,000	26,445,000	26,100,000
Community Maintenance.....	16,153,662	14,396,000	15,464,000	15,198,000	15,591,000	15,681,000
Human and Cultural.....	6,140,783	6,001,000	6,256,000	6,324,000	6,309,000	6,230,000
Education.....	170,073,528	194,575,000	178,489,000	194,291,000	185,537,000	167,362,000
Debt and Sundry.....	56,171,086	53,010,000	47,679,000	46,427,000	42,094,000	39,573,000
Capital Outlay.....	0	0	0	34,000	62,000	88,000
Transfers Out.....	15,813,083	64,585,000	22,787,000	23,568,000	21,154,000	33,849,000
Total Expenditures and Transfers Out.....	\$300,246,758	\$369,134,000	\$305,882,000	\$318,326,000	\$303,492,000	\$294,690,000
Results from Operations.....		\$3,106,000	\$800,000	\$3,682,000	\$753,000	\$737,000
Fund Balance, July 1.....		\$27,027,000	\$26,227,000	\$22,545,000	\$21,792,000	\$21,055,000
Fund Balance, June 30.....		\$30,133,000	\$27,027,000	\$26,227,000	\$22,545,000	\$21,792,000

¹Budgetary Basis.

²Includes \$12,295,000 refunding bonds issued and \$1,258,000 premium on refunding bond issuance.

³Includes \$13,424,000 payment to refunded bond escrow agent.

⁴Includes \$1,500,000 appropriated from fund balance.

ANALYSIS OF GENERAL FUND EQUITY
Town of West Hartford
(GAAP BASIS)

	Actual 2019-20	Actual 2018-19	Actual 2017-18	Actual 2016-17	Actual 2015-16
Nonspendable.....	\$298,000	\$263,000	\$289,000	\$193,000	\$257,000
Assigned.....	4,647,000	389,000	500,000	541,000	441,000
Unassigned.....	25,188,000	26,375,000	25,438,000	21,811,000	21,094,000
Total Fund Balance	\$30,133,000	\$27,027,000	\$26,227,000	\$22,545,000	\$21,792,000

Unassigned Fund Balance

As % of Total Expenditures

6.82%

8.62%

7.99%

7.19%

7.16%

Source: Audit Reports 2016-2020; Adopted Budget 2021.

GENERAL FUND REVENUES AND EXPENDITURES
Town of Wethersfield
 Summary of Audited Revenues and Expenditures
 (GAAP BASIS)

	Adopted Budget 2020-21 ¹	Actual 2019-20	Actual 2018-19	Actual 2017-18	Actual 2016-17	Actual 2015-16
REVENUES:						
Property Taxes.....	\$93,315,495	\$93,162,133	\$90,686,860	\$88,070,347	\$84,449,288	\$83,457,895
Intergovernmental.....	11,419,606	21,562,522	16,431,692	22,351,655	23,205,961	17,549,567
Licenses, fees and permits.....	464,500	626,137	859,311	583,031	498,791	0
Charges for services.....	982,275	1,596,400	1,444,249	1,492,541	1,547,672	0
Investment gain.....	345,000	381,260	557,779	226,117	110,518	0
Other Local Revenues.....	198,100	202,280	173,255	161,656	219,758	2,822,983
Transfers In.....	2,005,000 ²	200,000	200,000	200,000	140,000	90,000
Total Revenues and Transfers In.....	\$108,729,976	\$117,730,732	\$110,353,146	\$113,085,347	\$110,171,988	\$103,920,445
EXPENDITURES:						
Public Safety.....	\$11,844,329	\$11,164,846	\$10,883,230	\$10,295,709	\$10,064,024	\$9,839,606
Public Works.....	14,423,641	13,592,161	8,629,434	8,527,994	8,464,314	7,995,062
Recreation and Parks.....	1,807,740	1,614,651	1,772,779	1,643,792	1,732,231	1,727,709
Social Services.....	1,552,099	865,939	858,907	818,233	841,281	806,385
Library.....	2,061,421	2,003,566	1,916,795	1,818,065	1,833,535	1,921,462
General Government.....	12,221,229	12,016,913	11,104,409	10,536,538	10,060,875	9,341,661
Education.....	56,902,759	66,932,619	65,191,599	70,731,557	69,060,782	64,994,570
Debt Service.....	5,859,653	5,610,933	5,927,955	5,616,873	5,185,048	4,385,548
Contingency.....	340,000	0	0	0	0	0
Transfers Out.....	1,717,105	2,827,598	2,459,352	2,752,006	2,648,262	2,707,239
Total Expenditures and Transfers Out.....	\$108,729,976	\$116,629,226	\$108,744,460	\$112,740,767	\$109,890,352	\$103,719,242
Results from Operations.....		\$1,101,506	\$1,608,686	\$344,580	\$281,636	\$201,203
Fund Balance, July 1.....		\$14,067,783	\$12,459,097	\$12,114,517	\$11,832,881	\$11,631,678
Fund Balance, June 30.....		\$15,169,289	\$14,067,783	\$12,459,097	\$12,114,517	\$11,832,881

¹ Budgetary Basis.

² Includes \$2,005,000 appropriated from prior years' surplus in FY 2021.

ANALYSIS OF GENERAL FUND EQUITY
Town of Wethersfield
 (GAAP BASIS)

	Actual 2019-20	Actual 2018-19	Actual 2017-18	Actual 2016-17	Actual 2015-16
Committed.....	\$304,404	\$482,836	\$368,143	\$291,386	\$441,233
Nonspendable.....	111,018	0	0	0	0
Assigned.....	2,192,306	512,123	624,718	524,665	481,480
Unassigned.....	12,561,561	13,072,824	11,466,236	11,298,466	10,910,168
Total Fund Balance	15,169,289	14,067,783	12,459,097	12,114,517	11,832,881
Unassigned Fund Balance As % of Total Expenditures	<u>10.77%</u>	<u>12.02%</u>	<u>10.17%</u>	<u>10.28%</u>	<u>10.52%</u>

Source: Audit Reports 2016-2020; Adopted Budget 2021.

GENERAL FUND REVENUES AND EXPENDITURES
Town of Windsor
Summary of Audited Revenues and Expenditures
(GAAP BASIS)

	Adopted Budget 2020-21 ¹	Actual 2019-20	Actual 2018-19	Actual 2017-18	Actual 2016-17	Actual 2015-16
REVENUES:						
Property Taxes.....	\$103,986,430	\$101,117,016	\$99,113,331	\$94,339,805	\$93,636,439	\$89,012,808
State & Federal Governments.....	15,122,270	29,923,509	19,229,990	27,626,039	27,038,627	21,906,514
Charges for Services.....	1,509,610	3,904,610	4,581,911	3,678,117	4,344,703	3,910,777
Investment Income.....	610,000	1,105,344	1,253,851	670,091	270,296	160,456
Miscellaneous.....	20,500	0	0	0	0	0
Transfers In.....	900,000 ²	42,000	71,680	586,902	70,090	78,508
Total Revenues and Transfers In.....	\$122,148,810	\$136,092,479	\$124,250,763	\$126,900,954	\$125,360,155	\$115,069,063
EXPENDITURES:						
Education.....	\$77,827,990	\$85,617,316	\$73,321,557	\$79,713,749	\$79,509,544	\$72,839,199
General Government.....	21,856,030	14,456,066	13,891,463	12,972,718	13,040,132	12,354,861
Culture & Recreation.....	3,846,360	4,493,386	4,456,257	4,135,125	3,998,067	4,058,702
Human Services.....	976,870	1,439,270	1,473,415	1,487,679	1,419,877	1,373,878
Public Safety.....	10,990,950	11,236,341	10,836,755	10,399,750	10,251,732	10,228,327
Public Works.....	6,650,610	6,800,614	6,663,418	6,398,515	5,977,374	5,732,843
Transfers Out.....	0	10,753,410	10,610,530	9,194,800	10,388,898	7,715,704
Total Expenditures and Transfers Out.....	\$122,148,810	\$134,796,403	\$121,253,395	\$124,302,336	\$124,585,624	\$114,303,514
Results from Operations.....		\$1,296,076	\$2,997,368	\$2,598,618	\$774,531	\$765,549
Fund Balance, July 1.....		\$30,762,948	\$27,765,580	\$25,166,962	\$24,392,431	\$23,626,882
Fund Balance, June 30.....		\$32,059,024	\$30,762,948	\$27,765,580	\$25,166,962	\$24,392,431

¹ Budgetary Basis.

² Represents appropriation from prior years' surplus.

ANALYSIS OF GENERAL FUND EQUITY
Town of Windsor
(GAAP BASIS)

	Actual 2019-20	Actual 2018-19	Actual 2017-18	Actual 2016-17	Actual 2015-16
Nonspendable.....	\$19,854	\$26,697	\$39,024	\$661,842	\$21,599
Assigned.....	4,001,808	4,835,637	4,858,090	4,174,638	4,727,980
Unassigned.....	28,037,362	25,900,614	22,868,466	20,330,482	19,642,852
Total Fund Balance	\$32,059,024	\$30,762,948	\$27,765,580	\$25,166,962	\$24,392,431
Unassigned Fund Balance As % of Total Expenditures	<u>20.80%</u>	<u>21.36%</u>	<u>18.40%</u>	<u>16.32%</u>	<u>17.18%</u>

Source: Audit Reports 2016-2020; Adopted Budget 2021.

VIII. DEBT SUMMARY

PRINCIPAL AMOUNT OF INDEBTEDNESS – THE DISTRICT ¹

As of August 31, 2021 (Pro Forma)

Long-Term Debt			Debt		Date of
Date	Purpose	Rate %	Original Issue	Outstanding As of 08/31/2021	Fiscal Year Maturity
06/30/02	CWF (405C)	2.00	8,163,200	136,053	2021
03/30/03	CWF (267C)	2.00	5,213,046	143,554	2022
06/30/03	CWF (494C)	2.00	2,029,367	135,291	2022
12/31/03	Drinking Water (200105C)	2.10	2,343,735	224,608	2023
12/31/04	CWF (451C)	2.00	3,987,009	550,629	2024
10/31/08	CWF (508C)	2.00	1,232,078	379,891	2027
12/30/08	CWF (160C)	2.00	1,888,557	550,829	2027
12/31/08	CWF (578C)	2.00	2,042,741	611,902	2027
02/28/09	CSL (142)	2.00	6,200,000	2,015,000	2028
09/30/09	CWF (521C)	2.00	4,240,340	1,395,778	2028
09/30/09	CWF (520C)	2.00	4,547,580	1,610,601	2028
09/30/09	CSL (149)	2.00	12,710,000	4,501,458	2028
06/01/10	General Obligation Refunding Bonds	4.00-5.00	12,845,000	1,245,001	2022
01/31/11	CWF (578CD1)	2.00	2,619,264	1,222,323	2030
08/31/11	Drinking Water (DWSRF 2010-8008)	2.06	2,579,412	1,160,735	2030
02/28/12	Drinking Water (DWSRF 2010-8009)	2.06	772,079	347,435	2030
03/31/12	CSL (166)	2.00	21,907,709	10,756,488	2030
03/31/12	CWF (619D1)	2.00	12,600,000	6,186,487	2030
01/31/13	CWF (626C)	2.00	22,160,848	11,542,108	2032
01/31/13	Drinking Water (DWSRF 2010-8009-1)	2.06	193,644	99,117	2030
02/01/13	General Obligation, Series B 2013	2.125-5.00	25,030,000	15,000,000	2033
07/15/14	Drinking Water (DWSRF 2013-7012)	2.00	2,780,620	1,656,786	2033
08/06/14	General Obligation Series A 2014	3.00-5.00	47,735,000	31,010,000	2034
08/06/14	General Obligation Refunding Bonds, Series B 2014	2.00-5.00	14,845,000	2,150,000	2024
09/30/14	CWF (619-C1)	2.00	24,821,197	14,996,141	2033
09/30/14	Drinking Water (DWSRF 2013-7018)	2.00	398,083	240,508	2033
11/14/14	Clean Water Project Revenue Bonds	2.00-5.00	140,000,000	123,090,000	2042
02/28/15	CWF (646-C)	2.00	24,579,826	15,362,391	2034
03/19/15	General Obligation, Issue of 2015	3.00-5.00	66,740,000	46,835,000	2035
03/31/15	Drinking Water (DWSRF 2014-7026)	2.00	1,691,379	1,106,444	2035
06/01/15	Drinking Water (DWSRF 2013-7013)	2.00	2,713,243	1,713,865	2034
06/30/15	Drinking Water (DWSRF 2013-7017)	2.00	2,013,468	1,308,754	2034
06/30/15	Drinking Water (DWSRF 2013-7019)	2.00	1,539,774	988,022	2034
06/30/15	CWF (626-CD1)	2.00	6,815,898	4,281,343	2032
09/30/15	Drinking Water (DWSRF 2013-7014)	2.00	4,691,464	3,186,286	2035
11/03/15	General Obligation, Series B 2015	2.00-5.00	36,215,000	27,150,000	2035
12/30/15	CSL (214)	2.00	14,198,442	9,820,588	2035
01/31/16	CWF (652-C)	2.00	25,528,771	18,401,989	2036
02/18/16	General Obligation, Series A 2016	2.00-5.00	33,025,000	24,750,000	2036
03/31/16	Drinking Water (DWSRF 2014-7029)	2.00	3,173,899	2,103,191	2035
04/28/16	General Obligation Refunding Bonds, Series B 2016	2.00-5.00	48,035,000	26,535,000	2028
04/29/16	Drinking Water (DWSRF 2014-7021)	2.00	3,809,525	2,507,937	2034
05/31/16	Drinking Water (DWSRF 2014-7031)	2.00	3,626,881	2,427,863	2035
05/31/16	Drinking Water (DWSRF 2014-7015)	2.00	5,635,824	3,772,665	2035
05/31/16	CWF (619-CD-1)	2.00	20,360,028	14,193,289	2033
07/31/16	Drinking Water (DWSRF 2014-7030)	2.00	1,892,813	1,317,803	2035
07/31/16	CWF (657-C)	2.00	33,352,916	24,875,716	2036
09/01/16	Drinking Water (DWSRF 2014-7033)	2.00	1,501,320	1,106,236	2035
09/01/16	Drinking Water (DWSRF 2016-7035)	2.00	2,203,262	1,623,456	2035
09/01/16	Drinking Water (DWSRF 2016-7042)	2.00	825,335	608,142	2035
12/01/16	General Obligation, Series C 2016	4.00-5.00	108,315,000	89,190,000	2034
12/31/16	Drinking Water (DWSRF 2014-7032)	2.00	3,162,716	2,405,827	2036
01/31/17	CWF (652-C1)	2.00	27,234,976	20,993,628	2037
02/28/17	Drinking Water (DWSRF 2016-7043)	2.00	1,129,379	865,056	2036
02/28/17	Drinking Water (DWSRF 2016-7047)	2.00	3,004,951	2,301,664	2036
04/30/17	Drinking Water (DWSRF 2016-7044)	2.00	2,754,227	2,088,622	2036
07/31/17	CWF (657-C1)	2.00	40,852,370	32,511,678	2037
07/31/17	CWF (686-C)	2.00	3,424,070	2,553,786	2036
07/31/17	Drinking Water (DWSRF 2016-7045)	2.00	2,445,859	1,885,349	2037
01/31/18	CWF (692-C)	2.00	46,785,354	38,402,979	2038
06/29/18	Drinking Water (DWSRF 2016-7046)	2.00	3,051,182	2,491,799	2037
07/31/18	General Obligation, Series 2018	3.25-5.00	110,770,000	94,155,000	2039
07/31/18	CWF (657-C2)	2.00	52,655,657	44,537,910	2038
12/03/18	CWF (215-C)	2.00	10,306,693	8,889,522	2039
01/31/19	CWF (692-C1)	2.00	31,761,844	27,659,273	2039
03/29/19	Drinking Water (DWSRF 2018-7061)	2.00	1,892,634	1,658,077	2039
04/30/19	CWF (652-C)	2.00	21,862,088	19,066,936	2037
04/30/19	Drinking Water (DWSRF 2017-7055)	2.00	1,691,022	1,488,678	2039
06/30/19	CWF (657-C1)	2.00	17,782,244	15,411,277	2038
07/31/19	Drinking Water (DWSRF 2018-7062)	2.00	1,814,906	1,621,005	2039
08/08/19	General Obligation, Series A 2019	4.00-5.00	76,500,000	68,850,000	2039
08/08/19	General Obligation Refunding Bonds, Series B 2019	2.375-5.00	49,305,000	43,000,000	2035
08/08/19	General Obligation Refunding Bonds, Series C 2019	4.00-5.00	32,070,000	30,125,000	2040
02/28/20	CWF (697DC)	2.00	15,019,750	13,079,699	2039
04/30/20	CWF (692-C2)	2.00	33,394,334	30,882,371	2039
05/31/20	CWF (691-C)	2.00	190,810	178,579	2039
07/31/20	CWF (221-CSL)	2.00	2,091,106	1,974,933	2040
08/08/20	Clean Water Projects Revenue Bonds, 2020A	5.00	55,010,000	53,195,000	2045
08/08/20	Clean Water Projects Revenue Ref Bonds Taxable, 2020B	0.361-2.562	76,065,000	73,965,000	2039
09/04/20	Drinking Water (DWSRF 2019-7074)	2.00	2,046,805	1,941,841	2040
01/31/21	CWF 692-C3	2.00	17,428,534	17,354,052	2041
01/31/21	Drinking Water (DWSRF 2020-7086)	2.00	1,300,671	1,295,065	2039
06/30/21	CWF 657-C4	2.00	4,936,047	4,914,302	2040
06/30/21	CWF 219-CSL	2.00	27,216,464	27,099,656	2040
08/31/21	General Obligation, Series A 2021	4.00-5.00	130,810,000	130,810,000	2041
08/31/21	General Obligation Refunding Bonds, Series B 2021	5.00	15,235,000	15,235,000	2033
Total Long-Term Debt			\$1,761,371,269	\$1,393,012,547	

¹Totals may not add due to rounding.

Short-Term Debt:

The District issued \$93,185,000 in General Obligation Bond Anticipation Notes (the “Notes”) on December 1, 2020 to temporarily finance various sewer, water and public improvement projects of the District. The Notes will mature on September 1, 2021.

As of August 31, 2021, the District anticipates having \$85,887,187 of outstanding Interim Funding Obligations (“IFOs”) issued under the State’s Clean Water Fund Program and Drinking Water State Revolving Fund Program. See “Clean Water Fund Program”. As of August 31, 2021, the amount drawn to date is \$28,635,272.

Other Long-Term Commitments:

The District has no other general obligation long term commitments.

CLEAN WATER FUND PROGRAM

The Metropolitan District is a participant in the State’s Clean Water Fund Program (Connecticut General Statutes Section 22a-475 et seq., as amended) which provides financial assistance through a combination of grants and loans bearing interest at the rate of 2% per annum. All participating municipalities receive funding for eligible expenses of 20% grant and 80% loan, except for combined sewer overflow projects (50% grant and 50% loan) and denitrification projects (30% grant and 70% loan). Loans are made pursuant to a Project Loan and Grant Agreement (the “Loan Agreement”). During construction the municipality enters into a short-term borrowing agreement with the State called an Interim Funding Obligation (“IFO”) from which it pays project costs as needed. Each municipality is obligated to repay only that amount which it draws down for the payment of project costs. Upon project completion, or, in the case of certain larger projects, annually, a 20-year debt obligation called a Project Loan Obligation (“PLO”) is issued to the State. The municipal obligations issued to the State are secured by the full faith and credit of the municipality and/or a dedicated source of revenue of such municipality.

The District’s Clean Water Fund Program obligations are secured by the District’s full faith and credit and constitute a general obligation.

Amortization of each loan is required to begin one year from the earlier of the scheduled completion date specified in the Loan Agreement or the actual project completion date, or, in the case of certain larger projects, the earlier of such date or annually commencing one year after the date of the Loan Agreement. The final maturity of each loan is the earlier of twenty years from the scheduled completion date or twenty years from the date of the PLO. Principal and interest payments are made (1) in monthly installments commencing one month after the scheduled completion date, or (2) in single annual installments representing 1/20 of total principal not later than one year from the scheduled completion date specified in the Loan Agreement repayable thereafter in monthly installments. Monthly installments may be in level debt service or amortized with level principal. Borrowers may prepay their loans at any time prior to maturity without penalty.

DRINKING WATER STATE REVOLVING FUND PROGRAM

The Metropolitan District is a participant in the State’s Drinking Water State Revolving Fund Program (Connecticut General Statutes Sections 22a-475 et seq., as amended), which provides financial assistance through loans bearing interest at rates ranging from 2% to 3% per annum and grants.

Loans and grants are made pursuant to a Project Loan and Subsidy Agreement. Each municipality is obligated to repay only that amount that is drawn down for the payment of project costs. Each municipality must deliver to the State an obligation secured by the full faith and credit of the municipality and/or a dedicated source of revenue of such municipality.

The District’s Drinking Water State Revolving Fund Program obligations are secured by the District’s full faith and credit and constitute a general obligation.

The amortization requirements, payment schedule and prepayment provisions are the same as under the Clean Water Fund Program.

ANNUAL BONDED DEBT MATURITY SCHEDULE - THE DISTRICT^{1,2}
 As of August 31, 2021 (Pro Forma)

Schedule A – General Obligation Bonds

Fiscal Year Ending	Outstanding Principal	Interest	Total	Issue of 2021 Series A Bonds	Cumulative Percent Retired
2021	\$19,792,090	\$7,419,081	\$27,211,171	\$0	1.73%
2022	71,619,131	30,984,511	102,603,642	4,215,000	8.37%
2023	69,997,164	28,704,423	98,701,587	4,400,000	14.88%
2024	69,637,004	26,301,382	95,938,386	4,575,000	21.37%
2025	70,458,575	24,032,573	94,491,149	4,755,000	27.95%
2026	70,593,575	21,638,375	92,231,950	4,945,000	34.56%
2027	70,433,645	19,359,944	89,793,589	5,145,000	41.18%
2028	69,559,580	17,190,007	86,749,587	5,400,000	47.74%
2029	65,222,750	15,045,345	80,268,095	5,670,000	53.94%
2030	64,661,901	13,059,237	77,721,138	5,955,000	60.12%
2031	60,672,918	10,986,819	71,659,737	6,250,000	65.98%
2032	59,270,454	9,048,848	68,319,302	6,560,000	71.74%
2033	58,587,041	7,204,428	65,791,469	6,890,000	77.47%
2034	52,892,451	5,428,618	58,321,068	7,165,000	82.72%
2035	42,555,350	3,764,476	46,319,827	7,455,000	87.10%
2036	32,969,024	2,599,423	35,568,447	7,755,000	90.66%
2037	27,167,797	1,702,883	28,870,680	8,065,000	93.75%
2038	21,763,268	982,176	22,745,444	8,385,000	96.38%
2039	9,220,301	415,766	9,636,068	8,720,000	97.95%
2040	4,804,046	119,394	4,923,439	9,070,000	99.17%
2041	74,481	124	74,605	9,435,000	100.00%
Totals	\$1,011,952,547	\$245,987,833	\$1,257,940,380	\$130,810,000	

¹ Includes Clean Water Fund and State Revolving Fund Loans. See Section VIII “Debt Summary – Clean Water Fund Program” and “Drinking Water State Revolving Fund Program”. See also Section VIII “Debt Summary – Statement of Statutory Debt Limitation – The District”

²Totals may not add due to rounding.
 Source: District Officials.

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

Schedule B – Clean Water Project Revenue Bonds^{1,2}

Fiscal Year Ending 12/31	Outstanding Principal	Interest	Total	Cumulative Percent Retired
2021	6,420,000	5,196,431	11,616,431	2.57%
2022	8,685,000	10,099,889	18,784,889	6.04%
2023	6,305,000	9,764,166	16,069,166	8.56%
2024	6,495,000	9,448,916	15,943,916	11.15%
2025	6,700,000	9,124,166	15,824,166	13.83%
2026	9,510,000	8,778,346	18,288,346	17.63%
2027	9,805,000	8,373,582	18,178,582	21.55%
2028	10,110,000	7,949,896	18,059,896	25.59%
2029	10,620,000	7,506,122	18,126,122	29.83%
2030	11,085,000	7,041,306	18,126,306	34.26%
2031	13,570,000	6,537,081	20,107,081	39.68%
2032	15,170,000	5,972,092	21,142,092	45.74%
2033	8,210,000	5,451,177	13,661,177	49.02%
2034	16,920,000	4,977,281	21,897,281	55.79%
2035	16,180,000	4,396,480	20,576,480	62.25%
2036	16,295,000	3,828,358	20,123,358	68.76%
2037	15,475,000	3,247,842	18,722,842	74.95%
2038	15,725,000	2,665,985	18,390,985	81.23%
2039	15,995,000	2,068,273	18,063,273	87.62%
2040	8,885,000	1,548,750	10,433,750	91.17%
2041	9,330,000	1,104,500	10,434,500	94.90%
2042	9,800,000	638,000	10,438,000	98.82%
2043	940,000	148,000	1,088,000	99.19%
2044	985,000	101,000	1,086,000	99.59%
2045	1,035,000	51,750	1,086,750	100.00%
Totals	\$250,250,000	\$126,019,389	\$376,269,389	

¹Additional breakdown see Section VIII “Debt Summary – Statement of Statutory Debt Limitation – The District”

²Totals may not add due to rounding.

Source: District Officials.

Combined Schedules A and B Outstanding Debt

Total Outstanding Principal	Total Interest	Total
\$1,393,012,547	\$372,007,221	\$1,634,209,769

Source: District Officials.

**OVERLAPPING AND UNDERLYING NET DEBT
THE DISTRICT AND MEMBER MUNICIPALITIES⁵**

As of August 31, 2021 (Pro Forma)

The outstanding indebtedness of the District is considered overlapping debt of the Member Municipalities.

The outstanding indebtedness of the Towns of Bloomfield, East Hartford, Newington, Rocky Hill, West Hartford, Wethersfield, Windsor and the City of Hartford is considered underlying debt of the District:

Member Municipalities	Share of Net District Debt¹	Net Direct District Debt Applicable to Member Municipalities as of 8/31/2021²	Net Direct Debt of Member Municipalities	Underlying Debt Issued Since 6/30/2020	Underlying Net Debt Applicable to District
Bloomfield.....	6.16	\$54,337,455	\$68,125,000	\$9,405,000	\$77,530,000
East Hartford.....	9.09	80,183,031	41,695,000	0	41,695,000
Hartford.....	25.58	225,641,576	495,323,064 ^{3,4}	0	495,323,064
Newington.....	8.19	72,244,117	26,360,000	0	26,360,000
Rocky Hill.....	23.05	203,324,407	84,410,000	11,350,000	95,760,000
West Hartford.....	11.69	103,117,671	135,194,928	345,895,000	481,089,928
Wethersfield.....	7.4	65,275,515	44,620,000	0	44,620,000
Windsor.....	8.84	77,977,777	64,640,000	36,345,000	100,985,000
Totals.....	100.0%	\$882,101,548	\$960,367,992	\$402,995,000	\$1,363,362,992

¹ The Member Municipalities' share of the District's Net Direct Debt is based on the annual tax levy of each Member Municipalities as of Fiscal Year 2020-21.

² Includes approximately \$675,931,413 of Interim Funding Obligations (IFO's), Permanent Loan Obligations (PLO's), General Obligation Bonds and Notes issued pursuant to authorizations totaling \$1.7588 billion for the District's Clean Water Project which represents debt expected to be paid from the Clean Water Project Charge (previously the Special Sewer Service Surcharge). The Clean Water Project Charge is levied annually and added to customers' water bills, beginning in 2008. See "Part II – Information Concerning The Metropolitan District – II. Water Pollution Control – Clean Water Project" herein for further details.

³ Excludes the following long-term commitment of the City: The City of Hartford established the Hartford Stadium Authority ("the Authority"), which issued \$62.45 million in Lease Revenue Bonds in February, 2015 and \$6.195 million in Lease Revenue Bonds in March, 2016 for the acquisition and construction of a new AA minor league baseball stadium and related facilities. Under a Lease Agreement and a First Amendment to Lease Agreement, the City of Hartford as Lessee will make rent payments equal to the principal and interest on the bonds when due. The obligation to make such payments is an absolute and unconditional obligation of the City, subject to annual appropriation by the City.

⁴ The State of Connecticut has agreed to make payments to the City equal to the City's debt service payments annually. See "VII. Financial Information – The City of Hartford".

⁵ Totals may not add due to rounding.

Source: Towns of Bloomfield, East Hartford, Newington, Rocky Hill, West Hartford, Wethersfield, Windsor and the City of Hartford Audits.

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

DEBT STATEMENT - THE DISTRICT

As of August 31, 2021 (Pro Forma)

LONG TERM DEBT

Water (Self-Supporting).....	\$205,658,610
Sewer.....	195,964,844
Combined Projects ¹	143,476,661
Clean Water Project ²	717,102,432

THIS ISSUE

Series A Bonds (This Issue - New Money)	53,050,000
Series A Bonds (This Issue - Permanently Financing Prior Note).....	77,760,000

TOTAL LONG TERM DEBT **\$1,393,012,547**

SHORT TERM DEBT

CWF/DWSRF - IFO's ³	85,887,187
--------------------------------------	------------

TOTAL DIRECT DEBT **\$1,478,899,734**

Less:

Debt Not Subject to Debt Limitation ⁴	596,798,187
--	-------------

TOTAL DIRECT NET DEBT..... **\$882,101,548**

NET UNDERLYING DEBT - Member Municipalities⁵ **1,363,362,992**

DIRECT NET DEBT PLUS NET UNDERLYING..... **\$2,245,464,540**

¹ Represents bonds funded by water and sewer sources.

² Represents debt expected to be paid from the Clean Water Project Charge (previously the Special Sewer Service Surcharge). The Clean Water Project Charge is levied annually and added to customers' water bills, beginning in 2008. See "Part II - Information Concerning The Metropolitan District - II. Water Pollution Control - Clean Water Project" herein for further details.

³ Interim Funding Obligations ("IFO's") issued under the Clean Water Fund and Drinking Water State Revolving Fund programs total \$85,887,187; funds drawn to date total \$28,635,272.

⁴ Represents debt issued for water purpose and revenue bonds and other debt excluded from the debt limit.

⁵ Represents net direct debt of each Member Municipality.

Note: Does not include authorized but unissued debt.

CURRENT DEBT RATIOS - THE DISTRICT

As of August 31, 2021 (Pro Forma)

Population ¹	362,877
Net Taxable Grand List - 10/1/20 @ 70% of full value	\$26,306,659,480
Estimated Full Value ³	\$37,580,942,114
Equalized Net Taxable Grand List - 2018 ⁴	\$40,372,381,270

	Total Direct Debt	Total Net Direct Debt	Total Overall Net Debt
	\$1,478,899,734	\$882,101,548	\$2,245,464,540
Per Capita.....	\$4,075.48	\$2,430.86	\$6,187.95
Ratio to Net Taxable Grand List.....	5.62%	3.35%	8.54%
Ratio to Estimated Full Value.....	3.94%	2.35%	5.98%
Ratio to Equalized Grand List.....	3.66%	2.18%	5.56%

¹ U.S. Census Bureau, 2015-2019 American Community Survey, for Towns of Bloomfield, East Hartford, Newington, Rocky Hill, West Hartford, Wethersfield, Windsor and the City of Hartford.

² Represents 2020 Net Taxable Grand Lists for the Towns of Bloomfield, East Hartford, Newington, Rocky Hill, West Hartford, Wethersfield, Windsor and the City of Hartford.

³ Represents estimated full values of 2020 Net Taxable Grand Lists of the Towns of Bloomfield, East Hartford, Newington, Rocky Hill, West Hartford, Wethersfield, Windsor and the City of Hartford.

⁴ Office of Policy and Management, State of Connecticut.

DEBT STATEMENT – TOWN OF BLOOMFIELD ²

As of June 30, 2020

LONG TERM DEBT	\$58,395,000
SHORT TERM DEBT	9,730,000
TOTAL DIRECT DEBT	\$68,125,000
TOTAL NET DIRECT INDEBTEDNESS	\$68,125,000
NET OVERLAPPING DEBT - MDC 8/31/2021 ¹	54,337,455
TOTAL OVERALL DIRECT NET DEBT	\$122,462,455

¹Please refer to page 73 footnote 2 under “Overlapping and Underlying Net Debt” herein for more details.

²Estimated unaudited.

Note: Does not include authorized but unissued debt.

CURRENT DEBT RATIOS – TOWN OF BLOOMFIELD

As of June 30, 2020

Population ¹	21,022
Net Taxable Grand List - 10/1/20 @ 70% of full value	\$2,402,488,570
Estimated Full Value	\$3,432,126,529
Equalized Net Taxable Grand List - 2018 ²	\$3,617,060,628
Money Income per Capita - 2019 ³	\$43,800

	Total Direct Debt	Total Net Direct Debt	Total Overall Net Debt
	\$68,125,000	\$68,125,000	\$122,462,455
Per Capita.....	\$3,240.65	\$3,240.65	\$5,825.44
Ratio to Net Taxable Grand List.....	2.84%	2.84%	5.10%
Ratio to Estimated Full Value.....	1.98%	1.98%	3.57%
Ratio to Equalized Grand List.....	1.88%	1.88%	3.39%
Debt per Capita to Money Income per Capita...	7.40%	7.40%	13.30%

¹ U.S. Census Bureau, 2015-2019 American Community Survey, for Town of Bloomfield.

² Office of Policy and Management, State of Connecticut.

³ U.S. Census Bureau, 2015-2019 American Community Survey, for Town of Bloomfield.

DEBT STATEMENT – TOWN OF EAST HARTFORD ^{2,3}

As of June 30, 2020

LONG TERM DEBT	\$41,695,000
SHORT TERM DEBT	0
TOTAL DIRECT DEBT	\$41,695,000
TOTAL NET DIRECT INDEBTEDNESS	\$41,695,000
NET OVERLAPPING DEBT - MDC 8/31/2021 ¹	80,183,031
TOTAL OVERALL DIRECT NET DEBT	\$121,878,031

¹ Please refer to footnote 2 under “Part II - Information Concerning The Metropolitan District - VIII. Debt Summary - “Overlapping and Underlying Net Debt” herein for more details.

² **Other Long-Term Commitment:** The Town has entered into multi-year capital leases for building improvements, and the purchase of various equipment, vehicles and computer hardware and software. The schedule of the annual payments due for these obligations approximate \$3.0 million through Fiscal Year 2020, and \$2.3 million in subsequent years. The outstanding balance at June 30, 2020 was \$10.784 million.

³ Estimated unaudited.

Note: Does not include capital lease obligations and authorized but unissued debt.

CURRENT DEBT RATIOS – TOWN OF EAST HARTFORD

As of June 30, 2020

Population ¹	50,272
Net Taxable Grand List - 10/1/20 @ 70% of full value	\$2,807,364,070
Estimated Full Value	\$4,010,520,100
Equalized Net Taxable Grand List - 2018 ²	\$4,354,385,580
Money Income per Capita - 2019 ³	\$29,015

	Total Direct Debt	Total Net Direct Debt	Total Overall Net Debt
	\$41,695,000	\$41,695,000	\$121,878,031
Per Capita.....	\$829.39	\$829.39	\$2,424.37
Ratio to Net Taxable Grand List.....	1.49%	1.49%	4.34%
Ratio to Estimated Full Value.....	1.04%	1.04%	3.04%
Ratio to Equalized Grand List.....	0.96%	0.96%	2.80%
Debt per Capita to Money Income per Capita...	2.86%	2.86%	8.36%

¹ U.S. Census Bureau, 2015-2019 American Community Survey, for Town of East Hartford.

² Office of Policy and Management, State of Connecticut.

³ U.S. Census Bureau, 2015-2019 American Community Survey, for Town of East Hartford.

DEBT STATEMENT – CITY OF HARTFORD ^{3, 4, 5}

As of June 30, 2020

LONG TERM DEBT	\$495,227,000
CWF - PLO	755,000
SHORT TERM DEBT	0
TOTAL DIRECT DEBT	\$495,982,000
Less:	
School Construction Grants - State of Conn. ¹	658,936
TOTAL NET DIRECT INDEBTEDNESS	\$495,323,064
NET OVERLAPPING DEBT - MDC 8/31/2021 ¹	225,641,576
TOTAL OVERALL DIRECT NET DEBT	\$720,964,640

¹ Represents School Construction Grants payable to the City over the life of certain School Bond issues.

² Please refer to footnote 2 under "Part II - Information Concerning The Metropolitan District - VIII. Debt Summary - "Overlapping and Underlying Net Debt" herein for more details.

³ **Other Long-Term Commitment:** Excludes a Lease Agreement (the "Lease Agreement") with the Hartford Stadium Authority (the "Authority") dated as of February 1, 2015, by which the City is obligated to make certain lease payments to the Authority. The Authority issued \$62.45 million of lease revenue bonds in February 2015 for the construction of a minor league baseball ballpark. Under the Lease Agreement, the City is required to make semiannual deposits to secure performance of its obligations to pay rent to the Authority which is due on each February 1 and August 1 during the lease term. Each payment of rent is to be an amount sufficient, together with other money on deposit with the trustee in the bond fund to be credited as rent, to pay the principal and interest due on the bonds issued by the Authority on each principal payment date and interest payment date. The obligation to make these payments pursuant to the Lease Agreement is an absolute and unconditional obligation of the City, subject to annual appropriation by the City. In March 2016, the Authority issued \$6.195 million of lease revenue bonds. In connection with the issuance of the Series 2016 Bonds, the Authority and the City entered into a First Amendment to Lease Agreement, dated as of March 1, 2016 (the "First Amendment to Lease Agreement"), which increased the lease payments required pursuant to the Lease Agreement to pay the principal and interest due on the Series 2016 Bonds. The schedule of lease payments due under the Lease Agreement, as amended by the First Amendment to Lease Agreement are \$2.836 million in Fiscal Year 2016, and approximately \$4.64 million annually in Fiscal Years 2017 through 2042 inclusively. The Lease Revenue Bonds outstanding at June 30, 2020 totaled \$62.835 million. (Source: 2020 City of Hartford Audit).

⁴ The State of Connecticut has agreed to make payments to the City equal to the City's debt service payments annually. See "VII. Financial Information – The City of Hartford".

⁵ Estimated unaudited.

Note: Does not include capital lease obligations and authorized but unissued debt.

CURRENT DEBT RATIOS – CITY OF HARTFORD

As of June 30, 2020

Population ¹	123,088
Net Taxable Grand List - 10/1/20 @ 70% of full value	\$4,115,886,472
Estimated Full Value	\$5,879,837,817
Equalized Net Taxable Grand List - 2018 ²	\$7,617,691,245
Money Income per Capita - 2019 ³	\$21,163

	Total Direct Debt	Total Net Direct Debt	Total Overall Net Debt
	\$495,982,000	\$495,323,064	\$720,964,640
Per Capita.....	\$4,029.49	\$4,024.14	\$5,857.31
Ratio to Net Taxable Grand List.....	12.05%	12.03%	17.52%
Ratio to Estimated Full Value.....	8.44%	8.42%	12.26%
Ratio to Equalized Grand List.....	6.51%	6.50%	9.46%
Debt per Capita to Money Income per Capita...	19.04%	19.01%	27.68%

¹ U.S. Census Bureau, 2015-2019 American Community Survey, for the City of Hartford.

² Office of Policy and Management, State of Connecticut.

³ U.S. Census Bureau, 2015-2019 American Community Survey, for City of Hartford.

DEBT STATEMENT – TOWN OF NEWINGTON²

As of June 30, 2020

LONG TERM DEBT	\$26,360,000
SHORT TERM DEBT	0
TOTAL DIRECT DEBT	\$26,360,000
TOTAL NET DIRECT INDEBTEDNESS	\$26,360,000
NET OVERLAPPING DEBT - MDC 8/31/2021¹	72,244,117
TOTAL OVERALL DIRECT NET DEBT	\$98,604,117

¹ Please refer to footnote 2 under "Part II - Information Concerning The Metropolitan District - VIII. Debt Summary - "Overlapping and Underlying Net Debt" herein for more details.

² Estimated unaudited.

Note: Does not include authorized but unissued debt.

CURRENT DEBT RATIOS – TOWN OF NEWINGTON

As of June 30, 2020

Population ¹	30,234
Net Taxable Grand List - 10/1/20 @ 70% of full value	\$2,765,341,316
Estimated Full Value	\$3,950,487,594
Equalized Net Taxable Grand List - 2018 ²	\$3,992,003,012
Money Income per Capita - 2019 ³	\$39,397

	Total Direct Debt	Total Net Direct Debt	Total Overall Net Debt
	\$26,360,000	\$26,360,000	\$98,604,117
Per Capita.....	\$871.87	\$871.87	\$3,261.37
Ratio to Net Taxable Grand List.....	0.95%	0.95%	3.57%
Ratio to Estimated Full Value.....	0.67%	0.67%	2.50%
Ratio to Equalized Grand List.....	0.66%	0.66%	2.47%
Debt per Capita to Money Income per Capita...	2.21%	2.21%	8.28%

¹ U.S. Census Bureau, 2015-2019 American Community Survey, for Town of Newington.

² Office of Policy and Management, State of Connecticut.

³ U.S. Census Bureau, 2015-2019 American Community Survey, for Town of Newington.

DEBT STATEMENT – TOWN OF ROCKY HILL ^{2,3}

As of June 30, 2020

LONG TERM DEBT	\$82,160,000
SHORT TERM DEBT	2,250,000
TOTAL DIRECT DEBT	\$84,410,000
TOTAL NET DIRECT INDEBTEDNESS	\$84,410,000
NET OVERLAPPING DEBT - MDC 8/31/2021 ¹	203,324,407
TOTAL OVERALL DIRECT NET DEBT	\$287,734,407

¹ Please refer to footnote 2 under “Part II - Information Concerning The Metropolitan District - VIII. Debt Summary - “Overlapping and Underlying Net Debt” herein for more details.

² Estimated unaudited.

³ The Town of Rocky Hill issued \$11,350,000 Bond Anticipation Notes on July 29, 2020.

Note: Does not include authorized but unissued debt.

CURRENT DEBT RATIOS – TOWN OF ROCKY HILL

As of June 30, 2020

Population ¹	20,168
Net Taxable Grand List - 10/1/20 @ 70% of full value	\$2,243,544,929
Estimated Full Value	\$3,205,064,184
Equalized Net Taxable Grand List - 2018 ²	\$3,156,173,943
Money Income per Capita - 2019 ³	\$46,153

	Total Direct Debt	Total Net Direct Debt	Total Overall Net Debt
	\$84,410,000	\$84,410,000	\$287,734,407
Per Capita.....	\$4,185.34	\$4,185.34	\$14,266.88
Ratio to Net Taxable Grand List.....	3.76%	3.76%	12.82%
Ratio to Estimated Full Value.....	2.63%	2.63%	8.98%
Ratio to Equalized Grand List.....	2.67%	2.67%	9.12%
Debt per Capita to Money Income per Capita...	9.07%	9.07%	30.91%

¹ U.S. Census Bureau, 2015-2019 American Community Survey, for Town of Rocky Hill.

² Office of Policy and Management, State of Connecticut.

³ U.S. Census Bureau, 2015-2019 American Community Survey, for Town of Rocky Hill.

DEBT STATEMENT – TOWN OF WEST HARTFORD ^{3,4}

As of June 30, 2020

LONG TERM DEBT	\$135,210,000
SHORT TERM DEBT	0
TOTAL DIRECT DEBT	\$135,210,000
Less:	
School Construction Grants - State of Conn. ¹	15,072
TOTAL NET DIRECT INDEBTEDNESS	\$135,194,928
NET OVERLAPPING DEBT - MDC 8/31/2021 ¹	103,117,671
TOTAL OVERALL DIRECT NET DEBT	\$238,312,599

¹ Represents School Construction Grants payable to the Town over the life of certain School Bond issues.

² Please refer to footnote 2 under “Part II - Information Concerning The Metropolitan District - VIII. Debt Summary - “Overlapping and Underlying Net Debt” herein for more details.

³ Estimated unaudited.

⁴ The Town of West Hartford issued \$8,915,999 Series 2020C Refunding Bonds and \$12,705,000 Series 2020D Refunding Bonds on November 5, 2020.

Note: Does not include authorized but unissued debt.

CURRENT DEBT RATIOS – TOWN OF WEST HARTFORD

As of June 30, 2020

Population ¹	63,063
Net Taxable Grand List - 10/1/20 @ 70% of full value	\$6,394,578,261
Estimated Full Value	\$9,135,111,801
Equalized Net Taxable Grand List - 2018 ²	\$9,876,620,438
Money Income per Capita - 2019 ³	\$56,692

	Total Direct Debt \$135,210,000	Total Net Direct Debt \$135,194,928	Total Overall Net Debt \$238,312,599
Per Capita.....	\$2,144.05	\$2,143.81	\$3,778.96
Ratio to Net Taxable Grand List.....	2.11%	2.11%	3.73%
Ratio to Estimated Full Value.....	1.48%	1.48%	2.61%
Ratio to Equalized Grand List.....	1.37%	1.37%	2.41%
Debt per Capita to Money Income per Capita...	3.78%	3.78%	6.67%

¹ U.S. Census Bureau, 2015-2019 American Community Survey, for Town of West Hartford.

² Office of Policy and Management, State of Connecticut.

³ U.S. Census Bureau, 2015-2019 American Community Survey, for Town of West Hartford.

DEBT STATEMENT – TOWN OF WETHERSFIELD ²

As of June 30, 2020

LONG TERM DEBT	\$44,445,000
SERIAL NOTE	175,000
TOTAL DIRECT DEBT	\$44,620,000
TOTAL NET DIRECT INDEBTEDNESS	\$44,620,000
NET OVERLAPPING DEBT - MDC 8/31/2021 ¹	65,275,515
TOTAL OVERALL DIRECT NET DEBT	\$109,895,515

¹ Please refer to footnote 2 under "Part II - Information Concerning The Metropolitan District - VIII. Debt Summary - "Overlapping and Underlying Net Debt" herein for more details.

² Estimated unaudited.

Note: Does not include capital lease obligations and authorized but unissued debt.

CURRENT DEBT RATIOS – TOWN OF WETHERSFIELD

As of June 30, 2020

Population ¹	26,171
Net Taxable Grand List - 10/1/20 @ 70% of full value	\$2,365,265,780
Estimated Full Value	\$3,378,951,114
Equalized Net Taxable Grand List - 2018 ²	\$3,317,732,536
Money Income per Capita - 2019 ³	\$45,922

	Total Direct Debt \$44,620,000	Total Net Direct Debt \$44,620,000	Total Overall Net Debt \$109,895,515
Per Capita.....	\$1,704.94	\$1,704.94	\$4,199.13
Ratio to Net Taxable Grand List.....	1.89%	1.89%	4.65%
Ratio to Estimated Full Value.....	1.32%	1.32%	3.25%
Ratio to Equalized Grand List.....	1.34%	1.34%	3.31%
Debt per Capita to Money Income per Capita...	3.71%	3.71%	9.14%

¹ U.S. Census Bureau, 2015-2019 American Community Survey, for Town of Wethersfield.

² Office of Policy and Management, State of Connecticut.

³ U.S. Census Bureau, 2015-2019 American Community Survey, for Town of Wethersfield.

DEBT STATEMENT – TOWN OF WINDSOR ²

As of June 30, 2020

LONG TERM DEBT	\$52,140,000
SHORT TERM DEBT	12,500,000
TOTAL DIRECT DEBT	\$64,640,000
TOTAL NET DIRECT INDEBTEDNESS	\$64,640,000
NET OVERLAPPING DEBT - MDC 8/31/2021 ¹	77,977,777
TOTAL OVERALL DIRECT NET DEBT	\$142,617,777

¹ Please refer to footnote 2 under “Part II - Information Concerning The Metropolitan District - VIII. Debt Summary - “Overlapping and Underlying Net Debt” herein for more details.

² Estimated unaudited.

Note: Does not include authorized but unissued debt.

CURRENT DEBT RATIOS – TOWN OF WINDSOR

As of June 30, 2020

Population ¹	28,859
Net Taxable Grand List - 10/1/20 @ 70% of full value	\$3,212,190,082
Estimated Full Value	\$4,588,842,974
Equalized Net Taxable Grand List - 2018 ²	\$4,440,713,889
Money Income per Capita - 2019 ³	\$41,080

	Total Direct Debt	Total Net Direct Debt	Total Overall Net Debt
	\$64,640,000	\$64,640,000	\$142,617,777
Per Capita.....	\$2,239.86	\$2,239.86	\$4,941.88
Ratio to Net Taxable Grand List.....	2.01%	2.01%	4.44%
Ratio to Estimated Full Value.....	1.41%	1.41%	3.11%
Ratio to Equalized Grand List.....	1.46%	1.46%	3.21%
Debt per Capita to Money Income per Capita...	5.45%	5.45%	12.03%

¹ U.S. Census Bureau, 2015-2019 American Community Survey, Town of Windsor.

² Office of Policy and Management, State of Connecticut.

³ U.S. Census Bureau, 2015-2019 American Community Survey, for Town of Windsor.

BOND AUTHORIZATION

The District has the power to incur indebtedness by issuing its bonds or notes as authorized by the General Statutes of the State subject to applicable debt limitations and the procedural requirements of the District Charter.

TEMPORARY FINANCING

When general obligation bonds have been authorized, bond anticipation notes may be issued with maturity dates not exceeding two years (CGS Sec. 7-378). Temporary notes may be renewed up to ten years from their original date of issue if the legislative body schedules principal reductions by the end of the third year and for all subsequent years during which such temporary notes remain outstanding. The term of the bond issue is reduced by the amount of time temporary financing exceeds two years, or, for sewer projects, by the amount of time temporary financing has been outstanding.

Temporary notes must be permanently funded no later than ten years from the 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 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 fifteen years for certain capital projects associated with the operation of a waterworks system (CGS Sec. 7-244a) or a sewerage system (CGS Sec. 7-264a). In the first year following the

completion of the project(s), or in the sixth year (whichever is sooner), and in each year thereafter, the notes must be reduced by at least 1/15 of the total amount of the notes issued by funds derived from certain sources of payment.

Temporary notes may be issued in one-year maturities for up to fifteen 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 ON INDEBTEDNESS

The District Charter provides that the total outstanding indebtedness of the District, for non-water purposes, shall not exceed:

5.00% of the combined Grand Lists of its Member Municipalities.

In accordance with the District's Charter Section 4-3, no bonds, notes or other certificates of debt, except such as are to mature in six months or less and to be paid from current taxes shall be issued if such issue shall bring the total outstanding indebtedness of the District to an amount in excess of five per centum of the combined grand lists of said District unless otherwise provided by special act. The grand lists for the purpose of this section shall be deemed to include the assessed value of all shares of capital stock the taxes on which are required by section 1205 of the Connecticut General Statutes, revision of 1918, as amended, to be remitted annually to the municipalities by the State. In computing the total outstanding indebtedness of the District there shall be deducted the amount of the District's sinking fund, the amount of bonds issued for the supply of water or for the construction of subways or underground conduits for cables, wires or pipes and of such other bonds of the District as may be issued under any act of the legislature, especially providing that the bonds issued thereunder shall be deducted in computing the total outstanding indebtedness of the District. Bonds and notes issued for a sewerage system, and secured solely by a pledge of sewerage system use charges, are not included in computing the aggregate indebtedness of the District for this purpose.

The Charter also provides for exclusion from the debt limitation of any debt to be paid from a funded sinking fund. The District's Clean Water Project Revenue Bonds are also excluded from the debt limitation. Special Act No.14-21 also excludes other revenue bonds issued under the District's Charter from the debt limitation.

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

STATEMENT OF STATUTORY DEBT LIMITATION ³
THE DISTRICT
As of August 31, 2021 (Pro Forma)

COMBINED 2020 NET TAXABLE GRAND LISTS	
OF MEMBER MUNICIPALITIES	\$26,344,923,810
DEBT LIMIT - 5% of combined Grand Lists ¹	<u>\$1,317,246,191</u>
INDEBTEDNESS:	
Water General Obligation Bonds	\$158,116,494
DWSRF Project Loan Obligations	47,542,116
Sewer General Obligation Bonds	168,511,846
CWF Project Loan Obligations	27,452,999
Clean Water Project General Obligation Bonds ²	45,125,000
Clean Water Project Revenue Bonds ²	250,250,000
Clean Water Project CWF Project Loan Obligations ²	421,727,432
Combined General Obligation Bonds	143,476,661
<i>THIS ISSUE</i>	
Series A Bonds (<i>This Issue - New Money</i>)	53,050,000
Series A Bonds (<i>This Issue - Permanently Financing Prior Notes</i>)	<u>77,760,000</u>
TOTAL DIRECT LONG-TERM INDEBTEDNESS	\$1,393,012,547
CWF Interim Funding Obligations	\$74,623,752
DWSRF Interim Funding Obligations	<u>11,263,435</u>
TOTAL DIRECT SHORT-TERM INDEBTEDNESS	\$85,887,187
TOTAL DIRECT INDEBTEDNESS	\$1,478,899,734
Less Outstanding Debt Not Subject to Debt Limitation	
Water General Obligation Bonds	\$158,116,494
DWSRF Project Loan Obligations	47,542,116
DWSRF Interim Funding Obligations	11,263,435
Clean Water Project Revenue Bonds ²	250,250,000
Water's Share of Combined General Obligation Bonds	73,173,097
New Money of the Issue	15,356,637
Notes Maturing 9/1/2021	<u>41,096,408</u>
TOTAL DEBT NOT SUBJECT TO DEBT LIMITATION	\$596,798,187
TOTAL NET DIRECT INDEBTEDNESS	\$882,101,547.56
DEBT LIMITATION IN EXCESS OF OUTSTANDING INDEBTEDNESS	<u>\$435,144,643</u>

¹ The District's Charter does not limit its borrowing capacity for water purposes, but limits its capacity for non-water purposes to 5% of the combined Grand Lists of its Member Municipalities. The nature of this limitation requires the aggregation of obligations which normally appear in separate account groups.

² It is expected that these obligations issued pursuant to authorizations totaling \$1.7588 billion for the District's Clean Water Project will be supported by a Clean Water Project Charge (previously the Special Sewer Service Surcharge) levied annually and added to customers' water bills. See "Part II – Information Concerning The Metropolitan District – II. Water Pollution Control – Clean Water Project" and "– VIII. Debt Summary – Overlapping and Underlying Net Debt The District and Member Municipalities" herein for further details.

³Totals may not add due to rounding.

Note: **The District has issued \$285.50 million in Clean Water Project Revenue Bonds. The bonds are being repaid from a portion of the Clean Water Project Charge (previously the Special Sewer Service Surcharge) and are not general obligations of the District.**

Source: Audited Financial Statements; District Officials.

AUTHORIZED BUT UNISSUED DEBT - THE DISTRICT¹

As of August 31, 2021 (Pro Forma)

Project	Authorized	Previously Funded	Notes Maturing 9/1/2021	Bonds of This Issue	Debt Authorized but Unissued				
					General Purpose	Water	Sewers	Hydroelectric	Total
Water Capital Improvements.....	\$242,598,903	\$87,948,653	\$37,566,000	\$40,092,000		\$114,558,249			\$114,558,249 ²
Sewer Capital Improvements.....	2,033,421,000	1,429,952,689	32,712,000	58,637,000			\$44,831,311		\$44,831,311 ^{1,2}
Combined Funding Capital Improver	78,700,000	29,821,000	22,907,000	32,081,000	16,798,000				16,798,000
Hydroelectric Capital Improvements....	500,000							500,000	500,000
Total.....	\$2,355,219,903	\$1,547,722,343	\$93,185,000	\$130,810,000	\$16,798,000	\$114,558,249	\$544,831,311	\$500,000	\$676,687,560

¹ Includes an authorization of \$800 million approved by the Member Municipalities in November 2006, a further \$800 million authorization for Phase II of the Clean Water Project, a supplemental of \$140 million approved by the District Board on October 5, 2016 and \$18.8 million approved by the District Board on September 2, 2020. Totals may not add due to rounding.

² Includes projects which qualify for the State of Connecticut Clean Water Fund and Drinking Water Revolving Fund Program (See "Clean Water Project" herein).

PRINCIPAL AMOUNT OF OUTSTANDING DEBT – THE DISTRICT¹

	2020	2019	2018	2017	2016
Long-Term Debt					
Bonds.....	\$1,267,296,077	\$1,283,094,137	\$1,224,500,400	\$1,063,323,965	\$1,033,509,750
Short-Term Debt					
Bond Anticipation Notes.....	0	0	0	120,000,000	0
Total.....	\$1,267,296,077²	\$1,283,094,137²	\$1,224,500,400²	\$1,183,323,965²	\$1,033,509,750²

¹ Does not include underlying debt and capital lease obligations.

² Excludes Clean Water Fund and Drinking Water State Revolving Fund, IFOs.

Source: Annual Audited Financial Statements 2016-2020.

PRINCIPAL AMOUNT OF OUTSTANDING DEBT – TOWN OF BLOOMFIELD¹

General Obligation Rating (Moody's/S&P)

Aa2/AA+²

	2020	2019	2018	2017	2016
Long-Term Debt					
Bonds.....	\$58,395,000	\$50,900,000	\$42,830,000	\$48,230,000	\$52,515,000
Short-Term Debt					
BANs/State DECD Note	9,730,000	7,000,000	0	0	0
Total.....	\$68,125,000	\$57,900,000	\$42,830,000	\$48,230,000	\$52,515,000

¹ Does not include overlapping debt, capital lease obligations and other long-term commitments.

² Please see "Part II - Information Concerning The Metropolitan District - VIII. Debt Summary - Ratings" herein for general description for ratings.

Source: Annual Audited Financial Statements 2016-2020.

PRINCIPAL AMOUNT OF OUTSTANDING DEBT – TOWN OF EAST HARTFORD¹

General Obligation Rating (Moody's/S&P)

Aa3/AA²

	2020	2019	2018	2017	2016
Long-Term Debt					
Bonds.....	\$41,695,000	\$48,740,000	\$41,125,000	\$47,395,000	\$38,755,000
Short-Term Debt					
Bond Anticipation Notes.....	0	0	0	0	0
Total.....	\$41,695,000	\$48,740,000	\$41,125,000	\$47,395,000	\$38,755,000

¹ Does not include overlapping debt, capital lease obligations and other long-term commitments.

² Please see "Part II - Information Concerning The Metropolitan District - VIII. Debt Summary - Ratings" herein for general description for ratings.

Source: Annual Audited Financial Statements 2016-2020.

PRINCIPAL AMOUNT OF OUTSTANDING DEBT – CITY OF HARTFORD^{1,4}

Issuer Rating (Moody's/S&P)					
Not Rated/BB+ ^{2,3}					
Long-Term Debt	2020	2019	2018	2017	2016
Bonds/CWF	\$495,227,000	\$536,889,000	\$570,537,000	\$602,463,000	\$684,316,000
Short-Term Debt					
Bond Anticipation Notes	0	0	0	20,165,000	0
Total	\$495,227,000	\$536,889,000	\$570,537,000	\$622,628,000	\$684,316,000

¹ Does not include overlapping debt, capital lease obligations and other long-term commitments.

² Please see "Part II - Information Concerning The Metropolitan District - VIII. Debt Summary - Ratings" herein for general description for ratings.

³ The B1 Moody's rating and the BB+ S&P rating above reflect the City of Hartford's issuer ratings. Hartford's general obligation debt is rated A2 by Moody's and A by S&P based on the financial assistance contract with the State of Connecticut. See "VII. Financial Information – The City of Hartford"

⁴ The State of Connecticut has agreed to make payments to the City equal to the City's debt service payments annually. See "VII. Financial Information – The City of Hartford".

Source: Annual Audited Financial Statements 2016-2020.

PRINCIPAL AMOUNT OF OUTSTANDING DEBT – TOWN OF NEWINGTON¹

General Obligation Rating (Moody's/S&P)					
Not Rated/AA+ ²					
Long-Term Debt	2020	2019	2018	2017	2016
Bonds	\$26,360,000	\$12,500,000	\$4,195,000	\$5,220,000	\$6,255,000
Short-Term Debt					
Bond Anticipation Notes	0	6,000,000	0	0	0
Total	\$26,360,000	\$18,500,000	\$4,195,000	\$5,220,000	\$6,255,000

¹ Does not include overlapping debt, capital lease obligations and other long-term commitments.

² Please see "Part II - Information Concerning The Metropolitan District - VIII. Debt Summary - Ratings" herein for general description for ratings.

Source: Annual Audited Financial Statements 2016-2020.

PRINCIPAL AMOUNT OF OUTSTANDING DEBT – TOWN OF ROCKY HILL¹

General Obligation Rating (Moody's/S&P)					
Not Rated/AA+ ²					
Long-Term Debt	2020	2019	2018	2017	2016
Bonds	\$82,160,000	\$47,345,000	\$50,515,000	\$52,625,000	\$25,925,000
Short-Term Debt					
Bond Anticipation Notes	2,250,000	33,000,000	8,000,000	0	29,000,000
Total	\$84,410,000	\$80,345,000	\$58,515,000	\$52,625,000	\$54,925,000

¹ Does not include overlapping debt, capital lease obligations and other long-term commitments.

² Please see "Part II - Information Concerning The Metropolitan District - VIII. Debt Summary - Ratings" herein for general description for ratings.

Source: Annual Audited Financial Statements 2016-2020.

PRINCIPAL AMOUNT OF OUTSTANDING DEBT – TOWN OF WEST HARTFORD¹

General Obligation Rating (Moody's/S&P)					
Aaa/AAA ²					
Long-Term Debt	2020	2019	2018	2017	2016
Bonds	\$135,210,000	\$139,675,000	\$147,085,000	\$150,455,000	\$148,675,000
Short-Term Debt					
Bond Anticipation Notes	0	0	0	0	0
Total	\$135,210,000	\$139,675,000	\$147,085,000	\$150,455,000	\$148,675,000

¹ Does not include overlapping debt, capital lease obligations and other long-term commitments.

² Please see "Part II - Information Concerning The Metropolitan District - VIII. Debt Summary - Ratings" herein for general description for ratings.

Source: Annual Audited Financial Statements 2016-2020.

PRINCIPAL AMOUNT OF OUTSTANDING DEBT – TOWN OF WETHERSFIELD¹

General Obligation Rating (Moody's/S&P)

Aa2/AA+²

Long-Term Debt	2020	2019	2018	2017	2016
Bonds	\$44,445,000	\$46,255,000	\$50,465,000	\$54,835,000	\$49,700,000
Short-Term Debt					
Bond Anticipation Notes	175,000	260,000	345,000	425,000	505,000
Total	\$44,620,000	\$46,515,000	\$50,810,000	\$55,260,000	\$50,205,000

¹ Does not include overlapping debt, capital lease obligations and other long-term commitments.

² Please see "Part II - Information Concerning The Metropolitan District - VIII. Debt Summary - Ratings" herein for general description for ratings.

Source: Annual Audited Financial Statements 2016-2020.

PRINCIPAL AMOUNT OF OUTSTANDING DEBT – TOWN OF WINDSOR¹

General Obligation Rating (Moody's/S&P)

Not Rated/AAA²

Long-Term Debt	2020	2019	2018	2017	2016
Bonds	\$52,140,000	\$43,090,000	\$39,105,000	\$38,340,000	\$38,520,000
Short-Term Debt					
Bond Anticipation Notes	12,500,000	11,970,000	0	0	450,000
Total	\$64,640,000	\$55,060,000	\$39,105,000	\$38,340,000	\$38,970,000

¹ Does not include overlapping debt, capital lease obligations and other long-term commitments.

² Please see "Part II - Information Concerning The Metropolitan District - VIII. Debt Summary - Ratings" herein for general description for ratings.

Source: Annual Audited Financial Statements 2016-2020.

RATIO OF DIRECT DEBT TO VALUATION AND POPULATION - THE DISTRICT

Fiscal Year Ended 12/31	Net Assessed Value¹	Estimated Full Value²	Direct Debt³	Ratio of Direct Debt to Assessed Value (%)	Ratio of Direct Debt to Estimated Full Value (%)	Population⁴	Direct Debt per Capita
2020	\$25,556,229,750	\$36,508,899,643	\$1,267,296,077	4.96%	3.47%	362,767	\$3,493.42
2019	25,204,865,874	36,006,951,249	1,283,094,137	5.09%	3.56%	362,767	3,536.96
2018	24,877,980,395	35,539,971,993	1,224,500,400	4.92%	3.45%	362,767	3,375.45
2017	24,245,533,613	34,636,476,590	1,183,323,965	4.88%	3.42%	362,767	3,261.94
2016	23,921,553,118	34,173,647,311	1,033,509,750	4.32%	3.02%	362,767	2,848.96
2015	23,784,560,956	33,977,944,223	943,331,502	3.97%	2.78%	362,767	2,600.38

¹ Represents the Net Taxable Grand Lists of the Member Municipalities.

² Represents the estimated full value of the Member Municipalities' Net Taxable Grand Lists.

³ Does not include underlying debt and capital lease obligations.

⁴ Represents the total population of the Member Municipalities.

RATIO OF DIRECT DEBT TO VALUATION, POPULATION AND INCOME - TOWN OF BLOOMFIELD

Fiscal Year Ended 6/30	Net Assessed Value	Estimated Full Value	Direct Debt¹	Ratio of Direct Debt to Assessed Value (%)	Ratio of Direct Debt to Estimated Full Value (%)	Population²	Direct Debt per Capita	Ratio of Direct Debt per Capita to Per Capita Income (%)³
2020	\$2,155,023,283	\$3,078,604,690	\$68,125,000	3.16%	2.21%	21,022	\$3,240.65	7.40%
2019	2,116,863,202	3,024,090,289	57,900,000	2.74%	1.91%	21,022	2,754.26	6.29%
2018	2,018,358,356	2,883,369,080	42,830,000	2.12%	1.49%	20,952	2,044.20	4.67%
2017	2,038,195,880	2,911,708,400	48,230,000	2.37%	1.66%	20,848	2,313.41	5.28%
2016	2,033,984,990	2,905,692,843	52,515,000	2.58%	1.81%	20,687	2,538.55	5.80%
2015	2,067,157,242	2,953,081,774	56,695,000	2.74%	1.92%	20,679	2,741.67	6.26%

¹ Does not include overlapping debt and capital lease obligations.

² U.S. Census Bureau, 2015-2019 American Community Surveys.

³ Income per Capita: \$43,800 U.S. Census Bureau, 2015-2019 American Community Survey.

RATIO OF DIRECT DEBT TO VALUATION, POPULATION AND INCOME - TOWN OF EAST HARTFORD

Fiscal Year Ended 6/30	Net Assessed Value	Estimated Full Value	Direct Debt ¹	Ratio of Direct Debt to Assessed Value (%)	Ratio of Direct Debt to Estimated Full Value (%)	Population ²	Direct Debt per Capita	Ratio of Direct Debt per Capita to Per Capita Income (%) ³
2020	\$2,783,862,372	\$3,976,946,246	\$41,695,000	1.50%	1.05%	50,272	\$829.39	2.86%
2019	2,811,967,294	4,017,096,134	48,740,000	1.73%	1.21%	50,272	969.53	3.34%
2018	2,757,568,984	3,939,384,263	41,125,000	1.49%	1.04%	50,453	815.12	2.81%
2017	2,736,032,759	3,908,618,227	47,395,000	1.73%	1.21%	50,812	932.75	3.21%
2016	2,689,464,641	3,842,092,344	38,755,000	1.44%	1.01%	50,834	762.38	2.63%
2015	2,687,876,591	3,839,823,701	44,910,000	1.67%	1.17%	51,137	878.23	3.03%

¹ Does not include overlapping debt and capital lease obligations.

² U.S. Census Bureau, 2015-2019 American Community Surveys.

³ Income per Capita: \$29,015 U.S. Census Bureau, 2015-2019 American Community Survey.

RATIO OF DIRECT DEBT TO VALUATION, POPULATION AND INCOME - CITY OF HARTFORD

Fiscal Year Ended 6/30	Net Assessed Value	Estimated Full Value	Direct Debt ¹	Ratio of Direct Debt to Assessed Value (%)	Ratio of Direct Debt to Estimated Full Value (%)	Population ²	Direct Debt per Capita	Ratio of Direct Debt per Capita to Per Capita Income (%) ³
2020	\$4,025,919,645	\$5,751,313,779	\$495,227,000	12.30%	8.61%	123,088	\$4,023.36	19.01%
2019	4,061,916,449	5,802,737,784	536,889,000	13.22%	9.25%	123,088	4,361.83	20.61%
2018	4,068,017,222	5,811,453,174	570,537,000	14.02%	9.82%	122,591	4,653.99	21.99%
2017	3,701,904,978	5,288,435,683	622,628,000	16.82%	11.77%	124,390	5,005.45	23.65%
2016	3,619,341,714	5,170,488,163	684,316,000	18.91%	13.24%	124,320	5,504.47	26.01%
2015	3,531,344,777	5,044,778,253	564,120,970	15.97%	11.18%	124,795	4,520.38	21.36%

¹ Does not include overlapping debt and capital lease obligations.

² U.S. Census Bureau, 2015-2019 American Community Surveys.

³ Income per Capita: \$21,163 U.S. Census Bureau, 2015-2019 American Community Survey.

RATIO OF DIRECT DEBT TO VALUATION, POPULATION AND INCOME - TOWN OF NEWINGTON

Fiscal Year Ended 6/30	Net Assessed Value	Estimated Full Value	Direct Debt ¹	Ratio of Direct Debt to Assessed Value (%)	Ratio of Direct Debt to Estimated Full Value (%)	Population ²	Direct Debt per Capita	Ratio of Direct Debt per Capita to Per Capita Income (%) ³
2020	\$2,640,307,103	\$3,771,867,290	\$26,360,000	1.00%	0.70%	30,234	\$871.87	2.21%
2019	2,623,718,787	3,748,169,696	18,500,000	0.71%	0.49%	30,234	611.89	1.55%
2018	2,609,986,139	3,728,551,627	4,195,000	0.16%	0.11%	30,323	138.34	0.35%
2017	2,615,695,201	3,736,707,430	5,220,000	0.20%	0.14%	30,603	170.57	0.43%
2016	2,550,822,204	3,644,031,720	6,255,000	0.25%	0.17%	30,590	204.48	0.52%
2015	2,548,042,597	3,640,060,853	7,295,000	0.29%	0.20%	30,638	238.10	0.60%

¹ Does not include overlapping debt and capital lease obligations.

² U.S. Census Bureau, 2015-2019 American Community Surveys.

³ Income per Capita: \$39,397 U.S. Census Bureau, 2015-2019 American Community Survey.

RATIO OF DIRECT DEBT TO VALUATION, POPULATION AND INCOME - TOWN OF ROCKY HILL

Fiscal Year Ended 6/30	Net Assessed Value	Estimated Full Value	Direct Debt ¹	Ratio of Direct Debt to Assessed Value (%)	Ratio of Direct Debt to Estimated Full Value (%)	Population ²	Direct Debt per Capita	Ratio of Direct Debt per Capita to Per Capita Income (%) ³
2020	\$2,208,948,420	\$3,155,640,600	\$84,410,000	3.82%	2.67%	20,168	\$4,185.34	9.07%
2019	2,094,054,395	2,991,506,279	80,345,000	3.84%	2.69%	20,168	3,983.79	8.63%
2018	2,061,636,790	2,945,195,414	58,515,000	2.84%	1.99%	20,137	2,905.84	6.30%
2017	2,033,673,437	2,905,247,767	52,625,000	2.59%	1.81%	20,015	2,629.28	5.70%
2016	2,018,435,060	2,883,478,657	54,925,000	2.72%	1.90%	19,920	2,757.28	5.97%
2015	1,988,502,360	2,840,717,657	42,690,000	2.15%	1.50%	19,839	2,151.82	4.66%

¹ Does not include overlapping debt and capital lease obligations.

² U.S. Census Bureau, 2015-2019 American Community Surveys.

³ Income per Capita: \$46,153 U.S. Census Bureau, 2015-2019 American Community Survey.

RATIO OF DIRECT DEBT TO VALUATION, POPULATION AND INCOME - TOWN OF WEST HARTFORD

Fiscal Year	Net Assessed Value	Estimated Full Value	Direct Debt ¹	Ratio of Direct Debt to Assessed Value (%)	Ratio of Direct Debt to Estimated Full Value (%)	Population ²	Direct Debt per Capita	Ratio of Direct Debt per Capita to Per Capita Income (%) ³
Ended 6/30								
2020	\$6,314,734,062	\$9,021,048,660	\$135,210,000	2.14%	1.50%	63,063	\$2,144.05	3.78%
2019	6,285,118,569	8,978,740,813	\$139,675,000	2.22%	1.56%	63,063	\$2,214.85	3.91%
2018	6,232,711,742	8,903,873,917	147,085,000	2.36%	1.65%	63,127	2,329.99	4.11%
2017	5,981,347,789	8,544,782,556	150,455,000	2.52%	1.76%	63,360	2,374.61	4.19%
2016	5,946,170,476	8,494,529,251	148,675,000	2.50%	1.75%	63,187	2,352.94	4.15%
2015	5,924,661,849	8,463,802,641	149,280,000	2.52%	1.76%	63,288	2,358.74	4.16%

¹ Does not include overlapping debt and capital lease obligations.

² U.S. Census Bureau, 2015-2019 American Community Surveys.

³ Income per Capita: \$56,692 U.S. Census Bureau, 2015-2019 American Community Survey.

RATIO OF DIRECT DEBT TO VALUATION, POPULATION AND INCOME - TOWN OF WETHERSFIELD

Fiscal Year	Net Assessed Value	Estimated Full Value	Direct Debt ¹	Ratio of Direct Debt to Assessed Value (%)	Ratio of Direct Debt to Estimated Full Value (%)	Population ²	Direct Debt per Capita	Ratio of Direct Debt per Capita to Per Capita Income (%) ³
Ended 6/30								
2020	\$2,321,469,775	\$3,316,385,393	\$44,620,000	1.92%	1.35%	26,171	\$1,704.94	3.71%
2019	2,251,449,143	3,216,355,919	46,515,000	2.07%	1.45%	26,171	1,777.35	3.87%
2018	2,242,958,976	3,204,227,109	50,810,000	2.27%	1.59%	26,267	1,934.37	4.21%
2017	2,214,180,160	3,163,114,514	55,260,000	2.50%	1.75%	26,395	2,093.58	4.56%
2016	2,213,400,730	3,162,001,043	50,205,000	2.27%	1.59%	26,396	1,901.99	4.14%
2015	2,205,813,324	3,151,161,891	42,370,000	1.92%	1.34%	26,510	1,598.26	3.48%

¹ Does not include overlapping debt and capital lease obligations.

² U.S. Census Bureau, 2015-2019 American Community Survey.

³ Income per Capita: \$45,922 U.S. Census Bureau, 2015-2019 American Community Survey.

RATIO OF DIRECT DEBT TO VALUATION, POPULATION AND INCOME - TOWN OF WINDSOR

Fiscal Year	Net Assessed Value	Estimated Full Value	Direct Debt ¹	Ratio of Direct Debt to Assessed Value (%)	Ratio of Direct Debt to Estimated Full Value (%)	Population ²	Direct Debt per Capita	Ratio of Direct Debt per Capita to Per Capita Income (%) ³
Ended 6/30								
2020	\$3,105,965,090	\$4,437,092,986	\$64,640,000	2.08%	1.46%	28,859	\$2,239.86	5.45%
2019	2,959,778,035	4,228,254,336	55,060,000	1.86%	1.30%	28,859	1,907.90	4.64%
2018	2,886,742,186	4,123,917,409	39,105,000	1.35%	0.95%	28,917	1,352.32	3.29%
2017	2,924,503,409	4,177,862,013	38,340,000	1.31%	0.92%	29,037	1,320.38	3.21%
2016	2,849,933,303	4,071,333,290	38,970,000	1.37%	0.96%	29,034	1,342.22	3.27%
2015	2,831,162,216	4,044,517,451	40,185,000	1.42%	0.99%	29,095	1,381.17	3.36%

¹ Does not include overlapping debt and capital lease obligations.

² U.S. Census Bureau, 2015-2019 American Community Survey.

³ Income per Capita: \$41,080 U.S. Census Bureau, 2015-2019 American Community Survey.

RATIO OF ANNUAL DEBT SERVICE EXPENDITURES TO TOTAL GENERAL FUND EXPENDITURES - TOWN OF BLOOMFIELD

Fiscal Year	Annual Debt Service	Total General Fund Expenditures	Ratio of General Fund Debt Service to Total General Fund Expenditures %
Ended 6/30			
2020	\$6,586,187	\$95,794,339	6.88%
2019	5,687,779	92,803,594	6.13%
2018	5,808,960	107,831,063	5.39%
2017	6,205,214	101,300,869	6.13%
2016	6,198,138	88,252,903	7.02%
2015	6,087,159	86,455,317	7.04%

Source: Annual Audited Financial Statements 2015-2020.

**RATIO OF ANNUAL DEBT SERVICE EXPENDITURES
TO TOTAL GENERAL FUND EXPENDITURES - TOWN OF EAST HARTFORD**

Fiscal Year Ended 6/30	Annual Debt Service	Total General Fund Expenditures	Ratio of General Fund Debt Service to Total General Fund Expenditures %
2020	\$10,912,000	\$228,709,000	4.77%
2019	10,516,000	212,046,000	4.96%
2018	10,133,000	218,102,000	4.65%
2017	9,101,000	212,291,000	4.29%
2016	9,182,000	202,273,000	4.54%
2015	9,437,000	196,091,000	4.81%

Source: Annual Audited Financial Statements 2015-2020.

**RATIO OF ANNUAL DEBT SERVICE EXPENDITURES
TO TOTAL GENERAL FUND EXPENDITURES – CITY OF HARTFORD**

Fiscal Year Ended 6/30	Annual Debt Service	Total General Fund Expenditures	Ratio of General Fund Debt Service to Total General Fund Expenditures %
2020	\$66,967,000	\$641,743,000	10.44%
2019	64,335,000	629,195,000	10.22%
2018	64,385,000	669,819,000	9.61%
2017	91,236,000	614,324,000	14.85%
2016	72,734,000	578,813,000	12.57%
2015	46,114,000	582,711,000	7.91%

Source: Annual Audited Financial Statements 2015-2020.

**RATIO OF ANNUAL DEBT SERVICE EXPENDITURES
TO TOTAL GENERAL FUND EXPENDITURES - TOWN OF NEWINGTON**

Fiscal Year Ended 6/30	Annual Debt Service	Total General Fund Expenditures	Ratio of General Fund Debt Service to Total General Fund Expenditures %
2020	\$1,686,000	\$130,343,000	1.29%
2019	786,000	122,411,000	0.64%
2018	1,151,000	126,309,000	0.91%
2017	1,192,000	127,298,000	0.94%
2016	1,228,000	119,319,000	1.03%
2015	1,677,000	115,086,000	1.46%

Source: Annual Audited Financial Statements 2015-2020.

**RATIO OF ANNUAL DEBT SERVICE EXPENDITURES
TO TOTAL GENERAL FUND EXPENDITURES - TOWN OF ROCKY HILL**

Fiscal Year Ended 6/30	Annual Debt Service	Total General Fund Expenditures	Ratio of General Fund Debt Service to Total General Fund Expenditures %
2020	\$4,504,622	\$85,831,644	5.25%
2019	4,182,491	80,840,675	5.17%
2018	3,232,311	82,238,247	3.93%
2017	3,260,660	80,439,138	4.05%
2016	2,636,065	72,952,445	3.61%
2015	1,962,439	71,869,171	2.73%

Source: Annual Audited Financial Statements 2015-2020.

**RATIO OF ANNUAL BONDED DEBT SERVICE
TO TOTAL GOVERNMENTAL EXPENDITURES - TOWN OF WEST HARTFORD¹**

Fiscal Year Ended 6/30	Annual Debt Service	Total General Fund Expenditures	Ratio of General Fund Debt Service to Total General Fund Expenditures %
2020	\$20,882,000	\$304,549,000	6.86%
2019	22,420,000	283,095,000	7.92%
2018	21,646,000	294,758,000	7.34%
2017	20,435,000	282,338,000	7.24%
2016	19,557,000	260,841,000	7.50%
2015	17,972,000	252,551,000	7.12%

¹ Includes All Governmental Funds, excluding capital outlay. Data is reflected on a modified accrual basis.
Source: Annual Audited Financial Statement 2015-2020.

**RATIO OF ANNUAL DEBT SERVICE EXPENDITURES
TO TOTAL GENERAL FUND EXPENDITURES - TOWN OF WETHERSFIELD**

Fiscal Year Ended 6/30	Annual Debt Service	Total General Fund Expenditures	Ratio of General Fund Debt Service to Total General Fund Expenditures %
2020	\$5,610,933	\$116,629,226	4.81%
2019	5,927,955	108,744,460	5.45%
2018	5,616,873	112,740,767	4.98%
2017	5,185,048	109,890,352	4.72%
2016	4,385,548	103,719,242	4.23%
2015	3,367,577	99,366,023	3.39%

Source: Annual Audited Financial Statements 2015-2020.

**RATIO OF ANNUAL DEBT SERVICE EXPENDITURES
TO TOTAL GOVERNMENTAL EXPENDITURES - TOWN OF WINDSOR¹**

Fiscal Year Ended 6/30	Annual Debt Service	Total General Fund Expenditures	Ratio of General Fund Debt Service to Total General Fund Expenditures %
2020	\$8,056,010	\$124,042,993	6.49%
2019	7,067,791	110,642,865	6.39%
2018	6,927,469	124,302,336	5.57%
2017	6,984,205	124,585,624	5.61%
2016	6,672,435	114,303,514	5.84%
2015	7,307,067	125,456,704	5.82%

¹ Includes all Governmental Funds, excluding Capital Expenditures.
Source: Annual Audited Financial Statements 2015-2020.

CAPITAL IMPROVEMENT PROGRAMS AND FUTURE BORROWINGS

Each year the District adopts a Capital Improvement Program (“CIP”) for its capital infrastructure and facility needs. The program requires a series of decisions about the amount, timing, purpose and structure of debt issuance. Annual capital project appropriations and the issuance of debt are approved in accordance with budgetary policies and procedures as presented under the Budget Procedure and Policy of Debt Administration. The Finance Department manages all District borrowings, paying particular attention to debt affordability and timing of borrowings to take advantage of favorable market conditions. The goal is to repay debt rapidly, maintain a conservative level of outstanding debt, and ensure the District’s continued positive financing standing in the bond market. For 2021, the CIP continues to focus on implementing a comprehensive asset management program for wastewater, water and combined programs. On July 7, 2021 the District’s Board authorized the issuance of up to \$204,500,000 in revenue bonds that will refund up to \$16,000,000 of the District’s General Obligation Bonds, Issue of 2013, Series B, up to \$137,500,000 of the District’s Clean Water Project Revenue Bonds, 2014 Series A (Green Bonds) and up to \$51,000,000 of the District’s State of Connecticut Clean Water State Revolving Fund Project Loan Obligations. The District was also authorized to issue up to \$20,000,000 in revenue bonds to provide additional funds for the Clean Water Project. The revenue bond issuance is expected in November 2021.

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

	2021	2022	2023	2024	2025	Total
Sewer	\$ 37,000,000	\$ 45,500,000	\$ 48,940,000	\$ 35,780,000	\$ 51,950,000	\$ 219,170,000
Water	32,600,000	45,500,000	41,300,000	39,000,000	41,000,000	199,400,000
Combined	20,400,000	22,800,000	26,800,000	14,300,000	23,300,000	107,600,000
	\$ 90,000,000	\$ 113,800,000	\$ 117,040,000	\$ 89,080,000	\$ 116,250,000	\$ 526,170,000

The adopted 2021 Capital Improvement Program (“CIP”) Budget is \$90.0M. The CIP Budget is expected to be funded with approximately \$90.0M of General Obligation Bonds and funding from the State under the Connecticut Department of Public Health’s Drinking Water State Revolving Fund (water projects), State of Connecticut Department of Energy and Environmental Protection’s Clean Water Fund (wastewater projects), and other State or Federal Funding Programs.

**THE METROPOLITAN DISTRICT, HARTFORD COUNTY, CONNECTICUT HAS NEVER
DEFAULTED IN THE PAYMENT OF PRINCIPAL OF OR INTEREST ON ITS BONDS OR NOTES.**

RATINGS

Additional information about Moody's Investors Service, Inc. ("Moody's") and S&P Global Ratings ("S&P") as well as an explanation of the significance of such ratings may be obtained from Moody's at 7 World Trade Center at 250 Greenwich Street, New York, New York 10007 and S&P at 55 Water Street, 45th Floor, New York, New York 10041, respectively.

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

[THIS PAGE INTENTIONALLY LEFT BLANK]

APPENDIX A – BASIC FINANCIAL STATEMENTS

THE METROPOLITAN DISTRICT

DECEMBER 31, 2020

[THIS PAGE INTENTIONALLY LEFT BLANK]

THE METROPOLITAN DISTRICT

**Hartford County
Hartford, Connecticut**

ANNUAL COMPREHENSIVE FINANCIAL REPORT



Year Ended December 31, 2020

**THE METROPOLITAN
DISTRICT**

**Hartford County
Hartford, Connecticut**

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

Year Ended December 31, 2020

Finance Department

**THE METROPOLITAN DISTRICT
TABLE OF CONTENTS
DECEMBER 31, 2020**

Introductory Section		Page
Letter of Transmittal		i-vi
GFOA Certificate of Achievement		vii
Organization Chart		viii
The District Board		ix-xi
Distribution of District Board Membership		xii
Board of Finance		xiii
Financial Section		
Independent Auditors' Report		1-3
Management's Discussion and Analysis		4-13
<u>Exhibit</u>	Basic Financial Statements	
	Government-Wide Financial Statements:	
I	Statement of Net Position	14
II	Statement of Activities	15
	Fund Financial Statements:	
III	Balance Sheet - Governmental Funds	16-17
IV	Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	18-19
V	Statement of Net Position - Proprietary Funds	20
VI	Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds	21
VII	Statement of Cash Flows - Proprietary Funds	22
VIII	Statement of Fiduciary Net Position	23
IX	Statement of Changes in Fiduciary Net Position	24
	Notes to Financial Statements	25-60
Required Supplementary Information		
RSI-1	Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Budgetary Basis - General Fund	61-63
RSI-2	Schedule of Changes in Net Pension Liability and Related Ratios - MDERS	64
RSI-3	Schedule of Contributions - MDERS	65
RSI-4	Schedule of Investment Returns - MDERS	66
RSI-5	Schedule of Changes in Net OPEB Liability and Related Ratios - Retiree Health Plan	67
RSI-6	Schedule of Contributions - Retiree Health Plan	68
RSI-7	Schedule of Investment Returns - Retiree Health Plan	69

Exhibit	Supplemental, Combining Statements and Schedules	Page
---------	--	------

	Assessable Sewer Construction Capital Projects Fund:	
A-1	Schedule of Changes in Assessments Receivable - Connection Charge Projects	70
A-2	Schedule of Changes in Assessments Receivable - Flat Rate Projects	71
	Fiduciary Funds:	
B-1	Combining Statement of Fiduciary Net Position - Pension and Other Employee Benefit Trust Funds	72
B-2	Combining Statement of Changes in Fiduciary Net Position - Pension and Other Employee Benefit Trust Funds	73

Table	Statistical Section
-------	---------------------

	Financial Trends:	
1	Net Position by Component	74
2	Changes in Net Position	75
3	Fund Balances of Governmental Funds	76
4	Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds	77
	Revenue Capacity:	
5	Distribution of Annual Tax Levy	78
	Debt Capacity:	
6	Ratios of Outstanding Debt by Type	79
7	Legal Debt Margin Information	80
8	Schedule of Debt Limitation and Legal Debt Margin	81
	Demographic and Economic Information:	
9	Demographic and Economic Statistics	82
	Operating Information:	
10	Full-Time Equivalent Government Employees by Function/Program	83
11	Water Operating Indicators by Function/Program and Capital Asset Statistics by Function/Program	84
12	Sewer Operating Indicators by Function/Program and Capital Asset Statistics by Function/Program	85

INTRODUCTORY SECTION



The Metropolitan District
water supply · environmental services · geographic information

June 25, 2021

District Chairman
Members of the District Board
Members of the Board of Finance
The Metropolitan District
Hartford, Connecticut

Dear Chairman DiBella, Commissioners and Citizen Members:

State law requires that every governmental unit publish, within six months of the close of each fiscal year, a complete set of audited financial statements conforming to generally accepted accounting principles (GAAP) for governmental units, as audited by an independent firm of licensed public accountants. We are pleased to submit the Annual Comprehensive Financial Report of The Metropolitan District (hereafter, “the District” or “the MDC”) for fiscal year end December 31, 2020.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based on a comprehensive framework of internal controls established for this purpose. Because the cost of internal controls should not exceed their anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

CliftonLarsonAllen, LLP (“CLA,LLP”), licensed certified public accountants, has issued an unmodified (“clean”) opinion of the District’s financial statements for fiscal year end December 31, 2020. The independent accountant’s report is located in the front of the financial statement section of this report.

The MDC’s fiscal year 2020 audit includes an audit of all federal grants in accordance with Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), which provides, in part, that state and local governments expending more than \$750,000 in federal financial assistance must have a single audit for the fiscal year. The single audit is in lieu of any financial and compliance audits required by any federal agency.

Management’s Discussion and Analysis (MD&A) immediately follows the independent auditor’s report and provides, in narrative form, an introduction, overview and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

Description of the District

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

The District Board

A 33-member Board of Commissioners, referred to as the District Board, governs the District. The Member Municipalities appoint seventeen of the commissioners, eight are appointed by the Governor, and four are appointed by the leadership of the Connecticut State Legislature. Four nonvoting commissioners are appointed from the nonmember municipalities, one each from Glastonbury, South Windsor, East Granby and Farmington. All commissioners serve without remuneration for a term of six years.

Powers and Responsibilities of the District Board

The District Board is authorized to establish ordinances and bylaws; organize committees and bureaus; define the powers and duties of such bodies; fix salaries and define the duties of all officers and employees; appoint deputies to any officers or agents of the District; and issue negotiable bonds, notes or other certificates of debt to meet the cost of public improvements or to raise funds in anticipation of taxes or water revenue, which debt shall be obligations of the District and its inhabitants. The District Board has the authority to establish rates for the use of water to support its water supply, treatment and distribution functions, and the power to levy a tax upon the Member Municipalities to finance the operational and capital budget relating to sewage collection, treatment and disposal. The District Board refers a proposed budget of revenues and expenditures to the Board of Finance annually. The Board of Finance reviews the proposed budget, makes adjustments if desired, and refers it back to the District Board for final review, changes as necessary, and enactment.

Consumer Advocate

Public Act No. 17-1 established an Independent Consumer Advocate to act as an independent advocate for consumer interests in all matters which may affect District consumers, including, but not limited to, rates, water quality, water supply, and wastewater service quality. The Independent Consumer Advocate may appear and participate in District matters or any other federal or state regulatory or judicial proceeding in which consumers of the District are or may be involved. The Independent Consumer Advocate submits quarterly reports of his or her activities to the District, the chief elected official of each town receiving service from the District, and the State Consumer Counsel. Such reports are available on both the District's and the Consumer Counsel's websites.

Administration

Responsibility for the overall administration and management of District policy, operations and services rests with the Chief Executive Officer. The Chief Executive Officer has direct responsibility for the Human Resources and Communications functions and manages the remaining functions through the Chief Operating Officer (“COO”) and Chief Administrative Officer (“CAO”). The COO has responsibility for design and construction of the District’s Clean Water Project, Asset Management and capital planning programs, engineering, maintenance, operations, water pollution control, water treatment and supply, patrol and environment, health and safety functions of the District. The CAO has responsibility for the District’s procurement, accounting, budgeting, treasury, risk management functions, information technology and customer service.

Local Economy

The Member Municipalities of the MDC are a mixture of urban and suburban communities with an aggregate population of approximately 363,000 people, and median family incomes ranging from \$42,536 to \$138,365. These diverse Member Municipalities comprise a strong and stable service area as evidenced by 10.52% growth in the combined equalized grand lists from 2013 to 2018, according to the State of Connecticut Office of Policy and Management. The combined grand lists not only reflect single family residences and multifamily housing units, but also include major industries such as manufacturers of technology products, building systems and aerospace industries, hospitals, universities, utilities and several financial institutions and insurance companies.

Economic conditions generally affecting the State of Connecticut have a significant impact on the District’s Member Municipalities and on employment opportunities for area residents.

In 2020, the COVID-19 pandemic had a significant adverse impact on the national and state economies. More recently there have been signs of an incipient economic recovery, with Connecticut experiencing significant growth in median home sales and Gross Domestic Product (GDP). This has been fueled by a surge in stock prices, a net migration of individuals relocating here from New York City, and increasing consumer confidence. However, certain sectors such as hospitality and leisure have lagged, with those individuals continuing to experience some of the highest unemployment rates.

The District continues to collaborate with state and federal agencies to ensure that we follow all appropriately determined COVID-19 pandemic protocols. The District has not experienced any significant decrease in water usage or revenue, and continues to maintain uninterrupted water and wastewater services. We expect that trend to continue. Internally, the District has successfully modified its manner of operations to ensure the health and safety of its workforce and the public, and put itself in a position to adapt to further changes as necessary or as may be required by federal and state regulators.

Otherwise, for some time prior to the COVID-19 outbreak, the State and the Greater Hartford region had suffered from a prolonged period of economic stagnation.

The region’s economic performance from 2007 to 2017 trailed the US economy, experiencing almost no post-recession growth. A recent study commissioned by the Capital Region Council of Governments (CROG) forecasts that economic growth will continue to lag.

Within the last decade, the local MDC labor market area experienced high unemployment rates, ranging from 5.18% in 2018 to 11.52% in 2011. The MDC labor market area unemployment rate had followed the same downward trend as the United States national unemployment rate since the beginning of 2011; however, the MDC labor market area unemployment rate had been approximately 25% higher than the national average prior to 2018, reflecting the area's slower recovery from the national recession. Due to the COVID-19 pandemic, unemployment for the labor market area spiked at 11.4% in July 2020 and the calendar year 2020 average was 9.8% unemployment. For April 2021, the state's overall unemployment was 7.6% and the MDC labor market area is was 9.4%.

In response to a prolonged period of fiscal distress, the City of Hartford entered into a Contract Assistance Agreement with the State of Connecticut in March 2018 whereby the State agreed to make the City's \$543 million general fund debt service payments in exchange for the City's agreement to state oversight under the Municipal Accountability Review Board (MARB), established under Public Act 17-2. The City is now required to secure approvals of the State and/or the MARB of annual budgets, debt issuances, and significant contracts, as well as submit five-year financial recovery plan. In response to the Contract Assistance Agreement and increased economic activity, the City of Hartford's underlying bond rating has increased steadily to BB+ with a stable outlook from S&P.

More recently, the State and the Greater Hartford region appear to be in the process of rebounding. The region boasts a strong financial/insurance cluster, a resurging advanced manufacturing cluster, and an emerging biotech cluster, among other economic strengths. Greater Hartford has a concentration of key, high-opportunity industries, including advanced manufacturing and aerospace, business services, finance, insurance, and biomedical device development, each of which could lead to an overall economic upturn and power regional growth. The region is home to over a dozen colleges and universities, growing transit connectivity, a revitalized riverfront, and other amenities that are expected to support and attract the talent needed to spur and maintain economic growth within Member Towns offering diverse lifestyle options. The Member Municipalities, for the most part, have retained their strong financial positions by adopting a proactive approach to dealing with the reduced funding levels from the State of Connecticut. Seven of the eight MDC Member Municipalities have ratings that are Aa2 (Moody's) or AA (S&P) or higher, and comprise 74.68% of the total Ad Valorem distribution as of 2020. Of those seven, two of our municipalities comprising 31.98% of the total Ad Valorem distribution carry Aaa (Moody's) or AAA (S&P) ratings.

Fiscal Responsibility, Strategic Outlook and Long Term Financial Planning

Consistent with MDC's adopted Strategic Plan, the MDC proactively monitors the current business and statutory and regulatory environment in which it operates, and continually evaluates its operating policies and procedures and its rate structure, as well as how the MDC interacts with its customers and key stakeholders.

On May 16, 2017, Public Act 17-1 was signed into law by the Governor. In addition to the MDC's existing powers outlined in its Charter, the new legislation provides the following:

- Authorizes the MDC to levy additional taxes on the Member Municipalities *during the fiscal year* if a Member Municipality was late in paying, or did not pay, its portion of Ad Valorem tax;
- Expands the MDC's ability to borrow on a short-term basis to include working capital (operational) purposes, in addition to funding for capital projects, for a term up to three years; and

- Redirects State of Connecticut PILOT payments under Section 12-18b, otherwise payable to a Member Municipality, to the MDC if the Member Municipality fails to pay Ad Valorem tax to the MDC within the MDC's fiscal year.

The MDC expects that these tools will allow it to react to a mid-year default by a Member Municipality in a timely, less disruptive and more accommodating fashion. The tools provided by Public Act 17-1 combined with MARB oversight, contract assistance and restructuring grants for Hartford, as noted in the Local Economy section, has significantly reduced the potential impact of a Member Municipality default on the MDC's finances.

Given the increased complexity and demands of the Clean Water Project, a project mandated by EPA and DEEP to upgrade our sewer infrastructure and detailed below, the MDC has developed and maintained complex and sophisticated forecasting models to plan future short- and long-term debt issuances, develop comprehensive cash flow projections, and determine impacts on future rate structures. Utilizing these tools proactively has enabled the MDC to model numerous scenarios and communicate effectively with its commissioners, customers, key stakeholders, the State and members of the investment community about the MDC's financial position, progress of the Clean Water Project and the MDC's future financing plans.

The MDC maintains a positive fund balance in the general fund (42.66% of total general fund revenues). In August 2019, the District Board adopted a formal policy which seeks to maintain a general fund balance between 32 and 36 percent of total general fund revenues. Through prudent planning and funding, the Metropolitan District Employee's Retirement System (MDERS), under GASB 67, has a plan fiduciary net position as a percentage of total pension liability of 81.54% as of December 31, 2020. Collectively, these measurements illustrate the financial strength of the District. In addition, based upon the Debt Limitation as outlined in the MDC Charter, as of December 31, 2020, the District had \$419.80 million of available borrowing capacity. The District expects to continue to meet its significant operational and capital obligations while striving to maintain one of the region's lowest water and sewerage rate structures.

Major Initiative: Evolution of the Clean Water Project

As originally conceived in 2005, and as set forth in the MDC's initial Long Term Control Plan ("LTCP"), the Clean Water Project comprised three phases, and it was assumed to be completed in 2021, based on assumptions about, among other things, the design as originally conceived and the pace of design, construction, and regulatory review and approval. The original concept relied on sewer separation projects, control of inflow and infiltration, and capacity increases and other improvements to the District's treatment plants.

An updated LTCP was submitted to DEEP in 2012 and revised through December 2014. The revised plan de-emphasized large sewer separation projects, which proved expensive and disruptive in downtown areas, and added a large storage and conveyance tunnel in south Hartford (the "South Tunnel"). It also featured a large storage and conveyance tunnel to the north part of Hartford (the "North Tunnel") and connecting to the South Tunnel which was intended to both capture overflows in the northern and central part of the city and also to eliminate overflows into the North Branch of the Park River. This resubmittal as approved in 2015 set out a completion of the project by 2029.

The LTCP was most recently revised and resubmitted to Connecticut DEEP in December 2018. The resubmitted LTCP introduces the concept of an "Integrated Plan", which recognizes that the District's ongoing capital maintenance program also furthers compliance with the governmental orders. These items include replacing aged and damaged pipe and other system components, cleaning and other maintenance and rehabilitation activities, and increasing pipe capacity to reduce overflows.

v

The resubmitted LTCP sets out several compliance options, which incorporate timing and sequencing alternatives. The option preferred by the District would achieve incremental improvements in the coming years and full compliance in 2058. Other options would achieve compliance earlier, but have overlapping elements. The District has deferred designing specific elements of the compliance options until the LTCP is approved, while work continues on the South Tunnel and completion of the treatment plant expansion work. The District remains committed to working with CT DEEP on the LTCP and cannot predict when the resubmitted document will be approved, or its final shape.

Awards and Acknowledgments

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the MDC for its Annual Comprehensive Financial Report for the fiscal year ended December 31, 2019. This prestigious award is conferred upon government entities who publish an easily readable and efficiently organized Annual Comprehensive Financial Report that satisfies all GAAP and applicable legal reporting requirements. This Certificate of Achievement is valid for a period of one year, however, we believe that our current Annual Comprehensive Financial Report continues to meet the rigorous standards that the Certificate of Achievement Program requires and the MDC is submitting to the GFOA to determine its eligibility for a certificate for this current year's report.

Again, the employees in the Finance Department have joined their many talents to produce this Annual Comprehensive Financial Report, and we thank them.

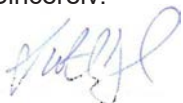
Special thanks to members of the Board of Finance and District Board for the guidance and support they provide year after year. The District's financial strength reflects their vigilance and stewardship.

The District remains committed to the efficient fulfillment of its core mission. In pursuit of that objective, we remain fully committed to providing our customers with safe, pure drinking water, environmentally protective wastewater collection and treatment and other services that benefit the Member Towns.

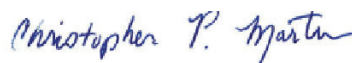
Conclusion

We hope that our continued fiscally and environmentally responsible actions demonstrate our concern and commitment to our customers, member towns, stakeholders, investors and the citizens of the State of Connecticut. We pride ourselves in knowing that our customers enjoy the highest quality drinking water in the region at a cost that is consistently lower than any public or private water supply provider of similar size anywhere in Connecticut. At the same time, we also take great pride in engineering and constructing the largest public works project in New England - the Clean Water Project- with the overwhelming support of our Member Municipalities and customers. Looking forward, the MDC will continue to develop sound business goals and adopt implementation plans that fulfill the performance objectives set forth in the Strategic Plan.

Sincerely,



Scott W. Jellison
Chief Executive Officer



Christopher P. Martin
Director of Finance / Chief Financial Officer

vi



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**The Metropolitan District
Connecticut**

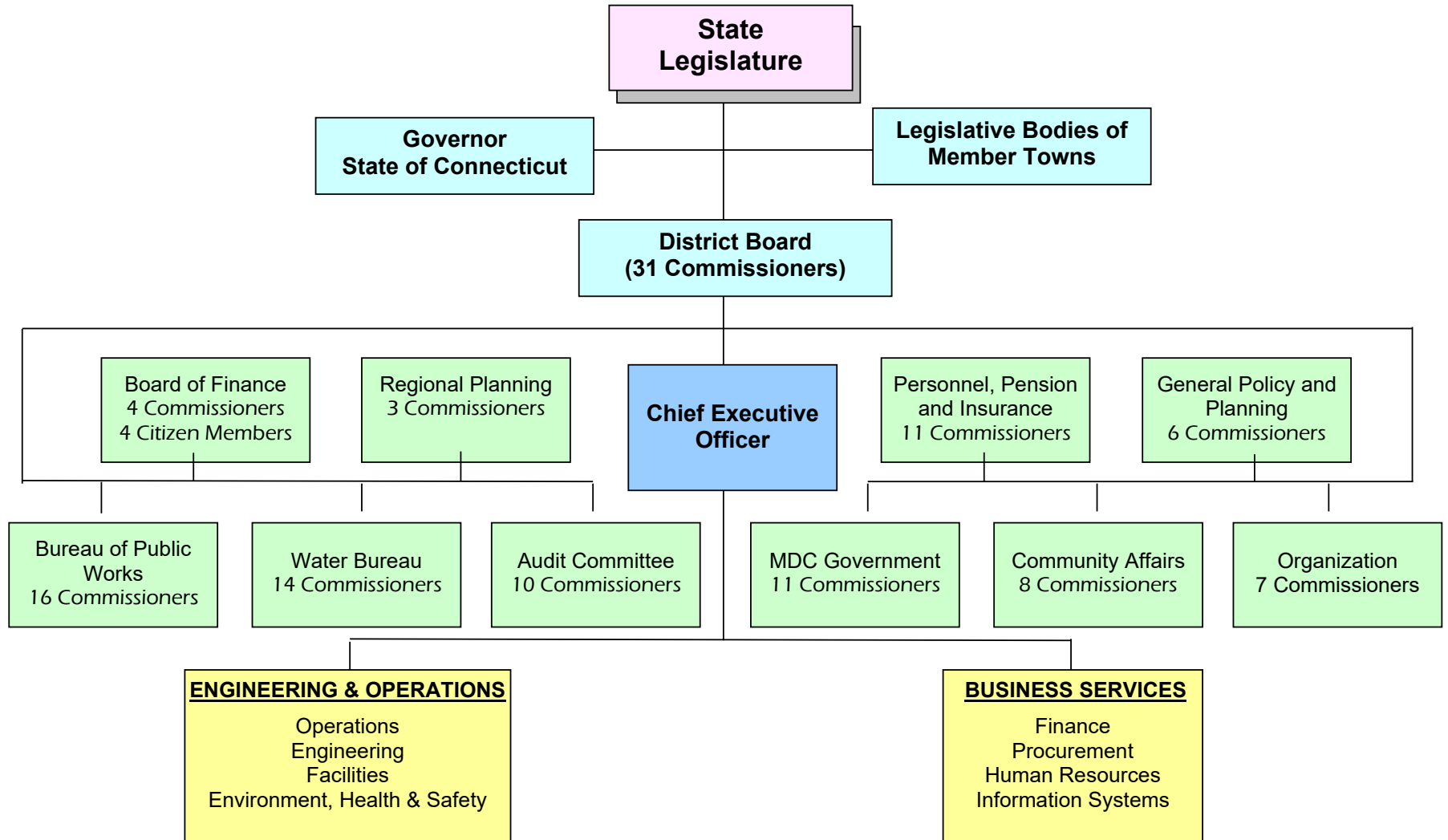
For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

December 31, 2019

Christopher P. Morrill

Executive Director/CEO

**The Metropolitan District
Hartford County
Organization Chart**



**THE METROPOLITAN DISTRICT
THE DISTRICT BOARD**

Name	Primary Occupation	Municipality Represented	Term Expires	Bureaus, Boards, Committees
William A. DiBella, Chairman	Consultant	Hartford	12-31-2020	Ex-Officio Member of all Bureaus, Boards, Commissions and Standing Committees
Maureen Magnan, Vice Chairman	Special Projects/ Government Affairs	West Hartford	12-31-2020	Bureau of Public Works, General Policy and Planning, Committee on MDC Government, Personnel, Pension & Insurance Committee, Community Affairs Committee, CRRA Steering Committee
Andrew Adil	Investment Advisor	Wethersfield	12-31-2024	Bureau of Public Works, Water Bureau, Board of Finance, Strategic Planning Committee
John Avedisian	Plant Metallurgist	Windsor	12-31-2022	Bureau of Public Works, Committee on MDC Government, Personnel, Pension and Insurance Committee, Strategic Planning Committee
Clifford Avery Buell	Investment Advisor	Hartford	12-31-2021	Water Bureau, Committee on MDC Government, Committee on Organization, Community Affairs Committee, Farmington River Watershed
Richard Bush	Self-Employed/ Real Estate and Property Management Owner	West Hartford	12-31-2022	Bureau of Public Works, Strategic Planning Committee
Daniel Camilliere	Retired	Wethersfield	12-31-2020	Water Bureau, Committee on Organization, Personnel, Pension and Insurance Committee, Community Affairs Committee, Commission on Regional Planning, Strategic Planning Committee
Donald Currey	Retired	East Hartford	12-31-2024	Bureau of Public Works, General Policy & Planning, Board of Finance, Committee on Organization, Personnel, Pension and Insurance Committee, Audit Committee
Peter Gardow	Principal Engineer	Legislative Appointee	12-31-2020	Water Bureau, Committee on MDC Government, Audit Committee
James Healy	Attorney	West Hartford	12-31-2024	Bureau of Public Works, Committee on MDC Government, Strategic Planning Committee, Farmington River Watershed

Allen Hoffman	Retired	Legislative Appointee	12-31-2024	Bureau of Public Works, Board of Finance, Committee on MDC Government, Committee on Organization, Audit Committee, Strategic Planning Committee
Georgiana E. Holloway	Retired	Hartford	12-31-2020	Water Bureau, Community Affairs Committee, Committee on MDC Government, Farmington River Watershed
David Ionno	Retired	Hartford	12-31-2020	Water Bureau, Committee on MDC Government, Community Affairs Committee
Shubhada Kambli		Hartford	12-31-2024	District Board Only
Mary LaChance		Glastonbury	12-31-2025	District Board Only
Gary LeBeau	Retired	East Hartford	12-31-2022	Water Bureau, Committee on MDC Government, Strategic Planning Committee
Diane Lewis	Case Manager of Jobs Funnel / Best Chance Programs	Hartford	12-31-2024	Water Bureau, Audit Committee
Byron Lester	Information Technology Systems Administrator	Bloomfield	12-31-2024	Bureau of Public Works, Personnel, Pension & Insurance Committee, Strategic Planning Committee
Jackie Gorsky Mandyck		West Hartford	12-31-2024	Water Bureau, Audit Committee
Michael Maniscalco	Town Manager	South Windsor	12-31-2019*	District Board Only
Alphonse Marotta	Retired	Hartford	12-31-2022	Bureau of Public Works, Committee on MDC Government, Personnel, Pension and Insurance Committee, Commission on Regional Planning, Audit Committee, Strategic Planning Committee
Domenic Pane	Self-Employed Owner/ President	Newington	12-31-2022	Bureau of Public Works, Water Bureau, General Policy & Planning, Personnel, Pension and Insurance Committee, Audit Committee, Strategic Planning Committee
Bhupen Patel	Retired	Newington	12-31-2020	Bureau of Public Works, Personnel, Pension and Insurance Committee, Farmington River Watershed

Jon Petoskey		East Hartford	12-31-2025	Water Bureau, Strategic Planning Committee
Pasquale J. Salemi	Engineer	East Hartford	12-31-2022	Water Bureau, General Planning & Policy, Board of Finance, Personnel, Pension & Insurance Committee, CRRA Steering Committee, Energy Committee
Michael Solomonides	Marketing Manager	Farmington	12-31-2020	District Board Only
Raymond Sweezy	Retired	Rocky Hill	12-31-2024	Bureau of Public Works, Water Bureau, General Policy & Planning, Committee on Organization, Personnel, Pension & Insurance Committee, Community Affairs, Commission on Regional Planning, Audit Committee, Strategic Planning Committee
Alvin E. Taylor	Retired	Legislative Appointee	12-31-2021	Bureau of Public Works, Water Bureau, General Policy & Planning, Committee on MDC Government, Committee on Organization, Personnel, Pension & Insurance Committee, Community Affairs Committee, Audit Committee, CRRA Steering Committee, Strategic Planning Committee
Calixto Torres	Retired	Hartford	12-31-2022	Bureau of Public Works, Strategic Planning Committee
Richard V. Vicino	Self-Employed / Construction Management	Legislative Appointee	12-31-2021	Bureau of Public Works, Committee on Organization, Community Affairs Committee, Audit Committee, Strategic Planning Committee, Energy Committee
James Woulfe	Government Affairs Director	Hartford	12-31-2024	Bureau of Public Works, Strategic Planning Committee
Michael Carrier	Attorney	Representative from New Britain	12-31-2010*	Ex-Officio Member of the Water Bureau of District Board

*Commissioners appointed by Municipalities continue to serve until a successor is selected.

THE METROPOLITAN DISTRICT

**HARTFORD COUNTY
DISTRIBUTION OF DISTRICT BOARD MEMBERSHIP
AS OF DECEMBER 31, 2020***

	Total Commissioners	Appointed By		
		Municipality	Governor	Legislature
Hartford	9	6	3	
East Hartford	4	3	1	
West Hartford	4	3	1	
Windsor	1	1		
Bloomfield	1	1		
Wethersfield	2	1	1	
Newington	2	1	1	
Rocky Hill	1	1		
East Granby	0			
Farmington	1	1		
Glastonbury	1	1		
South Windsor	1	1		
Legislative Appointment	4			4
	31	20	7	4

* One Windsor Commissioner appointed by the Governor and one East Granby Commissioner appointed by the municipality was vacant as of 12/31/2020

THE METROPOLITAN DISTRICT

**HARTFORD COUNTY
BOARD OF FINANCE**

	<u>Term Expires</u>
William A. DiBella (Ex-Officio)	12-31-2020
Andrew Adil	12-31-2024
Donald Currey	12-31-2024
Allen Hoffman	12-31-2024
Pasquale J. Salemi	12-31-2022
Ronald F. Angelo	12-31-2021
Joan McCarthy Gentile	12-31-2021
Linda A. King-Corbin	12-31-2021
Awet Tsegai	12-31-2021

FINANCIAL SECTION



CliftonLarsonAllen LLP
CLAconnect.com

INDEPENDENT AUDITORS' REPORT

To the Board of Finance
The Metropolitan District
Hartford, Connecticut

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of The Metropolitan District, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the entity'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. 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 auditor considers 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, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of The Metropolitan District as of December 31, 2020, 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.

Other Matters*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that 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 who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

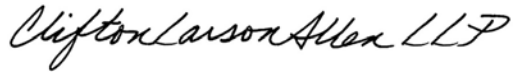
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise The Metropolitan District's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented 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 was derived from and relates 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 by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the report of the other auditors, 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 introductory and statistical sections have 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 them.

Report on Other Legal and Regulatory Requirements

In accordance with *Government Auditing Standards*, we have also issued our report dated June 25, 2021 on our consideration of The Metropolitan District'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 Metropolitan District'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 Metropolitan District's internal control over financial reporting and compliance.

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

CliftonLarsonAllen LLP

West Hartford, Connecticut
June 25, 2021

**The Metropolitan District
Management's Discussion and Analysis
December 31, 2020**

The management of the Metropolitan District (the District) offers readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the year ended December 31, 2020. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

Financial Highlights

- On a government-wide basis, the assets of the District exceeded its liabilities at the close of the current year by \$792,616,608 and \$151,044,879 for Governmental Activities and Business-Type Activities, respectively.
- As of the close of the current year, the District's governmental funds reported combined ending fund balances of \$82,320,911 a decrease of \$49,014,734 in comparison with the prior year.
- On a government-wide basis, the District's total net position increased by \$37,773,814 and \$60,741,436 for the Governmental Activities and Business-Type Activities, respectively.
- Deferred outflows of resources of the District were \$32,229,940 and \$42,579,595 for the Governmental Activities and Business-Type Activities, respectively. Deferred inflows of resources of the District were \$89,068,803 and \$120,922,256 for the Governmental Activities and Business-Type Activities, respectively.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information 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 District's finances, in a manner similar to a private-sector business.

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

The statement of activities presents information showing how the District's net position changed during the current 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 periods (e.g., earned but unused vacation leave).

Both of these government-wide financial statements distinguish functions of the District that are principally supported by taxes, charges for services, operating grants and contributions, capital grants and contributions (Governmental Activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges and capital grants and contributions (Business-Type Activities). The Governmental Activities of the District include general government, operations, plants and maintenance, and Interest on long-term debt, and in particular include its wastewater operations. The business-type activities of the District include Water and Hydroelectricity facilities.

The government-wide financial statements can be found on pages 14-15 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District 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 focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the year. Such information may be useful in evaluating a government's near-term financing requirements.

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

The District maintains four individual government funds. Information is presented in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, the Debt Service Fund, the Clean Water Project Fund and the Capital Project Fund, of which are considered to be major funds.

The District adopts an annual appropriated budget for its General Fund. Budgetary comparison schedules have been provided for the General Fund to demonstrate compliance with this budget. These can be found on pages 61-63 of this report.

The basic governmental fund financial statements can be found on pages 16-19 of this report.

Proprietary Funds - The District maintains three proprietary, or enterprise type funds. Enterprise funds report the same functions as presented by the business-type activities in the government-wide financial statements. The District uses enterprise funds to account for its water and hydroelectricity operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for water operations considered a major fund of the District, and hydroelectricity operations, which is nonmajor.

The basic proprietary fund financial statements can be found on pages 20-22 of this report.

Fiduciary Funds - Fiduciary funds are used to account for assets held by the District in a trustee capacity for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The District maintains fiduciary funds for its Pension and OPEB Trusts.

The basic fiduciary fund financial statements can be found on pages 23-24 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 25-60 of this report.

Supplemental Combining Statements and Schedules

Following the notes to this report also contain certain supplementary information concerning the District's progress in funding its obligation to provide pension benefits to its employees.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position and an important determinant of its ability to finance services in the future. In the case of the District, assets exceeded liabilities by \$792,616,608 and \$151,044,879 for the Governmental Activities and Business-Type Activities, respectively, at the close of the most recent fiscal year.

By far the largest portion of the District's assets is its investment in capital assets (e.g., infrastructure, plants, machinery and equipment). It is presented in the statement of net position less any related debt used to acquire those assets to provide services to citizens; consequently, these assets are not available for future spending. Although the District's investment in its capital assets, net of accumulated depreciation, is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Set out below is a comparison of the District's net position at the end of fiscal 2020 compared to the prior year, and the changes in net position for fiscal 2019, compared to the prior year.

**The Metropolitan District
NET POSITION
December 31, 2020 and 2019**

	2020			2019		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Current and other assets	\$ 159,323,886	\$ 119,634,345	\$ 278,958,231	\$ 154,142,887	\$ 79,608,216	\$ 233,751,103
Capital assets, net of accumulated depreciation	1,970,906,638	648,901,852	2,619,808,490	1,905,798,421	608,196,939	2,513,995,360
Total assets	<u>2,130,230,524</u>	<u>768,536,197</u>	<u>2,898,766,721</u>	<u>2,059,941,308</u>	<u>687,805,155</u>	<u>2,747,746,463</u>
Deferred outflows of resources	32,229,940	42,579,595	74,809,535	34,709,913	46,713,175	81,423,088
Current liabilities	82,128,023	65,558,474	147,686,497	28,143,066	7,448,060	35,591,126
Long-term liabilities outstanding	1,198,647,030	473,590,183	1,672,237,213	1,293,425,040	612,291,938	1,905,716,978
Total liabilities	<u>1,280,775,053</u>	<u>539,148,657</u>	<u>1,819,923,710</u>	<u>1,321,568,106</u>	<u>619,739,998</u>	<u>1,941,308,104</u>
Deferred inflows of resources	89,068,803	120,922,256	209,991,059	18,240,321	24,474,889	42,715,210
Net Position:						
Net investment in capital assets	846,161,504	281,225,011	1,127,386,515	809,558,713	272,553,110	1,082,111,823
Restricted	2,744,874		2,744,874	2,744,874		2,744,874
Unrestricted	(56,289,770)	(130,180,132)	(186,469,902)	(57,460,793)	(182,249,667)	(239,710,460)
Total Net Position	<u>\$ 792,616,608</u>	<u>\$ 151,044,879</u>	<u>\$ 943,661,487</u>	<u>\$ 754,842,794</u>	<u>\$ 90,303,443</u>	<u>\$ 845,146,237</u>

The District's net position increased by \$98,515,250 overall during the fiscal year with ending net position of Governmental Activities and Business-Type Activities of \$792,616,608 and \$151,044,879 respectively.

Governmental Activities

The net position of governmental activities increased \$37,773,814 from the prior year, primarily due to an increase in capital assets of \$65,108,217 offset by a decrease of \$40,793,053 in liabilities.

Deferred outflow of resources decreased \$2,479,973 from the prior year due to Pension and OPEB activity; specifically as a result of changes in actuarial assumptions. Deferred inflow of resources increased \$70,828,482 compared to prior year due to changes in actuarial assumption related to OPEB discount rate change and differences between expected and actual experience.

Business-Type Activities

The total net position of business-type activities increased \$60,741,436 from prior year, primarily due to a decrease in settlement liability of \$7,900,000 in addition to an increase in investment in capital assets of \$8,671,901.

Deferred outflow of resources decreased \$4,133,580 from the prior year due to Pension and OPEB activity; specifically as a result of changes in actuarial assumptions. Deferred inflow of resources increased by \$96,447,367 compared to prior year due to changes in actuarial assumption related to OPEB discount rate change and differences between expected and actual experience.

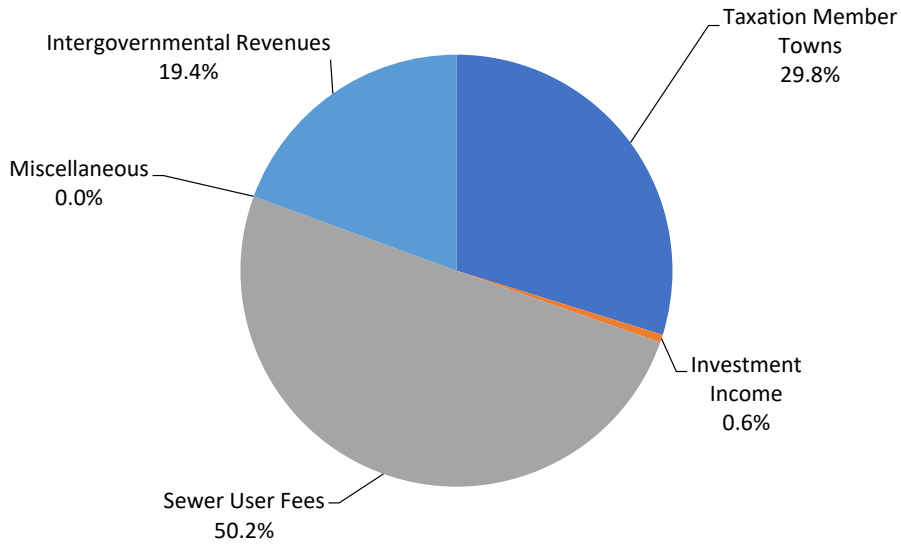
The Metropolitan District CHANGES IN NET POSITION For the Years Ended December 31, 2020 and 2019

	2020			2019		
	Governmental Activities	Business- Type Activities	Total	Governmental Activities	Business- Type Activities	Total
Revenues:						
Program revenues:						
Charges for services	\$ 86,709,779	\$ 106,176,291	\$ 192,886,070	\$ 86,222,994	\$ 92,873,907	\$ 179,096,901
Operating grants and contributions	10,111,198		10,111,198			-
Capital grants and contributions	23,423,241	6,651,401	30,074,642	53,379,335	4,949,099	58,328,434
General revenues:						
Sewer taxation - member municipalities	51,475,700		51,475,700	48,153,100		48,153,100
Unrestricted investment earnings	1,029,927	77,698	1,107,625	3,573,305	270,730	3,844,035
Miscellaneous income		1,620,957	1,620,957	3,466,043		3,466,043
Total revenues	<u>172,749,845</u>	<u>114,526,347</u>	<u>287,276,192</u>	<u>194,794,777</u>	<u>98,093,736</u>	<u>292,888,513</u>
Expenses:						
General government	12,632,933		12,632,933	22,503,242		22,503,242
Operations	19,918,024		19,918,024	32,724,856		32,724,856
Plants and maintenance	49,634,121		49,634,121	71,412,175		71,412,175
Interest on long-term debt	30,987,059		30,987,059	28,064,892		28,064,892
Water		73,551,706	73,551,706		107,583,098	107,583,098
Hydroelectricity		2,037,099	2,037,099		2,116,807	2,116,807
Total expenses	<u>113,172,137</u>	<u>75,588,805</u>	<u>188,760,942</u>	<u>154,705,165</u>	<u>109,699,905</u>	<u>264,405,070</u>
Excess of Revenues over Expenditures before Transfers	59,577,708	38,937,542	98,515,250	40,089,612	(11,606,169)	28,483,443
Transfers	<u>(21,803,894)</u>	<u>21,803,894</u>	<u>-</u>	<u>14,108,504</u>	<u>(14,108,504)</u>	<u>-</u>
Net Change in Net Position	37,773,814	60,741,436	98,515,250	54,198,116	(25,714,673)	28,483,443
Net Position at Beginning of Year	<u>754,842,794</u>	<u>90,303,443</u>	<u>845,146,237</u>	<u>700,644,678</u>	<u>116,018,116</u>	<u>816,662,794</u>
Net Position at End of Year	<u>\$ 792,616,608</u>	<u>\$ 151,044,879</u>	<u>\$ 943,661,487</u>	<u>\$ 754,842,794</u>	<u>\$ 90,303,443</u>	<u>\$ 845,146,237</u>

Governmental Activities

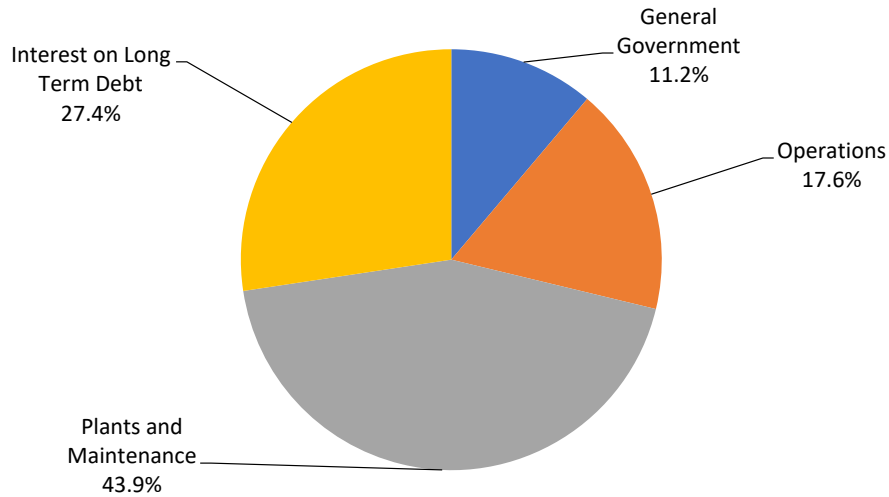
Net position of governmental activities increased by \$37,773,814 in 2020.

Major revenue factors include:



- Approximately 29.8% of the governmental activity revenues were derived from taxes levied on our member towns. These taxes increased 6.9% from the prior year.
- The primary component of charges for services consists of sewer user fees of \$83,717,134 which increased by \$6,234,262 due to rate increases and increased usage.
- The primary component of operating and capital grants and contributions consists of intergovernmental revenues of \$33,534,439 which increased by \$3,330,598 from the prior year. The intergovernmental revenue decrease is due to completion of a majority of construction contracts coming to scheduled completion dates and various funding agreements being converted from IFO to PLO.

Major expenditure factors include:

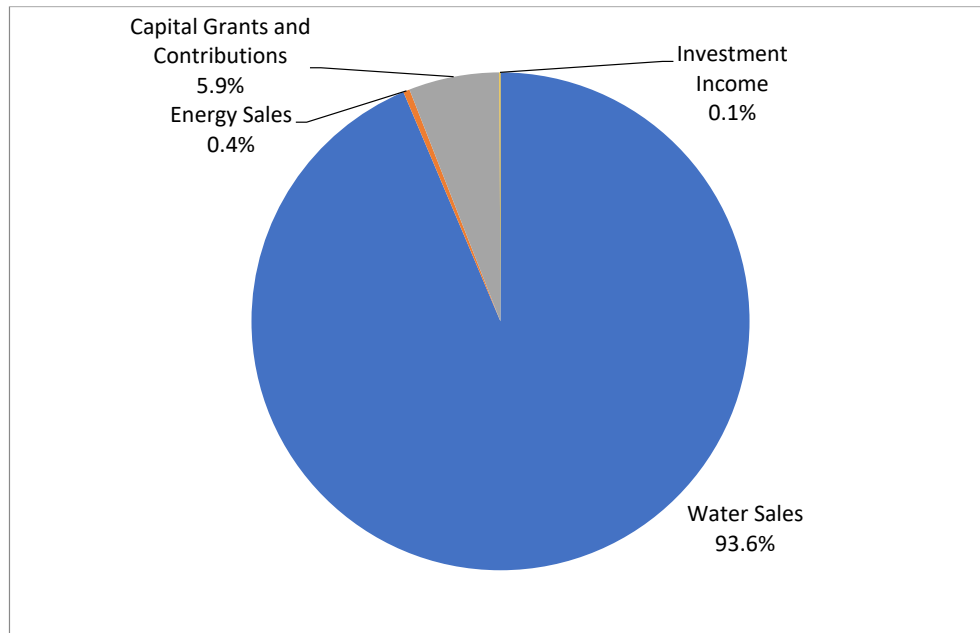


➤ During 2020, expenses decreased from the prior year by \$41,533,028 of which \$21,778,054 is due to decreased Plants and Maintenance expenses along with decreased Operation Expenses of \$12,806,832 and decreased General Government expenses of \$9,870,309. This is due to non-capitalizable expenses and changes in pension and OPEB expenses during the fiscal year.

Business-Type Activities

Net position of business-type activities increased by \$60,741,436 in 2020.

Major Revenue Factors Include:

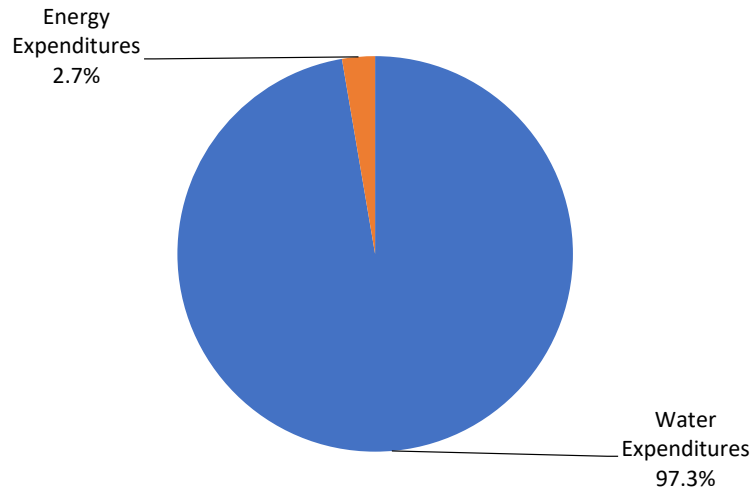


Water sales revenue increased by \$13,646,649 or 14.8% due to increases in water rates.

Capital grants and contributions increased by \$1,702,302 due to scheduled completion of construction projects and conversion of IFO's to PLO's.

Energy sales decreased by \$344,265 due to Colebrook not producing power in 2020.

Major expense factors include:



- Water expenses decreased \$34,031,392 or 31.6% primarily due to current year pension and OPEB activities. In addition, in the prior year, the District recognized \$7,900,000 of expenses related to a legal settlement.

Financial Analysis of the Government's Funds

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

Governmental Funds

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

As of the end of the current year, the District's governmental funds reported a combined ending fund balance of \$82,320,911 a decrease of \$49,014,734 in comparison with the prior year. Of the fund balances, \$75,165,949 is committed primarily for Clean Water Project future debt service or capital expenses, and \$3,715,448 is nonspendable and reserved for inventory and prepaid. The remaining general fund and capital projects show a combined unassigned balance of \$694,640.

The General Fund is the chief operating fund of the District. At the end of the current year, the General Fund total fund balance was \$35,585,675, of which \$694,640 is unassigned and spendable and \$3,715,448 is nonspendable and reserved for supplies and prepaid assets. This represents a fund balance increase in the General Fund of \$7,481,956 primarily due to an increase in sewer user fees and other revenues while the District had cost savings in plants and maintenance expenditures.

The Debt Service Fund's restricted balance of \$2,744,874 balance remains consistent as compared to the prior year due to fund activities consisting of transfer from other funds to fund debt service.

The Clean Water Project Fund had a decrease in fund balance \$18,196,188 which is due to delayed reimbursement of project spending.

The Capital Project Fund had a decrease in fund balance of \$38,300,502 which is a result of capital expenditures incurred during the fiscal year to be funded a future Bond Issuance.

Proprietary Funds

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

Overall proprietary funds net position totaled \$151,044,879 at the end of the year.

Unrestricted net position of the Water Utility Fund at the end of the year was a deficit of \$137,951,623. Net investment in capital assets amounted to \$276,685,102. The Hydroelectricity Fund has unrestricted net position of \$3,086,094, or 40.5% of total net position. Net investment in capital assets amounted to \$4,539,909, or 59.5% of total net position of the fund.

General Fund Budgetary Highlights

During the 2020 budget year, total revenues and other financing sources were below budget by \$3,023,868 or 3.2%, and expenditures were less than budget by \$11,071,802 or 11.7%.

Some of the major highlights are as follows:

- The District’s budget included a contingent item of \$1,980,000 to cover the groundwater remediation receivable. If this receivable had been paid it would have resulted in a reduction in the ad valorem billing during 2020. However, this bill was outstanding during the calendar year.
- Expenditures were favorable to budget due to the contingency expense \$1,980,000 noted above and favorable Water Pollution Control expenses of \$2,050,157.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The District’s investment in capital assets (net of accumulated depreciation) for its governmental and business-type activities as of December 31, 2020 amounted to \$1,970,906,638 and \$648,901,852 respectively reflecting the District’s ongoing investment in capital activities. This investment in capital assets includes land, buildings and system improvements, machinery and equipment, park facilities, and sewer and water pipes.

Major capital asset additions in 2020 consisted of infrastructure improvements, building additions, and additional machinery and equipment.

**The Metropolitan District
CAPITAL ASSETS (net of depreciation)
December 31, 2020 and 2019**

	2020			2019		
	Governmental Activities	Business- Type Activities	Total	Governmental Activities	Business- Type Activities	Total
Land	\$ 10,326,860	\$ 10,181,885	\$ 20,508,745	\$ 10,248,534	\$ 10,181,885	\$ 20,430,419
Buildings	304,080,806	97,312,229	401,393,035	322,292,326	102,952,747	425,245,073
Machinery and equipment	39,801,499	19,233,613	59,035,112	43,059,189	21,023,816	64,083,005
Infrastructure	678,162,111	314,513,265	992,675,376	687,428,485	321,798,970	1,009,227,455
Construction in progress	938,535,362	207,660,860	1,146,196,222	842,769,887	152,239,521	995,009,408
Total	\$ 1,970,906,638	\$ 648,901,852	\$ 2,619,808,490	\$ 1,905,798,421	\$ 608,196,939	\$ 2,513,995,360

Additional information on the District’s capital assets can be found in Note 3D on pages 36-38 of this report.

Long-Term Debt

At the end of the current year, the District had total open market bonded debt outstanding of \$896,816,960 and \$526,253,046 of Clean Water and Drinking Water State Revolving fund loans outstanding. All of the Governmental Activities debt, \$1,198,647,030, with the exception of \$252,350,000 of outstanding revenue bonds is backed by the full faith and credit of the District's member towns. The revenue bond indenture has a pledge of the special sewer service surcharge revenues (a.k.a. Clean Water Project Charge), therefore these bonds do not carry the full faith and credit pledge of the District.

The Metropolitan District OUTSTANDING DEBT December 31, 2020 and 2019

	2020			2019		
	Governmental Activities	Business- Type Activities	Total	Governmental Activities	Business- Type Activities	Total
General obligation/ Revenue bonds	\$ 621,770,522	\$ 275,046,438	\$ 896,816,960	\$ 581,238,983	\$ 294,641,939	\$ 875,880,922
Clean/drinking water loans	476,391,446	49,861,600	526,253,046	527,219,298	51,989,586	579,208,884
Compensated absences	2,857,592	3,592,441	6,450,033	3,468,109	3,339,340	6,807,449
Claims and judgments		6,283,811	6,283,811		6,358,539	6,358,539
Settlement liability		5,814,247	5,814,247		7,900,000	7,900,000
Net pension liability	24,280,899	33,076,313	57,357,212	24,555,192	33,560,708	58,115,900
OPEB obligation	73,346,571	99,915,333	173,261,904	156,943,458	214,501,826	371,445,284
Total	\$ 1,198,647,030	\$ 473,590,183	\$ 1,672,237,213	\$ 1,293,425,040	\$ 612,291,938	\$ 1,905,716,978

In November 2020, in connection with its general obligation bond issue, the District affirmed both its rating and outlook with Moody's Investors Service and S&P Global Ratings. Those ratings are Aa3/AA respectively, each with a stable outlook.

The District's Charter limits the amount of general obligation debt it may issue up to 5% of the combined Grand List of its member towns. The current debt limitation for the District is \$1,317,246,191.

Additional information on the District's long-term debt can be found in Note 3F on pages 38-43 of this report.

Economic Factors

- The District strives to minimize the increases in taxes that it levies on its member municipalities by implementing structural efficiencies, and identifying and pursuing cost reduction activities to minimize expenditures.
- Inflationary trends in the region are consistent with budgeted General Fund expenditure increases.
- Water consumption continues to decline due to conservation activities by both residential and commercial customers combined with price sensitivity due to the increasing cost of compliance associated with the Clean Water Project.

All of these factors were considered in preparing the District's 2020 year budget.

Requests for Information

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Chief Financial Officer, The Metropolitan District.

BASIC FINANCIAL STATEMENTS

**THE METROPOLITAN DISTRICT
STATEMENT OF NET POSITION
DECEMBER 31, 2020**

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Assets:			
Cash and cash equivalents	\$ 128,670,129	\$ 96,185,192	\$ 224,855,321
Receivables, net of allowance for uncollectibles	26,881,039	18,969,723	45,850,762
Due to fiduciary funds	57,270	69,996	127,266
Supplies	3,028,814	3,161,935	6,190,749
Prepaid items	686,634	1,247,499	1,934,133
Capital assets, nondepreciable	948,862,222	217,842,745	1,166,704,967
Capital assets, net of accumulated depreciation	<u>1,022,044,416</u>	<u>431,059,107</u>	<u>1,453,103,523</u>
Total assets	<u>2,130,230,524</u>	<u>768,536,197</u>	<u>2,898,766,721</u>
Deferred Outflows of Resources:			
Deferred outflows - pension	10,804,719	14,718,577	25,523,296
Deferred outflows - OPEB	19,814,322	27,004,043	46,818,365
Deferred charge on refunding	<u>1,610,899</u>	<u>856,975</u>	<u>2,467,874</u>
Total deferred outflows of resources	<u>32,229,940</u>	<u>42,579,595</u>	<u>74,809,535</u>
Liabilities:			
Accounts payable and accrued items	36,460,255	14,658,260	51,118,515
Bond anticipation notes payable	43,935,430	49,249,570	93,185,000
Premium on bond anticipation notes payable	838,364	939,217	1,777,581
Customer advances for construction	893,974	711,427	1,605,401
Noncurrent liabilities:			
Due within one year	112,102,675	31,406,820	143,509,495
Due in more than one year	<u>1,086,544,355</u>	<u>442,183,363</u>	<u>1,528,727,718</u>
Total liabilities	<u>1,280,775,053</u>	<u>539,148,657</u>	<u>1,819,923,710</u>
Deferred Inflows of Resources:			
Deferred inflows - pension	8,678,928	11,822,747	20,501,675
Deferred inflows - OPEB	78,999,951	107,628,833	186,628,784
Deferred charge on refunding	<u>1,389,924</u>	<u>1,470,676</u>	<u>2,860,600</u>
Total deferred inflows of resources	<u>89,068,803</u>	<u>120,922,256</u>	<u>209,991,059</u>
Net Position:			
Net investment in capital assets	846,161,504	281,225,011	1,127,386,515
Restricted for:			
Debt service	2,744,874		2,744,874
Unrestricted	<u>(56,289,770)</u>	<u>(130,180,132)</u>	<u>(186,469,902)</u>
Total Net Position	<u>\$ 792,616,608</u>	<u>\$ 151,044,879</u>	<u>\$ 943,661,487</u>

The accompanying notes are an integral part of the financial statements

**THE METROPOLITAN DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020**

Function/Program Activities	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities:							
General government	\$ 12,632,933	\$	\$ 10,111,198	\$	\$ (2,521,735)	\$	\$ (2,521,735)
Operations	19,918,024	83,717,134			63,799,110		63,799,110
Plants and maintenance	49,634,121	2,992,645		23,423,241	(23,218,235)		(23,218,235)
Interest on long-term debt	30,987,059				(30,987,059)		(30,987,059)
Total governmental activities	<u>113,172,137</u>	<u>86,709,779</u>	<u>10,111,198</u>	<u>23,423,241</u>	<u>7,072,081</u>	<u>-</u>	<u>7,072,081</u>
Business-type activities:							
Water	73,551,706	105,704,415		6,651,401		38,804,110	38,804,110
Hydroelectricity	2,037,099	471,876				(1,565,223)	(1,565,223)
Total business-type activities	<u>75,588,805</u>	<u>106,176,291</u>	<u>-</u>	<u>6,651,401</u>	<u>-</u>	<u>37,238,887</u>	<u>37,238,887</u>
Total	<u>\$ 188,760,942</u>	<u>\$ 192,886,070</u>	<u>\$ 10,111,198</u>	<u>\$ 30,074,642</u>	<u>7,072,081</u>	<u>37,238,887</u>	<u>44,310,968</u>
General revenues:							
Sewer taxation - member municipalities					51,475,700		51,475,700
Miscellaneous						1,620,957	1,620,957
Unrestricted investment earnings					1,029,927	77,698	1,107,625
Transfers					(21,803,894)	21,803,894	-
Total general revenues and transfers					<u>30,701,733</u>	<u>23,502,549</u>	<u>54,204,282</u>
Change in Net Position					37,773,814	60,741,436	98,515,250
Net Position at Beginning of Year					<u>754,842,794</u>	<u>90,303,443</u>	<u>845,146,237</u>
Net Position at End of Year					<u>\$ 792,616,608</u>	<u>\$ 151,044,879</u>	<u>\$ 943,661,487</u>

The accompanying notes are an integral part of the financial statements

**THE METROPOLITAN DISTRICT
BALANCE SHEET - GOVERNMENTAL FUNDS
DECEMBER 31, 2020**

	<u>General</u>	<u>Debt Service</u>	<u>Clean Water Project</u>	<u>Capital Project Fund</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash and cash equivalents	\$ 28,834,678	\$ 2,744,874	\$ 74,572,413	\$ 22,518,164	\$ 128,670,129
Receivables, net of allowance for uncollectibles	6,127,738		18,232,482	2,520,819	26,881,039
Due from other funds	57,270				57,270
Supplies	3,028,814				3,028,814
Prepaid items	686,634				686,634
Total Assets	<u>\$ 38,735,134</u>	<u>\$ 2,744,874</u>	<u>\$ 92,804,895</u>	<u>\$ 25,038,983</u>	<u>\$ 159,323,886</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts payable and accrued items	\$ 2,255,485		\$ 17,638,946	\$ 8,826,895	\$ 28,721,326
Bond anticipation notes payable				43,935,430	43,935,430
Premium on bond anticipation notes payable				838,364	838,364
Customer advances for construction	893,974				893,974
Total liabilities	<u>3,149,459</u>	<u>-</u>	<u>17,638,946</u>	<u>53,600,689</u>	<u>74,389,094</u>
Deferred inflows of resources:					
Unavailable revenue - special assessments				2,613,881	2,613,881
Fund balances:					
Nonspendable	3,715,448				3,715,448
Restricted		2,744,874			2,744,874
Committed			75,165,949		75,165,949
Unassigned	31,870,227			(31,175,587)	694,640
Total fund balances	<u>35,585,675</u>	<u>2,744,874</u>	<u>75,165,949</u>	<u>(31,175,587)</u>	<u>82,320,911</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 38,735,134</u>	<u>\$ 2,744,874</u>	<u>\$ 92,804,895</u>	<u>\$ 25,038,983</u>	<u>\$ 159,323,886</u>

The accompanying notes are an integral part of the financial statements

**THE METROPOLITAN DISTRICT
BALANCE SHEET - GOVERNMENTAL FUNDS (CONTINUED)
DECEMBER 31, 2020**

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

Amounts reported for governmental activities in the statement of net position (page 14) are different because of the following:

Fund balances - total governmental funds (page 16)	\$ 82,320,911
--	---------------

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

Governmental capital assets	\$ 2,393,229,136	
Less accumulated depreciation	<u>(422,322,498)</u>	
Net capital assets		1,970,906,638

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

Sewer assessment receivables	2,613,881
Deferred outflows related to refunding	1,610,899
Deferred outflows related to pension	10,804,719
Deferred outflows related to OPEB	19,814,322

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

Bonds payable	(553,390,982)
Premiums	(68,379,540)
Notes payable	(476,391,446)
Interest payable on long-term debt	(7,738,929)
Compensated absences	(2,857,592)
Net pension liability	(24,280,899)
Deferred inflows related to pension	(8,678,928)
Deferred inflows related to OPEB	(78,999,951)
Deferred inflows related to refunding	(1,389,924)
Net OPEB liability	<u>(73,346,571)</u>

Net Position of Governmental Activities (page 14)	<u>\$ 792,616,608</u>
---	-----------------------

The accompanying notes are an integral part of the financial statements

**THE METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020**

	<u>General</u>	<u>Debt Service</u>	<u>Clean Water Project</u>	<u>Capital Project Fund</u>	<u>Total Governmental Funds</u>
Revenues:					
Taxation - member municipalities	\$ 51,475,700	\$	\$	\$	\$ 51,475,700
Assessments				1,071,240	1,071,240
Sewer user fees	20,404,896		63,312,238		83,717,134
Intergovernmental revenues	10,111,198		23,423,241		33,534,439
Investment income	145,404		884,523		1,029,927
Other local revenues	1,287,228			76,215	1,363,443
Total revenues	<u>83,424,426</u>	<u>-</u>	<u>87,620,002</u>	<u>1,147,455</u>	<u>172,191,883</u>
Expenditures:					
Current:					
General government	4,446,417				4,446,417
Operations	3,573,467				3,573,467
Plants and maintenance	19,643,333				19,643,333
Employee benefits and other	16,194,956				16,194,956
Debt service:					
Principal retirement		58,091,086			58,091,086
Interest	1,335,850	31,044,129			32,379,979
Issuance costs	295,459		644,016		939,475
Capital outlay			72,933,024	41,230,352	114,163,376
Total expenditures	<u>45,489,482</u>	<u>89,135,215</u>	<u>73,577,040</u>	<u>41,230,352</u>	<u>249,432,089</u>
Excess (Deficiency) of Revenues over Expenditures	<u>37,934,944</u>	<u>(89,135,215)</u>	<u>14,042,962</u>	<u>(40,082,897)</u>	<u>(77,240,206)</u>
Other Financing Sources (Uses):					
Issuance of bonds			55,010,000		55,010,000
Premiums on issuance of bonds			15,448,049		15,448,049
Issuance of refunding bonds		76,065,000			76,065,000
Payment for clean water loan escrow agent			(49,825,431)		(49,825,431)
Payment to refunded bond escrow agent		(76,935,985)			(76,935,985)
Clean Water Fund loans issued			30,267,733		30,267,733
Transfers in		90,006,200		1,782,395	91,788,595
Transfers out	(30,452,988)		(83,139,501)		(113,592,489)
Total other financing sources (uses)	<u>(30,452,988)</u>	<u>89,135,215</u>	<u>(32,239,150)</u>	<u>1,782,395</u>	<u>28,225,472</u>
Net Change in Fund Balances	7,481,956	-	(18,196,188)	(38,300,502)	(49,014,734)
Fund Balances at Beginning of Year	<u>28,103,719</u>	<u>2,744,874</u>	<u>93,362,137</u>	<u>7,124,915</u>	<u>131,335,645</u>
Fund Balances at End of Year	<u>\$ 35,585,675</u>	<u>\$ 2,744,874</u>	<u>\$ 75,165,949</u>	<u>\$ (31,175,587)</u>	<u>\$ 82,320,911</u>

The accompanying notes are an integral part of the financial statements

**THE METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2020**

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds to the Statement of Activities:

Amounts reported for governmental activities in the statement of activities (page 15) are different because of the following:

Net change in fund balances - total governmental funds (page 18) \$ (49,014,734)

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

Capital outlays, net	98,882,354
Depreciation expense	(33,763,164)

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins and donations) is to increase net position. In the statement of activities, only the loss 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 capital assets sold. (10,973)

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

Sewer assessment revenue	634,177
Change in deferred outflows related to pension	4,901,196
Change in deferred outflows related to OPEB	(7,733,772)

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

Proceeds from Clean Water Fund loan obligations	(30,267,733)
Proceeds from issuance of bonds	(55,010,000)
Premiums on issuance of bonds	(15,448,049)
Proceeds from issuance of refunding bonds	(76,065,000)
Bond payments	97,395,930
Amortization of bond premium	8,595,580
Amortization of deferred charge on refunding	444,989
Clean Water Fund loan payments	81,095,585
Change in accrued interest	(423,401)

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:

Change in compensated absences	610,517
Change in net pension liability	274,293
Change in deferred inflows related to pension	(5,458,336)
Change in deferred inflows related to OPEB	(65,462,532)
Change in net OPEB liability	<u>83,596,887</u>

Change in Net Position of Governmental Activities (page 15) \$ 37,773,814

The accompanying notes are an integral part of the financial statements

**THE METROPOLITAN DISTRICT
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
DECEMBER 31, 2020**

EXHIBIT V

	Business-Type Activities - Enterprise Funds			Business-Type Activities - Internal Service Fund
	Major	Nonmajor	Total	
	Water Utility	Hydroelectric Development Project		
Assets:				
Current assets:				
Cash and cash equivalents	\$ 81,347,383	\$ 2,824,485	\$ 84,171,868	\$ 12,013,324
Accounts receivable, net of allowance for uncollectibles	18,817,858	68,524	18,886,382	83,341
Due from other funds	69,996		69,996	
Supplies	2,925,045	236,890	3,161,935	
Prepaid items	1,247,499		1,247,499	
Total current assets	<u>104,407,781</u>	<u>3,129,899</u>	<u>107,537,680</u>	<u>12,096,665</u>
Noncurrent assets:				
Capital assets, nondepreciable	217,842,745		217,842,745	
Capital assets, net of accumulated depreciation	426,519,198	4,539,909	431,059,107	
Total noncurrent assets	<u>644,361,943</u>	<u>4,539,909</u>	<u>648,901,852</u>	<u>-</u>
Total assets	<u>748,769,724</u>	<u>7,669,808</u>	<u>756,439,532</u>	<u>12,096,665</u>
Deferred Outflows of Resources:				
Deferred outflows - pension	14,718,577		14,718,577	
Deferred outflows - OPEB	27,004,043		27,004,043	
Deferred charge on refunding	856,975		856,975	
Total deferred outflows of resources	<u>42,579,595</u>	<u>-</u>	<u>42,579,595</u>	<u>-</u>
Liabilities:				
Current liabilities:				
Accounts payable and accrued expenses	13,486,998	43,805	13,530,803	1,127,457
Bond anticipation notes payable	49,249,570		49,249,570	
Premium on bond anticipation notes payable	939,217		939,217	
Customer advances for construction	711,427		711,427	
Current portion of claims incurred but not reported			-	835,058
Current portion of compensated absences	2,720,402		2,720,402	
Current portion of claims and judgements	5,814,247		5,814,247	
Current portion of bonds and loans payable	22,037,113		22,037,113	
Total current liabilities	<u>94,958,974</u>	<u>43,805</u>	<u>95,002,779</u>	<u>1,962,515</u>
Noncurrent liabilities:				
Compensated absences	872,039		872,039	
Bonds and loans payable after one year	302,870,925		302,870,925	
Claims incurred but not reported			-	5,448,753
Net pension liability	33,076,313		33,076,313	
OPEB liability	99,915,333		99,915,333	
Total noncurrent liabilities	<u>436,734,610</u>	<u>-</u>	<u>436,734,610</u>	<u>5,448,753</u>
Total liabilities	<u>531,693,584</u>	<u>43,805</u>	<u>531,737,389</u>	<u>7,411,268</u>
Deferred Inflows of Resources:				
Deferred inflows - pension	11,822,747		11,822,747	
Deferred inflows - OPEB	107,628,833		107,628,833	
Deferred charge on refunding	1,470,676		1,470,676	
Total deferred inflows of resources	<u>120,922,256</u>	<u>-</u>	<u>120,922,256</u>	<u>-</u>
Net Position:				
Net investment in capital assets	276,685,102	4,539,909	281,225,011	
Unrestricted	(137,951,623)	3,086,094	(134,865,529)	4,685,397
Total Net Position	<u>\$ 138,733,479</u>	<u>\$ 7,626,003</u>	<u>146,359,482</u>	<u>\$ 4,685,397</u>
Adjustment to reflect the consolidation of Internal Service Fund activities related to Enterprise Funds			4,685,397	
Net Position of Business-Type Activities			<u>\$ 151,044,879</u>	

The accompanying notes are an integral part of the financial statements

**THE METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN NET POSITION - PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Business-Type Activities - Enterprise Funds			Business-Type Activities - Internal Service Fund
	Major	Nonmajor	Total	
	Water Utility	Hydroelectric Development Project		
Operating Revenues:				
Water sales	\$ 98,277,039	\$	\$ 98,277,039	\$
Energy sales		471,876	471,876	
Operating contributions			-	22,759,919
Other operating	7,427,376		7,427,376	
Total operating revenues	<u>105,704,415</u>	<u>471,876</u>	<u>106,176,291</u>	<u>22,759,919</u>
Operating Expenses:				
General government	10,121,682		10,121,682	
Operations	12,180,241		12,180,241	18,074,522
Plants and maintenance	16,408,209		16,408,209	
Employee benefits and other	12,595,839		12,595,839	
Source of supply		271,792	271,792	
Depreciation expense	15,910,518	160,921	16,071,439	
Total operating expenses	<u>67,216,489</u>	<u>432,713</u>	<u>67,649,202</u>	<u>18,074,522</u>
Operating Income (Loss)	<u>38,487,926</u>	<u>39,163</u>	<u>38,527,089</u>	<u>4,685,397</u>
Nonoperating Revenues (Expenses):				
Investment income	77,698		77,698	
Miscellaneous revenue	895,442	725,515	1,620,957	
Gain (loss) on disposal of assets	92,237	(1,604,386)	(1,512,149)	
Interest and fiscal charges	(11,112,851)		(11,112,851)	
Net nonoperating revenues (expenses)	<u>(10,047,474)</u>	<u>(878,871)</u>	<u>(10,926,345)</u>	<u>-</u>
Income (Loss) Before Capital Grants, Capital Contributions and Transfers	28,440,452	(839,708)	27,600,744	4,685,397
Capital grants	571,847		571,847	
Capital contributions	6,079,554		6,079,554	
Transfer in	23,586,289		23,586,289	6,537,627
Transfers out	(8,320,022)		(8,320,022)	
Change in Net Position	50,358,120	(839,708)	49,518,412	11,223,024
Net Position at Beginning of Year	<u>88,375,359</u>	<u>8,465,711</u>		<u>(6,537,627)</u>
Net Position at End of Year	<u>\$ 138,733,479</u>	<u>\$ 7,626,003</u>		<u>\$ 4,685,397</u>
Adjustment to reflect the consolidation of Internal Service Fund activities related to Enterprise Funds			<u>11,223,024</u>	
Change in Net Position of Business-Type Activities			<u>\$ 60,741,436</u>	

The accompanying notes are an integral part of the financial statements

**THE METROPOLITAN DISTRICT
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020**

EXHIBIT VII

	Business-Type Activities - Enterprise Funds			Business-Type Activities - Internal Service Fund
	Major	Nonmajor	Total	
	Water Utility	Hydroelectric Development Project	Total	
Cash Flows from Operating Activities:				
Receipts from customers, users and others	\$ 100,652,720	\$ 428,280	\$ 101,081,000	\$ 22,719,843
Payments to suppliers	(34,360,849)	(245,333)	(34,606,182)	(17,353,850)
Payments to employees	(26,143,232)	-	(26,143,232)	
Net cash provided by (used in) operating activities	<u>40,148,639</u>	<u>182,947</u>	<u>40,331,586</u>	<u>5,365,993</u>
Cash Flows from Capital and Related Financing Activities:				
Purchase of capital assets/utility plant	(52,301,185)		(52,301,185)	
Proceeds from drinking water loans	1,452,294		1,452,294	
Proceeds from capital grant	571,847		571,847	
Principal payments on bonds	(17,544,070)		(17,544,070)	
Proceeds from bond anticipation notes	50,188,787		50,188,787	
Principal payments on drinking water loans	(3,580,280)		(3,580,280)	
Interest payments on bonds and notes	(11,076,783)		(11,076,783)	
Proceeds from Water Utility fund			-	6,537,627
Proceeds from General fund	23,586,289		23,586,289	
Proceeds on sale of assets	92,237		92,237	
Payment to Capital Project fund	(8,320,022)		(8,320,022)	
Net cash provided by (used in) capital and related financing activities	<u>(16,930,886)</u>	<u>-</u>	<u>(16,930,886)</u>	<u>6,537,627</u>
Cash Flows from Investing Activities:				
Interest on investments	77,698		77,698	
Net Increase (Decrease) in Cash and Cash Equivalents	23,295,451	182,947	23,478,398	11,903,620
Cash and Cash Equivalents at Beginning of Year	58,051,932	2,641,538	60,693,470	109,704
Cash and Cash Equivalents at End of Year	\$ 81,347,383	\$ 2,824,485	\$ 84,171,868	\$ 12,013,324
Reconciliation of Operating Income to Net Cash Provided by (Used in) Operating Activities:				
Operating income	\$ 38,487,926	\$ 39,163	\$ 38,527,089	\$ 4,685,397
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:				
Depreciation	15,910,518	160,921	16,071,439	
Amortization of bond premiums	(2,051,431)		(2,051,431)	
Miscellaneous nonoperating revenue (expense)	895,442		895,442	
Change in assets, deferred outflows of resources and liabilities:				
(Increase) decrease in accounts receivable	(4,418,605)	(43,596)	(4,462,201)	(40,076)
(Increase) decrease in due from other funds	(69,996)		(69,996)	
(Increase) decrease in supplies	(41,113)		(41,113)	
(Increase) decrease in prepaid items	(40,674)	9,948	(30,726)	
(Increase) decrease in deferred outflows of resources related to pensions	(6,675,949)		(6,675,949)	
(Increase) decrease in deferred outflows of resources related to OPEB	10,525,925		10,525,925	
Increase (decrease) in accounts payable and accrued expenses	5,587,059	16,511	5,603,570	795,400
Increase (decrease) in customer advances for construction	(563,094)		(563,094)	
Increase (decrease) in compensated absences	253,101		253,101	
Increase (decrease) in net OPEB liability	(113,895,586)		(113,895,586)	
Increase (decrease) in net pension liability	(376,296)		(376,296)	
Increase (decrease) in claims payable			-	(74,728)
Increase (decrease) in deferred inflows of resources related to pensions	7,435,195		7,435,195	
Increase (decrease) in deferred inflows of resources related to OPEB	89,186,217		89,186,217	
Total adjustments	<u>1,660,713</u>	<u>143,784</u>	<u>1,804,497</u>	<u>680,596</u>
Net Cash Provided by (Used in) Operating Activities	\$ 40,148,639	\$ 182,947	\$ 40,331,586	\$ 5,365,993
Noncash Investing, Capital and Financing Activities:				
Capital assets contributed by Capital Projects Fund	\$ 6,079,554	\$ -	\$ 6,079,554	\$ -

The accompanying notes are an integral part of the financial statements

**THE METROPOLITAN DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
DECEMBER 31, 2020**

	Pension and Other Employee Benefit Trust Funds
	<u> </u>
ASSETS	
Cash and cash equivalents	\$ 9,694,246
Accounts receivable	185,874
Investments, at fair value:	
Mutual funds	25,700,261
Guaranteed investment contracts	25,623,113
Land	3,705,913
Commingled collective trusts	179,076,798
Real estate	<u>18,608,174</u>
Total assets	<u>262,594,379</u>
LIABILITIES	
Due to other funds	127,266
Retiree expense reimbursement payable	<u>2,667</u>
Total liabilities	<u>129,933</u>
NET POSITION	
Restricted for pension benefits	253,346,293
Restricted for OPEB benefits	<u>9,118,153</u>
Total Net Position	<u>\$ 262,464,446</u>

The accompanying notes are an integral part of the financial statements

**THE METROPOLITAN DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Pension and Other Employee Benefit Trust Funds
Additions:	
Contributions:	
Employer	\$ 18,999,763
Plan members	3,862,570
Total contributions	<u>22,862,333</u>
Investment income (loss):	
Net change in fair value of investments	32,713,513
Interest and dividends	2,616,959
	<u>35,330,472</u>
Less investment expenses:	
Investment management fees	949,003
Net investment income (loss)	<u>34,381,469</u>
Total additions	<u>57,243,802</u>
Deductions:	
Benefits	25,020,126
Administrative expense	79,174
Total deductions	<u>25,099,300</u>
Change in Net Position	32,144,502
Net Position at Beginning of Year	<u>230,319,944</u>
Net Position at End of Year	<u>\$ 262,464,446</u>

The accompanying notes are an integral part of the financial statements

THE METROPOLITAN DISTRICT NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. General

The Metropolitan District (the District) was empowered in 1929 by the General Assembly of Connecticut. The District provides the following services as authorized by its Charter: design, construction and maintenance of sewage, hydroelectric and water systems and plants, stream and watercourse controls, the sale and delivery of water and hydroelectric power, and resources recovery.

The financial statements include all of the funds of the District that meet the criteria for inclusion as set forth in Statement of Governmental Accounting Standards No. 14 issued by the Governmental Accounting Standards Board (GASB).

Accounting principles generally accepted in the United States of America (GAAP) require that the reporting entity include the primary government and its component units, entities for which the government is considered to be financially accountable and other organizations which by the nature and significance of their relationship with the primary government would cause the financial statements to be incomplete or misleading if excluded. Blended component units, although legally separate entities are, in substance, part of the government's operations; therefore, data from these units are combined with data of the primary government. These criteria have been considered and have resulted in the inclusion of the fiduciary component units as detailed below.

Fiduciary Component Units

The Pension and Other Post-Employment Benefits (OPEB) plans were established to provide retirement benefits and post retirement health care benefits primarily to employees and their beneficiaries.

The financial statements of the fiduciary component units are presented using the accrual basis of accounting and are reported as Pension and OPEB Trust Funds in the fiduciary fund financial statements. Separate financial statements have not been prepared for the fiduciary component units.

B. Basis of Presentation

The accompanying financial statements have been prepared in conformity with the requirements of statements issued by the Governmental Accounting Standards Board. The more significant of the District's accounting policies are described below.

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

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those expenses that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or benefit directly 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.

**THE METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS**

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

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. Sewer 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 District considers revenues, including sewer assessments, to be available if they are collected within 60 days after the end of the current fiscal period.

Taxes on member municipalities, sewer assessments and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. In determining when to recognize intergovernmental revenues (grants and entitlements), the legal and contractual requirements of the individual programs are used as guidance. Revenues are recognized when the eligibility requirements have been met. All other revenue items are considered to be measurable and available only when cash is received by the District.

Expenditures are generally 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.

The District reports the following major governmental funds:

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

The *Debt Service Fund* is used to account for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

The *Clean Water Project Fund* accounts for financial resources to be used for the Clean Water Project. The appropriations for the cost of the Clean Water Project were approved by referendum votes which were held on November 7, 2006 and November 6, 2012. The first phase of the Clean Water Project features projects to control inflow and infiltration, sewer separation projects, projects to increase interceptors, and upgrades to the two treatment plants. The second phase of the Clean Water Project features wet weather capacity improvements at the District's treatment plants and construction of a large storage and conveyance tunnel in the south of the District to hold waste water for ultimate release and treatment at the Hartford water pollution control facility.

The *Capital Project Fund* is used for projects of greater than one year's duration. Most of the capital outlays are financed by the issuance of general obligation bonds and current tax revenues.

THE METROPOLITAN DISTRICT NOTES TO FINANCIAL STATEMENTS

The District reports the following major proprietary fund:

The *Water Utility Fund* is the District's fund used to account for operations that are financed and operated in a manner similar to a private business enterprise, where the intent of the governing body is that costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. Additionally, the District reports the following fund types:

The *Internal Service Fund* is used to account for the District's self-insurance program for property casualty, workers' compensation and health insurance coverage of employees as well as natural disaster and liability claims for the District.

The *Pension and Other Employee Benefit Trust Funds* are used to account for the activities of the District's defined benefit plan, which accumulates resources for pension benefit payments to qualified employees, and to account for the activities of the District's postemployment welfare benefits (including retiree medical, dental and life insurance benefits) to the current and former eligible employees of the District.

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

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the proprietary funds are charges to customers for services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses and depreciation on capital assets. 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 government'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.

C. Cash Equivalents

For purposes of reporting cash flows, all savings, checking, money market accounts (including the State Treasurer's sponsored pooled investment, STIF) and certificates of deposit with an original maturity of less than 90 days from the date of acquisition are considered to be cash equivalents.

D. Investments

Investments are stated at fair value.

**THE METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS**

E. Inventories and Prepaid Items

All inventories are valued at cost. Inventory in the governmental and enterprise funds is recorded as an expenditure when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

F. 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 "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

All receivables are presented net of an allowance for uncollectibles.

G. Compensated Absences

All vacation and sick pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

H. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets such as water and sewer mains, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial individual cost of more than \$5,000 and an estimated useful life of more than two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recognized at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of assets or materially extend their lives are expensed currently.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

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

<u>Assets</u>	<u>Years</u>
Buildings	50-75
Machinery and equipment	6-20
Infrastructure	50-150

**THE METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS**

I. Deferred Outflows of Resources

In addition to assets, the statement of net position may 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 expenditure until then. The District reports a deferred charge on refunding and deferred outflows related to pension and OPEB in the government-wide statement of net position and statement of net position - proprietary funds. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. A deferred outflow of resources related to pension and OPEB results from differences between expected and actual experience, changes in assumptions or other inputs, contributions made to the plan after the measurement date, and differences between projected and actual earnings on pension and OPEB plan investments. These amounts are deferred and included in pension and OPEB expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension and OPEB plan (active employees and inactive employees). No deferred outflows of resources affect the governmental fund financial statements in the current year.

J. Deferred Inflows of Resources

In addition to liabilities, the statement of net position may 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 until that time. The District reports a deferred charge on refunding and deferred inflows of resources related to pensions and OPEB in the government-wide statement of net position and statement of net position - proprietary funds. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. A deferred inflow of resources related to pension and OPEB results from differences between expected and actual experience and differences between projected and actual earnings on pension and OPEB plan investments. These amounts are deferred and included in pension and OPEB expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension and OPEB plan (active employees and inactive employees). The District reports unavailable revenue for governmental funds which arises only under the modified accrual basis of accounting. The governmental funds report unavailable revenues from special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

K. Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net position. Bond premiums, discounts and losses on bond refundings are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount and unamortized losses on bond refundings. Bond issuance costs are expensed as incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. 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.

**THE METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS**

L. Net Pension Liability

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

M. Net OPEB Liability

The net OPEB liability is measured as the portion of the present value of projected benefit payments to be provided to current active and inactive employees that is attributed to those employees' past periods of service (total OPEB liability), less the amount of the OPEB plan's fiduciary net position. The OPEB plan's fiduciary net position is determined using the same valuation methods that are used by the OPEB plan for purposes of preparing its statement of fiduciary net position. The net OPEB liability is measured as of a date (measurement date) no earlier than the end of the employer's prior fiscal year, consistently applied from period to period.

N. Fund Equity

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

Nonspendable Fund Balance

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

Restricted Fund Balance

This balance 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 balance represents amounts constrained for a specific purpose by a government using its highest level of decision-making authority (District Board). Amounts remain committed until action is taken by the District Board (resolution) to remove or revise the limitations.

Assigned Fund Balance

This balance includes amounts constrained for the intent to be used for a specific purpose by the District Board that has been delegated authority to assign amounts by the Charter.

Unassigned Fund Balance

This balance 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.

In the government-wide financial statements, net position is classified in the following categories:

Net Investment in Capital Assets

This category represents all capital assets, net of accumulated depreciation and related debt.

Restricted Net Position

This category represents amounts restricted to use by outside parties.

**THE METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS**

Unrestricted Net Position

This category represents the net position of the District not restricted for use.

O. Accounting Estimates

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

P. Subsequent Events Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is June 25, 2021.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

During the last quarter of the year, the ensuing year's proposed operating budget, including proposed expenditures/expenses and the means of financing them, is compiled by the Finance Department based upon estimates submitted by the various departments.

The proposed operating budget is then published in line item format in one or more local newspapers servicing the District for a period of three consecutive days, excluding holidays and Sundays. Prior to January 1 of the new year, the published budget is submitted to the District Board for acceptance and adoption.

Annual operating budgets are legally adopted for the General Fund and the Water Utility Enterprise Fund. A fund budget was adopted for the Hydroelectric Development Project. Formal budgetary integration is employed as a management control device for these funds. The unencumbered balance of appropriations in the General Fund lapses at year end. Except for encumbrance accounting, the General Fund budget is prepared on a modified accrual basis. Budgetary and actual data in this report have been presented on a budgetary basis. Since accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with GAAP, the reconciliation of resultant basis, timing and perspective differences appear at the bottom of the actual vs. budget schedule. The legal level of budgetary control is at the functional level. Any revisions that alter total appropriations at the level of control must have the prior approval of the Board of Finance and the District Board. The amendments were made in the legally permissible manner described above. During the fiscal year ended December 31, 2020, there were no supplemental budgetary appropriations.

Budgetary integration is employed on a continuing (project length) basis for Capital Projects Funds, in which appropriations do not lapse at year end, but rather at the completion of the construction relating to a specific improvement project. Formal budgetary integration is not employed for the Debt Service Fund because budgetary control is alternatively achieved through the capital budgeting processes for both CIP (general obligation) and the Clean Water Project.

**THE METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS**

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditures of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the General Fund. Encumbrances outstanding at year end are recorded in budgetary reports as expenditures of the current year, whereas, on a GAAP basis, encumbrances are recorded as either restricted, committed or assigned fund balance depending on the level of restriction.

B. Deficit Fund Equity

The capital project fund had a fund balance deficit of \$31,175,587, which was a result of increased capital projects spending in the current year. This deficit will be funded by future bond issuances.

3. DETAILED NOTES ON ALL FUNDS

A. 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). The 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.

**THE METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS**

Deposits

Deposit Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, the District's deposit will not be returned. The District 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 principal 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, \$32,158,792 of the District's bank balance of \$32,408,792 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 28,917,913
Uninsured and collateral held by the pledging bank's trust department, not in the District's name	<u>3,240,879</u>
Total Amount Subject to Custodial Credit Risk	<u>\$ 32,158,792</u>

Cash Equivalents

At December 31, 2020, the District's cash equivalents amounted to \$202,681,692. The following table provides a summary of the District's cash equivalents as rated by nationally recognized statistical rating organizations. The pool has maturities of less than one year.

	<u>Standard & Poor's</u>
State Short-Term Investment Fund (STIF) US Bank	AAAm *
*Not Rated	

THE METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS

Investments

The District 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 District has the following recurring fair value measurements as of December 31, 2020:

	December 31, 2020	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Investments by fair value level:				
Mutual funds	\$ 25,700,261	\$ 25,700,261	\$	\$
Guaranteed investment contracts	25,623,113		8,198,855	17,424,258
Real Estate	3,705,913			3,705,913
Total investments by fair value level	55,029,287	\$ 25,700,261	\$ 8,198,855	\$ 21,130,171
Investments measured at net asset value (NAV):				
Commingled Collective Trusts	179,076,798			
Timberland Investments	9,153,357			
Cornerstone Real Estate	2,886,484			
Intercontinental U.S. REIF	6,568,333			
Total investments measured at NAV	197,684,972			
Total Investments Measured at Fair Value	\$ 252,714,259			

The above investments have no rating or maturity.

Mutual funds classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Guaranteed investment contracts classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. Land and guaranteed investment contracts classified in Level 3 are valued using discounted cash flow techniques.

The valuation method for investments measured at the net asset value (NAV) per share (or its equivalent) is presented on the following table.

	Fair Value	Unfunded Commitments	Redemption Frequency (If Currently Eligible)	Redemption Notice Period
Commingled Collective Trusts	\$ 179,076,798	\$	Up to Monthly	Up to 10 Days
Timberland Investments	9,153,357	549,776	Hold to Maturity	Hold to Maturity (15-18 Years Total)
Cornerstone Real Estate	2,886,484	1,336,013	Hold to Maturity	Hold to Maturity (7-9 Years Total)
Intercontinental U.S. REIF	6,568,333		Quarterly	30-60 days
Total Investments Measured at NAV	\$ 197,684,972			

THE METROPOLITAN DISTRICT NOTES TO FINANCIAL STATEMENTS

Fixed Income Commingled Funds: The Conning-Goodwin Capital Core Plus Bond CIF invests mostly investment grade corporate bonds and agency MBS. The fund has an average maturity of 8.1 years and average duration of 6.3 years, as of March 31, 2021. This fund does not have a commitment period.

Equity Commingled Funds: Wellington Research Equity and Small Cap 2000 funds are invested in U.S. publicly traded stocks. Research Equity invests in large capitalization companies, while Small Cap 2000 invests in a broad swath of small capitalization companies. Rhumblin S&P 400 Pooled Index mirrors the S&P 400 Index, which are mid-capitalization U.S. publicly traded stocks. Lazard and Johnston are invested in international developed markets stocks. All the above have no commitment period.

Real Estate Funds: The Intercontinental U.S. REIF is an open-ended real estate fund that invests in mostly office and multifamily properties situated primarily in the Western and Eastern U.S., but also with representation in the South and Mid-West. Since the fund is open-ended, there is no commitment period. Cornerstone is a closed-end private REIT with a value-add strategy. Investments are in multi-family, Industrial, office, and retail. The fund maturity is in 2022 and is subject to two one-year extensions. FIA is a closed-end fund that invests in forestland in the Pacific Northwest, the South, and the East U.S. Income is produced through timber sales. This fund must be held to maturity, which could be 15-18 years.

Interest Rate Risk

The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. To the extent possible, the District attempts to match its investments with anticipated cash flow requirements.

Credit Risk - Investments

As indicated above, State Statutes limit the investment options of the District. The District has no investment policy that would limit its investment choices due to credit risk.

Concentration of Credit Risk

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

Custodial Credit Risk

Custodial credit risk for an investment is the risk that, in the event of the failure of the counterparty (the institution that pledges collateral or repurchase agreement securities to the District or that sells investments to or buys them for the District), the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At December 31, 2020, the District did not have any uninsured and unregistered securities held by the counterparty, or by its trust department or agent that were not in the District's name.

**THE METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS**

B. Receivables

Receivables as of year end for the District's individual major funds, nonmajor business-type activities, internal service fund and trust funds in the aggregate, including the applicable allowances for uncollectible amounts, are as follows:

	<u>General</u>	<u>Clean Water Project</u>	<u>Capital Projects Funds</u>	<u>Water Utility</u>	<u>Hydroelectric Development Project</u>	<u>Internal Service Fund</u>	<u>Trust Funds</u>	<u>Total</u>
Sewer use charges	\$ 13,986,859	\$ 13,156,357	\$ 12,456	\$ 529,316	\$	\$	\$	\$ 27,684,988
Customers and employees	4,581,402			20,069,274				24,650,676
Assessments			2,178,943	788,388				2,967,331
Accrued interest			490,820	201,680				692,500
Intergovernmental		6,978,177						6,978,177
Other	148,877	104,848	134,139		68,524	83,341	185,874	725,603
Gross receivables	<u>18,717,138</u>	<u>20,239,382</u>	<u>2,816,358</u>	<u>21,588,658</u>	<u>68,524</u>	<u>83,341</u>	<u>185,874</u>	<u>63,699,275</u>
Less allowance for uncollectibles	<u>12,589,400</u>	<u>2,006,900</u>	<u>295,539</u>	<u>2,770,800</u>				<u>17,662,639</u>
Net Total Receivables	<u>\$ 6,127,738</u>	<u>\$ 18,232,482</u>	<u>\$ 2,520,819</u>	<u>\$ 18,817,858</u>	<u>\$ 68,524</u>	<u>\$ 83,341</u>	<u>\$ 185,874</u>	<u>\$ 46,036,636</u>

C. Interfund Receivables, Payables and Transfers

During the course of operations, transactions are processed through one fund on behalf of another fund. The General Fund and Water Utility Fund provide working capital advances to/from other funds.

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	OPEB Trust Fund	\$ 57,270
Water Utility	OPEB Trust Fund	69,996

Interfund transfers are generally used to supplement revenues of other funds. Interfund transfers for the year ended December 31, 2020 were as follows:

	<u>Transfers In</u>				<u>Total Transfers Out</u>
	<u>Debt Service Fund</u>	<u>Capital Project Fund</u>	<u>Water Utility Fund</u>	<u>Aggregate Remaining Fund</u>	
Transfers out:					
General Fund	\$ 30,452,988	\$	\$	\$	\$ 30,452,988
Clean Water Fund	59,553,212		23,586,289		83,139,501
Water Utility Fund		1,782,395		6,537,627	8,320,022
Total Transfers In	<u>\$ 90,006,200</u>	<u>\$ 1,782,395</u>	<u>\$ 23,586,289</u>	<u>\$ 6,537,627</u>	<u>\$ 121,912,511</u>

**THE METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS**

D. Capital Assets

Capital asset activity for the year ended December 31, 2020 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 10,248,534	\$ 78,326	\$	\$ 10,326,860
Construction in progress	842,769,887	97,162,658	1,397,183	938,535,362
Total capital assets not being depreciated	<u>853,018,421</u>	<u>97,240,984</u>	<u>1,397,183</u>	<u>948,862,222</u>
Capital assets being depreciated:				
Buildings	501,203,154	3,597		501,206,751
Machinery and equipment	68,310,970	1,397,183	4,949,017	64,759,136
Infrastructure	876,776,770	1,637,773	13,516	878,401,027
Total capital assets being depreciated	<u>1,446,290,894</u>	<u>3,038,553</u>	<u>4,962,533</u>	<u>1,444,366,914</u>
Less accumulated depreciation for:				
Buildings	178,910,828	18,215,117		197,125,945
Machinery and equipment	25,251,781	4,643,900	4,938,044	24,957,637
Infrastructure	189,348,285	10,904,147	13,516	200,238,916
Total accumulated depreciation	<u>393,510,894</u>	<u>33,763,164</u>	<u>4,951,560</u>	<u>422,322,498</u>
Total capital assets being depreciated, net	<u>1,052,780,000</u>	<u>(30,724,611)</u>	<u>10,973</u>	<u>1,022,044,416</u>
Governmental Activities Capital Assets, Net	<u>\$ 1,905,798,421</u>	<u>\$ 66,516,373</u>	<u>\$ 1,408,156</u>	<u>\$ 1,970,906,638</u>
	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 10,181,885	\$	\$	\$ 10,181,885
Construction in progress	152,239,521	56,392,714	971,375	207,660,860
Total capital assets not being depreciated	<u>162,421,406</u>	<u>56,392,714</u>	<u>971,375</u>	<u>217,842,745</u>
Capital assets being depreciated:				
Buildings	165,243,637		2,467,361	162,776,276
Machinery and equipment	39,826,459	971,375	5,061,704	35,736,130
Infrastructure	455,542,913	2,385,638	788,711	457,139,840
Total capital assets being depreciated	<u>660,613,009</u>	<u>3,357,013</u>	<u>8,317,776</u>	<u>655,652,246</u>
Less accumulated depreciation for:				
Buildings	62,290,890	4,036,132	862,975	65,464,047
Machinery and equipment	18,802,643	2,750,060	5,050,186	16,502,517
Infrastructure	133,743,943	9,285,247	402,615	142,626,575
Total accumulated depreciation	<u>214,837,476</u>	<u>16,071,439</u>	<u>6,315,776</u>	<u>224,593,139</u>
Total capital assets being depreciated, net	<u>445,775,533</u>	<u>(12,714,426)</u>	<u>2,002,000</u>	<u>431,059,107</u>
Business-Type Activities Capital Assets, Net	<u>\$ 608,196,939</u>	<u>\$ 43,678,288</u>	<u>\$ 2,973,375</u>	<u>\$ 648,901,852</u>

**THE METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS**

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

Governmental activities:	
General government	\$ 1,753,666
Operations	11,522,937
Plant and maintenance	<u>20,486,561</u>
 Total Depreciation Expense - Governmental Activities	 \$ <u><u>33,763,164</u></u>
 Business-type activities:	
Water	\$ 15,910,518
Hydroelectricity	<u>160,921</u>
 Total Depreciation Expense - Business-Type Activities	 \$ <u><u>16,071,439</u></u>

Construction Commitments

The District has active construction projects as of December 31, 2020. At year end, the District's commitments with contractors for governmental activities are as follows:

<u>Project Name</u>	<u>Remaining Commitment</u>
2011 WPC Electronic Dvlpmt	\$ 85,158
2014 General Purpose Sewer	256,723
2014 Various Sewer Pipe RR	491,185
2015 General Purpose Sewer	234,700
2015 HWPCF DAFT 1&2 (SPB)	2,258,388
2016 Sewer Rehab Program	555,005
2016 WPC Electrical Upgrade	466,405
2017 WPC Equip & Facil Imp	276,449
2018 General Purpose Sewer	3,007,429
2018 Sewer Rehab Program	1,315,514
2018 WPC Infrastruct Rehab	1,024,607
2018-Variou Sewer Pipe Replmt/Rehab	1,209,256
2019 Oakwood Ave Phase 1	3,323,452
2019 WPC Infrastruct	853,538
2020-Variou Sewer Pipe Replcmt/Rehab	1,720,685
EHWPCF Cmprssr,DO,SCADA	958,612
HWPCF DAFT	5,571,499
Sanita Sewer Rebab Program	1,652,872
Various Sewer Pipe Replacement/Rehabilit	262,972
WPCF Infrast, Rehab, Upgr & Replacements	110,464
Multiple projects < \$75K	441,031
2012 RH Interceptor	72,344
2015 SHCST Construct	91,076,636
2015 WWEP #2012-21	<u>144,379</u>
 Total	 \$ <u><u>117,369,303</u></u>

**THE METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS**

The District's commitments with contractors for construction in process for business-type activities are as follows:

<u>Project Name</u>	<u>Remaining Commitment</u>
2012 Gen Purp Water	\$ 197,702
2014 WTF Upgrades	258,970
2015 Water Supply Improvem	204,470
2018 Buckingham St WM Repl	2,195,026
2018 Madison Ave WM Replac	616,919
2018 WM Replacement Prog	92,169
2019 Bloomfield TM Ext 2	362,068
2019 Oakwood Ave WMR 1&2	793,947
2019 Water Main Replac Prg	2,179,115
Church St and Nott St WMR 2019B-02	1,829,595
District Wide WM Replacement Prgm	2,570,095
Farmington Ave/WH Center WM Replace	3,884,524
Long Hill Rd WM	195,676
Saybrooke and Bonner St 2018B-17	3,386,289
Wat Facil Improvements	82,953
Webster Hill Area WM Replace WH	6,337,832
WTF Infra Rehab & Upgrades	427,932
Multiple Projects < \$75K	<u>221,843</u>
Total	<u>\$ 25,837,125</u>

The commitments are being financed with general obligation bonds and state and federal grants.

E. Short-Term Debt

On December 1, 2020, the District issued bond anticipation notes totaling \$93,185,000. The notes mature on September 1, 2021 and have an interest rate of 3%. The proceeds of the Notes will be used to provide funding for various sewer, water and public improvement projects of the District.

F. Operating Leases

Total operating lease payments for office equipment totaled \$127,005 for the year ended December 31, 2020. Future operating lease commitments are as follows:

	<u>Amount</u>
2021	\$ 201,810
2022	158,983
2023	99,299
2024	45,655
2025	10,069
2026	<u>1,678</u>
Total	<u>\$ 517,494</u>

**THE METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS**

G. Long-Term Debt

Changes in Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2020 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities:					
General obligation bonds	\$ 321,971,912	\$	\$ 20,930,930	\$ 301,040,982	\$ 20,176,780
Revenue bonds	197,740,000	131,075,000	76,465,000	252,350,000	8,520,000
Premiums	61,527,071	15,448,049	8,595,580	68,379,540	
Total bonds payable	<u>581,238,983</u>	<u>146,523,049</u>	<u>105,991,510</u>	<u>621,770,522</u>	<u>28,696,780</u>
Clean water fund loans	527,219,298	30,267,733	81,095,585	476,391,446	80,667,346
Compensated absences	3,468,109	1,851,691	2,462,208	2,857,592	2,738,549
Net pension liability	24,555,192		274,293	24,280,899	
Net OPEB Liability	<u>156,943,458</u>		<u>83,596,887</u>	<u>73,346,571</u>	
Total Governmental Activities Long-Term Liabilities	<u>\$ 1,293,425,040</u>	<u>\$ 178,642,473</u>	<u>\$ 273,420,483</u>	<u>\$ 1,198,647,030</u>	<u>\$ 112,102,675</u>
Business-Type Activities:					
General obligation bonds	\$ 263,903,089	\$	\$ 17,544,070	\$ 246,359,019	\$ 17,293,220
Premiums	30,738,850		2,051,431	28,687,419	
Total bonds payable	<u>294,641,939</u>	-	19,595,501	275,046,438	17,293,220
Drinking water fund loans	51,989,586	1,452,294	3,580,280	49,861,600	4,743,893
Compensated absences	3,339,340	3,236,956	2,983,855	3,592,441	2,720,402
Claims and judgments	6,358,539	18,074,522	18,149,250	6,283,811	835,058
Settlement liability	7,900,000		2,085,753	5,814,247	5,814,247
Net pension liability	33,560,708		484,395	33,076,313	
Net OPEB Liability	<u>214,501,826</u>		<u>114,586,493</u>	<u>99,915,333</u>	
Total Business-Type Activities Long-Term Liabilities	<u>\$ 612,291,938</u>	<u>\$ 22,763,772</u>	<u>\$ 161,465,527</u>	<u>\$ 473,590,183</u>	<u>\$ 31,406,820</u>

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

General Obligation Bonds

General obligation bonds are direct obligations of the District for which full faith and credit are pledged and are payable from taxes levied on member towns and other operating revenues. General obligation bonds currently outstanding are as follows:

<u>Purpose</u>	<u>Interest Rates</u>	<u>Amount</u>
Governmental activities	Various	\$ 301,040,982
Business-type activities	Various	<u>246,359,019</u>
		<u>\$ 547,400,001</u>

**THE METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS**

Annual debt service requirements to maturity for general obligation bonds are as follows:

	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2021	\$ 20,176,780	\$ 12,954,174	\$ 17,293,220	\$ 10,425,900
2022	20,252,793	11,966,434	17,337,208	9,573,143
2023	19,273,166	11,020,423	17,086,834	8,734,626
2024	19,091,978	10,132,153	17,068,022	7,923,177
2025	19,697,201	9,314,484	17,342,799	7,171,240
2026-2030	96,180,121	33,852,915	81,664,879	25,065,583
2031-2035	77,846,172	14,638,481	62,943,828	10,078,658
2035-2040	28,522,771	2,820,283	15,622,229	1,339,592
Total	\$ <u>301,040,982</u>	\$ <u>106,699,347</u>	\$ <u>246,359,019</u>	\$ <u>80,311,919</u>

Authorized but Unissued Bonds

The total of authorized but unissued bonds at December 31, 2020 is \$762,104,407. In most cases, interim financing is obtained through bond anticipation notes or other short-term borrowings until the issuance of long-term debt.

Unspent Bond Proceeds

As of December 31, 2020, the District reported unspent bond proceeds of \$18,863,627 and \$8,745,112 in governmental and business-type activities, respectively. These amounts were included as a component of net investment in capital assets in the statement of net position.

Revenue Bonds

Revenue bonds are special obligations of the District and are issued pursuant to the District's Charter and Chapter 103 of the Connecticut General Statutes as amended, the Special Obligation Indenture of Trust by and between the District and U.S. Bank National Association (the Trustee) for the purpose of providing funds for the Clean Water Project. The revenue bonds are secured by a pledge of and payable from the Trust Estate which includes pledged revenues, which are special revenues to be received by the District from a Special Sewer Service Surcharge (a.k.a. Clean Water Project Charge), together with the revenues or other receipts, funds or moneys held in or set aside in the Trust Estate. The revenue bonds are not a general obligation of the District. Revenue bonds currently outstanding are as follows:

Purpose	Interest Rates	Amount
Governmental Activities	Various	\$ <u>252,350,000</u>

**THE METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS**

Annual debt service requirements to maturity for revenue bonds are as follows:

	Governmental Activities	
	Principal	Interest
2021	\$ 8,520,000	\$ 10,396,652
2022	8,685,000	10,099,889
2023	6,305,000	9,764,166
2024	6,495,000	9,448,916
2025	6,700,000	9,124,166
2026-2030	51,130,000	39,649,253
2031-2035	70,050,000	27,334,111
2036-2040	72,375,000	13,359,209
2041-2045	<u>22,090,000</u>	<u>2,043,250</u>
Total	<u>\$ 252,350,000</u>	<u>\$ 131,219,612</u>

Clean and Drinking Water Fund Loans

The District participates in the State of Connecticut's Clean and Drinking Water programs, which provide low-interest loans bearing 2% interest for eligible waste water and 2% interest for eligible drinking water projects. Projects are financed by interim loan obligations until project completion, at which time interim loan obligations are replaced by permanent loan obligations. In the case of certain large projects, permanent loan obligations may be issued annually.

Clean Water Fund loans finance the sewer infrastructure and facility improvements (governmental activities) and will be repaid from future taxation, special sewer service surcharge and user fees.

Drinking Water Fund loans finance the water infrastructure and facility improvements (business-type activities) and will be financed by user charges.

Permanent loan obligations mature as follows:

	Governmental Activities	
	Principal	Interest
2021	\$ 28,809,548	\$ 8,116,288
2022	28,197,406	7,545,269
2023	28,039,267	6,983,210
2024	27,922,467	6,423,009
2025	27,839,038	5,865,811
2026-2030	134,433,295	21,089,738
2031-2035	106,991,839	8,816,097
2036-2040	<u>36,785,927</u>	<u>945,641</u>
	<u>\$ 419,018,787</u>	<u>\$ 65,785,063</u>

**THE METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS**

	Business-Type Activities	
	Principal	Interest
2021	\$ 3,409,584	\$ 939,595
2022	3,388,034	871,652
2023	3,339,207	804,037
2024	3,270,847	738,233
2025	3,270,847	672,908
2026-2030	16,294,708	2,384,819
2031-2035	13,542,926	824,388
2036-2040	<u>2,011,138</u>	<u>52,887</u>
	<u>\$ 48,527,291</u>	<u>\$ 7,288,519</u>

Interim loan obligations mature and convert to permanent loan obligations as follows:

	Governmental Activities	
	Principal	Interest
2021	\$ 51,857,798	\$ 825,698
2022		
2023		
2024	<u>5,514,861</u>	<u>16,907</u>
	<u>\$ 57,372,659</u>	<u>\$ 842,605</u>

	Business-Type Activities	
	Principal	Interest
2021	<u>\$ 1,334,309</u>	<u>\$ 993</u>
	<u>\$ 1,334,309</u>	<u>\$ 993</u>

The State may terminate the obligation to make the Project Loan, with 60 days written notice, if the State determines that such termination is in the best interest of the State and the Municipality fails to perform its obligations under the agreement. After giving notice, the State has discretion not to terminate the Project Loan if the Municipality performs its obligations to the satisfaction of the State.

Revenue Bonds - New Issuances and Current Refunding

On August 25, 2020, the District issued \$131,075,000 of bonds; consisting of \$55,010,000 in Clean Water Project Revenue Bonds, 2020 Series A with a True Interest Cost (TIC) of 1.67% and \$76,065,000 in Clean Water Project Refunding Revenue Bonds, 2020 Series B (Federally Taxable) with a True Interest Cost (TIC) of 2.34%.

**THE METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS**

The bonds refunded \$70,575,000 of outstanding principal of the Clean Water Project Revenue Bonds, 2013 Series A. The average coupon of the refunded bonds was 4.622%. The net proceeds of \$77,161,715 (after payment of Underwriter's Discount of \$332,452) was deposited with the Trustee; \$76,935,985 was deposited in an escrow account, which was used to make the April 1, 2021 principal and interest payment due and will be used on April 1, 2022 to make the April 1, 2022 principal and interest payment due and to fully redeem the remaining maturities of the Clean Water Project Revenue Bonds, 2013 Series A and \$225,730 was used for cost of issuance. The transaction generated a cash flow savings of \$15,920,529 and a net present value savings of \$14,859,807.

Subsequent to the bond issuance, the District used the \$55,010,000 to refund three Project Loan Obligations (CWF-652D, CWF 639-C, and CWF 633-C) issued through the State of Connecticut's Clean Water Fund, with an outstanding principal amount of \$49,825,431. Those Project Loan Obligations had an interest rate of 2%. \$49,825,431 was deposited in an escrow account which was used on August 26, 2020 to fully redeem the three Project Loan Obligations (CWF-652D, CWF 639-C, and CWF 633-C); \$321,054 was deposited to pay cost of issuance. The transaction generated a cash flow savings of \$2,878,192 and a net present value savings of \$2,814,248.

Debt Limitation

The District's debt indebtedness does not exceed the debt limitations required by its Charter as reflected in the following schedule:

<u>Debt Limit</u>	<u>Net Indebtedness</u>	<u>Balance</u>
\$ 1,317,246,191	\$ 897,446,518	\$ 419,799,673

H. Fund Balance

The components of fund balance for the governmental funds at December 31, 2020 are as follows:

	<u>General Fund</u>	<u>Debt Service</u>	<u>Clean Water Project</u>	<u>Capital Projects</u>	<u>Total</u>
Fund balances:					
Nonspendable:					
Prepays	\$ 686,634	\$	\$	\$	\$ 686,634
Supplies	3,028,814				3,028,814
Restricted for:					
Debt service		2,744,874			2,744,874
Committed to:					
Debt service			75,165,949		75,165,949
Unassigned	<u>31,870,227</u>			<u>(31,175,587)</u>	<u>694,640</u>
Total Fund Balances	<u>\$ 35,585,675</u>	<u>\$ 2,744,874</u>	<u>\$ 75,165,949</u>	<u>\$ (31,175,587)</u>	<u>\$ 82,320,911</u>

There were no outstanding encumbrances at December 31, 2020.

**THE METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS**

4. EMPLOYEE RETIREMENT PLAN

A. Plan Description and Benefits Provided

The District has an employee retirement system with a pension plan that was adopted January 1, 1944 and amended January 1, 1997. The Aetna Insurance Company is the administrator of the Metropolitan District Employees' Retirement System (MDERS), which is a defined benefit, single employer retirement system. The MDERS provides retirement, disability and death benefits to plan members and beneficiaries.

Management of the plan rests with the Personnel, Pension and Insurance Committee (PPI), which consists of 11 members.

The pension plan is included in the District's financial reporting entity and accounted for in the pension trust fund. The MDERS does not issue a stand-alone financial report.

At January 1, 2020, membership consisted of:

Retirees, disabled and beneficiaries currently receiving benefits	620
Terminated members entitled to but not yet receiving benefits	38
Current active members	<u>468</u>
Total Members	<u><u>1,126</u></u>

Participation in the plan is immediate upon employment for all full-time employees. Vesting in benefits occurs after ten years of service. Termination of employment before that time results in forfeiture of the District's portion of the accrued benefit.

The District's Personnel, Pension and Insurance Committee, as provided by the District's general ordinances, establishes the benefit provisions and the employer's and employees' obligations. Any bargaining or nonbargaining unit employee who becomes totally and permanently disabled and has completed 10 years of service will receive 100% of the pension that the employee would have been entitled to. Annual pension payments are determined at 2% times years of service times final average earnings subject to a maximum of 32 years.

B. Summary of Significant Accounting Policies and Plan Asset Matters

Basis of Accounting

The Pension Trust Fund's financial statements are prepared on the accrual basis of accounting. Employee and employer contributions are recognized as revenues in the period in which employee services are performed. Benefits and refunds are recognized when due and payable in accordance with plan provisions. Administrative costs of the plan are financed through investment earnings.

Valuation of Investments

Investments are valued at fair value. Securities traded on national exchanges are valued at the last reported sales price.

**THE METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS**

C. Funding Policy

Employees hired prior to October 4, 2015 are required to contribute 5% of their annual covered salary, employees hired between October 4, 2015 and June 5, 2018 are required to contribute 7% of their annual covered salary, and employees hired after June 5, 2018 are required to contribute 7.5% of their annual covered salary.

D. Investments

Investment Policy

The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the Personnel, Pension and Insurance Committee by a majority vote of its members. It is the policy of the Personnel, Pension and Insurance 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 pension plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short-time spans. The following was the Board's adopted asset allocation policy as of December 31, 2020:

<u>Asset Class</u>	<u>Target Allocation</u>
Core Fixed Income	15.00%
Global Funds	12.50%
Large Cap U.S. Equities	30.00%
Mid Cap U.S. Equities	10.00%
Small Cap U.S. Equities	10.00%
Developed Foreign Equities	10.00%
Real Estate (REITS)	6.00%
Private Real Estate Property	1.50%
Commodities	5.00%

Rate of Return

For the year ended December 31, 2020, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 15.43%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

E. Net Pension Liability of the District

The components of the net pension liability of the District at December 31, 2020 were as follows:

Total pension liability	\$ 310,703,505
Plan fiduciary net position	<u>253,346,293</u>
Net Pension Liability	<u>\$ 57,357,212</u>
Plan fiduciary net position as a percentage of the total pension liability	81.54%

**THE METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS**

The net pension liability is recorded in the Water Utility Fund (Proprietary Fund), and the Governmental Activities of the District.

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of January 1, 2020, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Salary increases	3.50%, average, including inflation
Investment rate of return	6.875%, net of pension plan investment expense, including inflation
Mortality rates	Pub-2010 Mortality (using a 75%/25% blend of Public Safety and General rates) with generational projection per MP-2019 Ultimate Scale
Actuarial cost method	Entry Age Normal

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of December 31, 2020 (see the discussion of the pension plan's investment policy) are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Rate of Return</u>
Core Fixed Income	1.85%
Global Funds	0.75%
Large Cap U.S. Equities	4.35%
Mid Cap U.S. Equities	5.68%
Small Cap U.S. Equities	4.73%
Developed Foreign Equities	5.97%
Real Estate (REITS)	4.98%
Private Real Estate Property	3.85%
Commodities	4.01%

Discount Rate

The discount rate used to measure the total pension liability was 6.875%. 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 the District contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The discount rate at December 31, 2020 decreased 0.125% to 6.875% from 7.00% at December 31, 2019.

**THE METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS**

Changes in the Net Pension Liability

Metropolitan District Employees' Retirement System			
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances as of January 1, 2020	\$ 284,902,241	\$ 226,786,341	\$ 58,115,900
Changes for the year:			
Service cost	4,679,208		4,679,208
Interest on total pension liability	19,624,655		19,624,655
Changes of benefit terms	21,260		21,260
Differences between expected and actual experience	1,826,376		1,826,376
Changes in assumptions	18,425,798		18,425,798
Employer contributions		8,650,763	(8,650,763)
Member contributions		2,385,458	(2,385,458)
Net investment gain (loss)		34,378,938	(34,378,938)
Benefit payments, including refund of employee contributions	(18,776,033)	(18,776,033)	-
Administrative expenses		(79,174)	79,174
Net changes	<u>25,801,264</u>	<u>26,559,952</u>	<u>(758,688)</u>
Balances as of December 31, 2020	\$ <u>310,703,505</u>	\$ <u>253,346,293</u>	\$ <u>57,357,212</u>

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

The following presents the net pension liability of the District, calculated using the discount rate of 6.875%, as well as what the District's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1% Decrease (5.875%)	Current Discount Rate (6.875%)	1% Increase (7.875%)
District's Net Pension Liability \$	92,413,471	\$ 57,357,212	\$ 27,207,651

**THE METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS**

Pension Expense and Deferred Outflows of Resource and Deferred Inflows of Resource Related to Pensions

For the year ended December 31, 2020, the District recognized pension expense of \$9,220,274, which is recorded within the Water Utility Fund and the Governmental Activities of the District in the amounts of \$5,317,076 and \$3,903,198, respectively. At December 31, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Metropolitan District Employees' Retirement System	
	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	\$ 156,950	\$ 6,602,744
Changes of assumptions		18,920,552
Net difference between projected and actual earnings on pension plan investments	<u>20,344,725</u>	
Total	<u>\$ 20,501,675</u>	<u>\$ 25,523,296</u>

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

Year Ending December 31,	
2021	\$ 1,851,495
2022	4,524,531
2023	(1,650,253)
2024	<u>295,848</u>
	<u>\$ 5,021,621</u>

F. 457(b) and 457(f) Deferred Compensation Plan

The District offers a 457 (b) Deferred Compensation Plan to its employees as a voluntary savings plan, with no employer match. Participants decide how much to invest and the District deducts payments on their behalf and sends them directly to MassMutual who acts as the Record Keeper & Administrator. District employees currently have in excess of \$60 million in assets which grow on a tax-deferred basis. MassMutual was recently acquired by Empower. Participants can diversify their investments in more than 12 investment vehicles across a range of investment alternatives. Retirement Plan Advisors (RPA) of Chicago Illinois serves as a 3(21) fiduciary investment advisor on the Plan.

The District also has a Non-Voluntary 457 (f) Deferred Compensation Plan for the purpose of complying with certain limitations of the IRS Code of 1986. The purpose of the Plan is to provide certain senior District employees with retirement benefits that they are unable to receive under the employers qualified defined pension plan due to limitations of the Internal Revenue Code. As of December 31, 2020, there were two employees eligible to participate in the Plan. The Plan is unfunded; the District pays any benefits due in a given year under the terms of the Plan directly from District operating funds.

**THE METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS**

G. Combining Statement of Net Position

	<u>Pension Trust Fund</u>	<u>OPEB Trust Fund</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents	\$ 588,432	\$ 9,105,814	\$ 9,694,246
Accounts receivable	43,602	142,272	185,874
Investments, at fair value:			
Mutual funds	25,700,261		25,700,261
Guaranteed investment contracts	25,623,113		25,623,113
Land	3,705,913		3,705,913
Commingled collective trusts	179,076,798		179,076,798
Real estate	<u>18,608,174</u>		<u>18,608,174</u>
Total assets	<u>253,346,293</u>	<u>9,248,086</u>	<u>262,594,379</u>
LIABILITIES			
Due to other funds		127,266	127,266
Retiree expense reimbursement payable		<u>2,667</u>	<u>2,667</u>
Total liabilities	<u>-</u>	<u>129,933</u>	<u>129,933</u>
NET POSITION			
Restricted for Pension and OPEB Benefits	<u>\$ 253,346,293</u>	<u>\$ 9,118,153</u>	<u>\$ 262,464,446</u>

**THE METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS**

H. Combining Statement of Revenue, Expenses and Changes in Net Position

	<u>Pension Trust Fund</u>	<u>OPEB Trust Fund</u>	<u>Total</u>
Additions:			
Contributions:			
Employer	\$ 8,650,763	\$ 10,349,000	\$ 18,999,763
Plan members	2,385,458	1,477,112	3,862,570
Total contributions	<u>11,036,221</u>	<u>11,826,112</u>	<u>22,862,333</u>
Investment earnings:			
Net change in fair value of investments	32,713,513		32,713,513
Interest and dividends	2,613,761	3,198	2,616,959
Total investment earnings (loss)	<u>35,327,274</u>	<u>3,198</u>	<u>35,330,472</u>
Less investment expenses:			
Investment management fees	948,336	667	949,003
Net investment earnings (loss)	<u>34,378,938</u>	<u>2,531</u>	<u>34,381,469</u>
Total additions (reductions)	<u>45,415,159</u>	<u>11,828,643</u>	<u>57,243,802</u>
Deductions:			
Benefits	18,776,033	6,244,093	25,020,126
Administrative expense	79,174		79,174
Total deductions	<u>18,855,207</u>	<u>6,244,093</u>	<u>25,099,300</u>
Change in Net Position	26,559,952	5,584,550	32,144,502
Net Position at Beginning of Year	<u>226,786,341</u>	<u>3,533,603</u>	<u>230,319,944</u>
Net Position at End of Year	<u>\$ 253,346,293</u>	<u>\$ 9,118,153</u>	<u>\$ 262,464,446</u>

5. POSTEMPLOYMENT HEALTHCARE PLAN - RETIREE HEALTH PLAN

Plan Description

The Retiree Health Plan (RHP) is a single-employer defined benefit healthcare plan and provides medical, dental and life insurance benefits to eligible retirees and their spouses. Spouses and eligible dependents are covered on medical and dental insurance only if the retiree declares at least a 90% pension annuity. District employees eligible to participate in the plan are as follows: 65 years old or 55 years old with 10 years of service or the sum of age and service is 85. Benefit provisions are established through negotiations between the District and the various unions representing the employees.

Management of the postemployment benefits plan rests with the Personnel, Pension and Insurance Committee (PPI), which consists of 11 members.

Expenses for postemployment benefits were paid out of the OPEB trust fund during the fiscal year ended December 31, 2020. The plan does not issue a stand-alone financial report.

**THE METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS**

At January 1, 2020, plan membership consisted of the following:

	Retiree Health Plan
Retired members	488
Spouses of retired members	336
Active plan members	467
Beneficiaries	165
Total Participants	<u>1,456</u>

Funding Policy

The Retirement Plan is funded from various sources, including

- (a) employee mandatory contribution (employees hired before June 5, 2018 contribute 5% of regular compensation and new employees hired after June 5, 2018 contribute 7.5% of regular compensation);
- (b) Actuarially determined employer contribution as based upon different presumptions (ranged from \$5 million to \$6 million per annum);
- (c) Investment returns from discretionary funds including equity, lumber and real estate assets;
- (d) Interest paid by Aetna for use of monies in financial and insurance business

As of January 1, 2019, all employees also contribute 1.0% of regular compensation into an OPEB (Other Post-Retirement Benefits) fund. This fund is typically depleted by the end of the calendar year and is used to support medical costs. Since the early 1990's, the District has embraced "self-insurance."

Prior to June 5, 2018, the District also offered post-retirement life insurance to new bargaining unit retirees. The coverage was partially funded by retiree monthly contributions and primarily by the District. Since 2015, the non-Unionized group was not provided any post-retirement life insurance.

For bargaining unit retirees after June 5, 2018, the District has agreements to "buy-out" the base amount (\$5,000) and the new retiree has the option of continuing any optional life insurance but at the full group rate annually adjusted. The buy-out of the base coverage is supported by operating funds.

Finally, the District has reimbursed the cost of Medicare Part B through the retiree's monthly pension distribution. Effective for new employees hired after June 5, 2018, the District will not reimburse this cost when the new employee ultimately retires. The reimbursement cost is covered through operating funds.

Basis of Accounting

The OPEB Trust Fund's financial statements are prepared on the accrual basis of accounting. Employees and employer contributions are recognized in the period in which employee services are performed. Benefits and refunds are recognized when due and payable in accordance with plan provisions. Administrative costs of the plan are expensed. Investments are reported at fair value.

**THE METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS**

Investments

Investment Policy

The OPEB investment policy is the responsibility of the Personnel, Pension and Insurance Committee (PPI). It is expected that as the Trust becomes funded PP&I will adopt an investment policy. The investment strategy is based upon the liquidity needs of the plan and thereby determines the distinct asset classes to be invested therein. The investment strategy reduces risk through prudent selection of investments and diversification of the portfolio, which can be changed over time based upon forecasted liquidity needs.

Rate of Return

For the year ended December 31, 2020, the annual money-weighted rate of return on investments, net of investment expense, was 0.08%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net OPEB Liability of the District

The District's net OPEB liability was measured as of December 31, 2020. The components of the net OPEB liability of the District at December 31, 2020 were as follows:

Total OPEB liability	\$	182,380,057
Plan fiduciary net position		<u>9,118,153</u>
Net OPEB Liability	\$	<u>173,261,904</u>
Plan fiduciary net position as a percentage of the total OPEB liability		5.00%

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of December 31, 2020, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.75%
Salary increases	3.50%, including inflation
Investment rate of return	6.875%, net of OPEB plan investment expense
Healthcare cost trend rates	6.50% (6.30% for Post-65) - 4.30% over 53 years

The plan has not had a formal actuarial experience study performed.

**THE METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS**

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset as of December 31, 2020 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Rate of Return</u>
Core Fixed Income	20%	1.85%
Large Cap U.S. Equities	80%	4.35%

Discount Rate

The discount rate used to measure the total OPEB liability was 6.875%. The projection of cash flows used to determine the discount rate assumed that District 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.

The discount rate at December 31, 2020 increased 4.135% to 6.875% from 2.74% at December 31, 2019.

Changes in Net OPEB Liability

<u>Metropolitan District Employees' Retirement System</u>			
	<u>Increase (Decrease)</u>		
	<u>Total OPEB Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net OPEB Liability</u>
	<u>(a)</u>	<u>(b)</u>	<u>(a)-(b)</u>
Balances as of January 1, 2020	\$ 374,978,887	\$ 3,533,603	\$ 371,445,284
Changes for the year:			
Service cost	8,810,535		8,810,535
Interest on total OPEB liability	10,444,711		10,444,711
Changes of benefit terms	(41,393)		(41,393)
Differences between expected and actual experience	(72,440,991)		(72,440,991)
Changes in assumptions	(134,145,298)		(134,145,298)
Employer contributions		10,349,000	(10,349,000)
Member contributions		1,477,112	(1,477,112)
Net investment gain (loss)		2,531	(2,531)
Benefit payments, including refund of employee contributions	(5,226,394)	(6,244,093)	1,017,699
Administrative expenses			-
Net changes	<u>(192,598,830)</u>	<u>5,584,550</u>	<u>(198,183,380)</u>
Balances as of December 31, 2020	\$ <u>182,380,057</u>	\$ <u>9,118,153</u>	\$ <u>173,261,904</u>

**THE METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS**

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

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

	1% Decrease (5.875%)	Current Discount Rate (6.875%)	1% Increase (7.875%)
Net OPEB liability	\$ 196,351,189	\$ 173,261,904	\$ 154,223,053

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

The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rates of 6.50% (6.30% for Post-65) - 4.30% over 53 years:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Net OPEB liability	\$ 149,925,623	\$ 173,261,904	\$ 202,110,398

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

For the year ended December 31, 2020, the District recognized OPEB revenue of \$14,864,256, which is recorded within the Water Utility Fund and the Governmental Activities of the District in the amounts of \$8,571,804 and \$6,292,452, respectively. At December 31, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Metropolitan District Employees' Retirement System	
	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	\$ 57,952,793	\$ 5,658,787
Changes of assumptions	128,675,991	40,934,382
Net difference between projected and actual earning on OPEB plan investments		225,196
Total	<u>\$ 186,628,784</u>	<u>\$ 46,818,365</u>

**THE METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS**

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

<u>Year Ending December 31,</u>	
2021	\$ (33,366,807)
2022	(33,366,804)
2023	(31,809,421)
2024	<u>(41,267,387)</u>
	\$ <u><u>(139,810,419)</u></u>

6. OTHER INFORMATION

A. Clean Water Project

The Clean Water Project addresses approximately one billion gallons of combined wastewater and storm water currently released each year to area waterways prior to execution of the Clean Water Project. The project is in response to an Environmental Protection Agency (“EPA”) Sanitary Sewer Overflows (“SSO”) federal consent decree and a Connecticut DEEP Combined Sewer Overflows (“CSO”) consent order to achieve Federal Clean Water Act goals. The project is set forth in a Long-Term Control Plan (the “LTCP”), which is periodically revised and is subject to approval by DEEP. The District’s goal is to achieve compliance through efficient improvements to its system, maximizing funding of the project with State and Federal grants and the use of State and Federal low-cost loans, with the remainder funded with issuance of its own bonds. Project financing is expected to be repaid with the Clean Water Project Charge added to the water bills of customers in Member Municipalities who have sewage and water services from the District.

Evolution of the Clean Water Project

As originally conceived in 2005, and as set forth in the initial LTCP, the Clean Water Project was estimated to cost approximately \$2.1 billion, and assumed to be completed in 2021, based on assumptions about, among other things, the design as originally conceived and the pace of design and construction and regulatory review and approval. The original concept relied on sewer separation projects, control of inflow and infiltration, and capacity increases and other improvements to the District’s treatment plants.

An updated LTCP was submitted to DEEP in 2012 and revised through December 2014. The revised plan de-emphasized sewer separation projects, which proved expensive in downtown areas, and added a large storage and conveyance tunnel in south Hartford (the “South Tunnel”). It also featured a large storage and conveyance tunnel to the northern part of Hartford (the “North Tunnel”) and connecting to the South Tunnel which was intended to both capture overflows in the northern and central part of Hartford and also to eliminate overflows into the North Branch of the Park River. This resubmittal as approved in 2015 set out a completion of the project by 2029.

**THE METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS**

The LTCP was most recently revised and resubmitted to Connecticut DEEP in December 2018 and was resubmitted with revisions in May 2020. The resubmitted LTCP introduces the concept of an “Integrated Plan”, which recognizes the District’s ongoing capital improvement and maintenance program and also furthers compliance with the governmental orders, with remedies such as replacing aged and damaged pipe and other system components, coupled with cleaning and other maintenance and rehabilitation activities, thereby increasing pipe capacity to reduce overflows. The concept and guidelines for Integrated Planning were introduced and accepted by EPA in 2012 for communities dealing with CSO compliance issues while maintaining existing aging infrastructure in an affordable manner. Managing this program balances new capital expenditures with maintenance expenditures, with priorities addressed to reduce, insofar as practical, costly emergency repairs of sewer collapses and other problems. The resubmitted LTCP retains the South Tunnel which is in construction, and related improvements, which are well underway, but replaces the North Tunnel concept with a shortened downtown area tunnel and capacity improvements in the northern part of Hartford. The compliance efforts are integrated with the ongoing capital maintenance and rehabilitation program and span a 40-year term. It contemplates a compliance effort over a longer term, combines the Clean Water Project with other capital improvements that had not been considered part of the project, and continues to finance the combined effort with the Clean Water Project Charge, all with a view to achieving compliance with the governmental orders efficiently and within the context of the District’s other capital improvements while implementing a more affordable economic model for the rate payers.

The resubmitted LTCP sets out several compliance options, which incorporate timing and sequencing alternatives. The option preferred by the District would achieve incremental improvements in the coming years and full compliance in 2058. Other options would achieve compliance earlier, but have overlapping elements. The District has deferred designing specific elements of the compliance options until the LTCP is approved, while work continues on the South Tunnel. The District remains committed to working with DEEP, but cannot predict when the resubmitted LTCP will be approved, or its final content.

Cost Estimates

Because the resubmitted LTCP incorporates an Integrated Plan, the nature of the Clean Water Project and its overall cost is not directly comparable to the LTCP as currently approved. Current estimates to complete the LTCP are that the Clean Water Project Charge would remain flat for the next several years and then increase to approximately \$7.40 per hundred cubic feet (ccf) and remain at least at that level for a considerable period as the ongoing capital maintenance and rehabilitation program continues. The District Board sets the Clean Water Project Charge without the need for other approvals. The primary reasons for the increase in the Clean Water Project Charge are due to inflation of costs to complete the LTCP on a longer schedule and the inclusion of asset management projects, such as sewer lining, which previously were contemplated to be paid for through ad valorem taxes. As a result, the future increases to ad valorem taxes will be mitigated while the estimated total cost to the rate payers for both the Clean Water Project Charge and ad valorem taxes remain about the same on average. This assumes a continued level of Federal and State support in the form of grants and low-cost loans consistent with the support provided to date. Other options would increase the surcharge, particularly those options that accelerate work or change the sequencing, as would a change in the level of Federal and State funding support. The District remains mindful of maintaining an overall level of affordability for rate payers of the District, and in particular the residents of Hartford, which may lead to future adjustment in the nature of the Clean Water Project and its cost and financing. No assurance can be given as to the final cost of the Clean Water Project or the precise composition of its funding.

**THE METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS**

Referendum Requirements

Generally speaking, appropriations for the cost of large projects must be approved by referendum vote of the electors of the Member Municipalities. Effective October 1, 2015, Public Act No.15-114 excludes from the referendum requirement appropriations funded by Federal or State grants. An \$800 million appropriation for the Clean Water Project was approved at referendum on November 7, 2006. An appropriation for an additional \$800 million for the Clean Water Project was approved at referendum on November 6, 2012. An appropriation of \$140 million for a grant, not requiring a referendum, was approved by the District Board on October 5, 2016. Another appropriation of \$18.8 million for a grant not requiring a referendum was approved by the District Board on September 2, 2020. The District expects to appropriate further funds for the Clean Water Project without a referendum for portions paid for by State grants.

The District expects that the treatment plant work and the South Tunnel and related improvements will be completed within existing appropriations, assuming the ongoing South Tunnel work proceeds within contemplated cost estimates and that expected grants are received. Some portion of the Integrated Plan work in the resubmitted LTCP may be undertaken within existing appropriations if future grants are received for eligible projects. Full compliance with the resubmitted LTCP will likely require submission of one or more further appropriations for approval by electors at referendum. The District has made no determination as to when an additional referendum will be held.

The District cannot give any assurances as to when the Clean Water Project will be completed or its total cost as it is highly dependent on the availability of grants and loans from the State.

The District has issued, to date, \$271.075 million in Clean Water Project Revenue Bonds, \$252.350 million of which were outstanding as of December 31, 2020. The Clean Water Project Revenue Bonds are being repaid from a portion of the Clean Water Project Charge (previously the Special Sewer Service Surcharge) and are not general obligations of the District.

B. Risk Management

The District is exposed to various risks of loss including torts; officers' and employees' liabilities; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District purchases commercial insurance for all risks of loss except those risks described in the next paragraph. In 2020 the District purchased cyber liability insurance. The District established an internal service fund, the self-insurance fund, to account for and finance the retained risk of loss.

The District is self-insured for healthcare, workers' compensation claims up to \$500,000 for each accident, deductibles for property damage up to \$100,000 for each location, and general and automobile liability up to \$250,000 for each incident. Additionally, the District has provided for \$1 million of excess coverage for liability coverage with no limits for workers' compensation excess coverage. The self-insurance fund is primarily supported by contributions from the General Fund and the Water Utility Enterprise Fund. Workers' Compensation Trust administers the District's workers' compensation program for which the District pays a fee. General and auto liability claims are performed in-house and through third-party administrators whose administrative fees are paid by the self-insurance fund. Blue Cross and Blue Shield administer the District's medical insurance plan for which the District pays a fee. The medical insurance plan provides coverage for most District employees. The District has purchased a stop loss policy for total medical claims in any one year exceeding an aggregate of 110% of expected claims. Settled claims have not exceeded this commercial coverage in any of the past three years. There has been no reduction in any coverage during the year from that of the prior year.

**THE METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS**

At December 31, 2019, the District had a deficit of \$6,537,627 in the self-insurance fund. The District was able to allocate this same amount to the self-insurance fund from unapplied funds that resided in the Clean Water Project fund. The claims liability of \$6,283,811 for the self-insurance fund reported at December 31, 2020 is based on the requirements of GASB Statement No. 10, which requires that a liability for estimated claims incurred but not reported be recorded. The District’s policy is to have an actuarial study performed annually.

Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that has been incurred but not reported (IBNR). The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines and damage awards. Accordingly, claims are reevaluated periodically to consider the effects of inflation, recent claim settlement trends (including frequency and amount of pay-outs), and other economic and social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims. Estimated recoveries, for example for salvage or subrogation, are another component of the claims liability estimate. Changes in the claims liability for the past two years are as follows:

		Accrued Liability Beginning of Fiscal Year		Current Year Claims and Changes in Estimates		Claim Payments		Accrued Liability End of Fiscal Year
2019	\$	6,181,157	\$	17,651,151	\$	17,473,769	\$	6,358,539
2020		6,358,539		18,074,522		18,149,250		6,283,811

C. Contingent Liabilities

Arbitrage

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

Other

On February 12, 2014, the Town of Glastonbury filed a lawsuit against the MDC in State Court seeking a declaratory judgment that the MDC charged water customers in nonmember towns an unlawful surcharge prior to 2014. The surcharge allowed the MDC to capture the proportional cost of the infrastructure utilized to provide Glastonbury and other nonmember town customers with water. The MDC believed it possessed the authority to impose and collect said surcharge.

While the Glastonbury action was pending, the State Legislature amended the MDC’s charter through Special Act 14-21 which authorized the MDC to impose the surcharge on nonmember towns, but capped the amount of the surcharge to the amount of the MDC’s customer service charge. The amendment was effective January 1, 2015.

On May 12, 2016, the Superior Court concluded that Special Act 14-21 was not retroactive and the nonmember town charges imposed prior to the effective date of the amendment were unlawful. The MDC appealed that decision. On March 2, 2018, the Connecticut Supreme Court affirmed the trial court ruling.

**THE METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS**

On March 6, 2018, following the Supreme Court decision, an action was filed on behalf of a proposed class of MDC water customers in the nonmember towns of Glastonbury, East Granby, Farmington and South Windsor between January 1, 2006 and October 1, 2014 (Laurie Paetzold, William Paetzold and Andrew Pinkowski v. Metropolitan District Commission). The named Plaintiffs allegedly resided in the town of Glastonbury during the relevant period and allege that the MDC wrongfully imposed the unlawful surcharge and sought to recover damages.

The lawsuit asserted claims for breach of contract, breach of good faith and fair dealing and, in the alternative, unjust enrichment. In June 2018, the MDC filed a Motion to Strike on several grounds, including failure to sufficiently allege the existence of a contract, governmental immunity and the statute of limitations. The Court held that the plaintiff did, in fact, sufficiently plead the existence of a contract and that the claim was not untimely. However, the Court did limit the time period for recoverable damages based on a six-year statute of limitations. This reduced the relevant period for possible damages to March 2012 to October 2014. Additionally, the Court granted the MDC's motion to strike the plaintiff's unjust enrichment and breach of the covenant of good faith and fair dealing claims.

In January, 2020, the MDC and plaintiffs engaged in mediation which resulted in a proposed settlement of the class action suit. The MDC District Board approved the Settlement Agreement on February 10, 2020, and the Settlement Agreement was executed by both parties. On April 21, 2020, the trial court granted a motion for preliminary approval of the class action settlement. Final approval of the Settlement Agreement occurred on September 3, 2020 at a court hearing. The basic terms of the settlement are that customers that paid the non-member town surcharge from March 2012 to October 2014 will either receive a credit in the amount of 103% of the surcharges paid on their current MDC water account or, if they are no longer an MDC water customer, receive a payment for 100% of the amount of the surcharges paid by the former customer, less any court-approved attorney's fees and costs. The total settlement value of all claims and attorney's fees is capped at \$7,680,000. This amount is included in the settlement liability and is a 2021 expense in the Water Utility fund. Unclaimed amounts by former MDC customers will be returned to the MDC.

There are other various suits and claims pending against the District, none of which, individually or in the aggregate, is believed by counsel to be likely to result in judgment or judgments that could materially affect the District's financial position.

**REQUIRED SUPPLEMENTARY
INFORMATION**

**THE METROPOLITAN DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - BUDGETARY BASIS - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Taxation:				
Hartford	\$ 13,035,400	\$ 13,035,400	\$ 13,035,400	\$ -
East Hartford	6,089,300	6,089,300	6,089,300	-
Newington	4,623,100	4,623,100	4,623,100	-
Wethersfield	4,240,800	4,240,800	4,240,800	-
Windsor	4,611,600	4,611,600	4,611,600	-
Bloomfield	3,879,300	3,879,300	3,879,300	-
Rocky Hill	3,144,100	3,144,100	3,144,100	-
West Hartford	11,852,100	11,852,100	11,852,100	-
Total taxation	<u>51,475,700</u>	<u>51,475,700</u>	<u>51,475,700</u>	<u>-</u>
Sewer user fees:				
Bradley Airport - Hamilton - East Granby	1,269,400	1,269,400	1,392,704	123,304
Customer service charge	7,776,300	7,776,300	7,590,396	(185,904)
Nonmunicipal - tax exempt	6,159,900	6,159,900	5,876,363	(283,537)
Hi-flow charges	2,797,300	2,797,300	2,366,095	(431,205)
Hi-strength	988,000	988,000	613,439	(374,561)
Manchester	202,900	202,900	220,234	17,334
South Windsor	26,800	26,800	12,773	(14,027)
Farmington	143,700	143,700	82,776	(60,924)
Cromwell	8,800	8,800	11,738	2,938
Total sewer user fees	<u>19,373,100</u>	<u>19,373,100</u>	<u>18,166,518</u>	<u>(1,206,582)</u>
Intergovernmental:				
Sludge handling	11,436,400	11,436,400	10,756,758	(679,642)
Household hazardous waste	30,000	30,000	27,672	(2,328)
Total intergovernmental	<u>11,466,400</u>	<u>11,466,400</u>	<u>10,784,430</u>	<u>(681,970)</u>
Investment income	<u>600,000</u>	<u>600,000</u>	<u>145,404</u>	<u>(454,596)</u>

**THE METROPOLITAN DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - BUDGETARY BASIS - GENERAL FUND (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2020**

	<u>Budgeted Amounts</u>			<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Other revenues:				
Bill jobs	\$ 20,000	\$ 20,000	\$ 33,142	\$ 13,142
FOG Charges	150,000	150,000	236,899	86,899
Developers	582,000	582,000	43,768	(538,232)
Payroll additives and indirect costs			71,056	71,056
Late payment charges	1,029,900	1,029,900	698,774	(331,126)
Labor additives and overhead			99,667	99,667
Property rents	153,800	153,800	139,808	(13,992)
Sale of materials/equipment	88,000	88,000	85,876	(2,124)
Septage/glycol discharge fees	1,463,700	1,463,700	1,293,419	(170,281)
Rebates and reimbursements	15,000	15,000	139,213	124,213
PM Unit	8,291,000	8,291,000	8,291,000	-
Vendor discount revenue	500	500	220	(280)
Miscellaneous	150,000	150,000	130,338	(19,662)
Total other revenues	<u>11,943,900</u>	<u>11,943,900</u>	<u>11,263,180</u>	<u>(680,720)</u>
Total revenues	<u>94,859,100</u>	<u>94,859,100</u>	<u>91,835,232</u>	<u>(3,023,868)</u>
Total Revenues and Other Financing Sources	<u>94,859,100</u>	<u>94,859,100</u>	<u>91,835,232</u>	<u>(3,023,868)</u>
Expenditures:				
General government:				
District Board	203,600	203,600	163,378	40,222
Executive office	1,481,100	1,481,100	1,236,177	244,923
Legal	779,000	779,000	651,257	127,743
Information systems	2,730,500	2,730,500	2,585,437	145,063
Finance	2,459,600	2,459,600	2,237,757	221,843
Total general government	<u>7,653,800</u>	<u>7,653,800</u>	<u>6,874,006</u>	<u>779,794</u>
Engineering and planning	<u>662,900</u>	<u>662,900</u>	<u>509,238</u>	<u>153,662</u>
Operations:				
Environmental health and safety	467,500	467,500	373,088	94,412
Command Center	1,475,800	1,475,800	1,350,540	125,260
Chief Operating office	341,500	341,500	338,854	2,646
Customer service	1,060,300	1,060,300	950,727	109,573
Operations	2,750,100	2,750,100	2,446,601	303,499
Total operations	<u>6,095,200</u>	<u>6,095,200</u>	<u>5,459,810</u>	<u>635,390</u>

**THE METROPOLITAN DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - BUDGETARY BASIS - GENERAL FUND (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2020**

	<u>Budgeted Amounts</u>			<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Plants and maintenance:				
Water pollution control	\$ 17,616,800	\$ 17,616,800	\$ 15,566,643	\$ 2,050,157
Laboratory services	868,400	868,400	734,813	133,587
Maintenance	5,636,200	5,636,200	5,003,671	632,529
Special agreements and programs	1,431,400	1,431,400	1,396,964	34,436
Total plants and maintenance	<u>25,552,800</u>	<u>25,552,800</u>	<u>22,702,091</u>	<u>2,850,709</u>
Employee benefits and other:				
Employee benefits	14,075,100	14,075,100	13,967,597	107,503
General insurance	2,370,700	2,370,700	2,235,390	135,310
Total employee benefits and other	<u>16,445,800</u>	<u>16,445,800</u>	<u>16,202,987</u>	<u>242,813</u>
Contingency	<u>1,980,000</u>	<u>1,980,000</u>	-	<u>1,980,000</u>
Debt service:				
Principal	21,800,000	22,950,000	18,685,930	4,264,070
Interest	14,352,600	13,267,600	13,057,777	209,823
Legal services	316,000	251,000	295,459	(44,459)
Total debt service	<u>36,468,600</u>	<u>36,468,600</u>	<u>32,039,166</u>	<u>4,429,434</u>
Total expenditures	<u>94,859,100</u>	<u>94,859,100</u>	<u>83,787,298</u>	<u>11,071,802</u>
Net Change in Fund Balance	\$ <u>-</u>	\$ <u>-</u>	8,047,934	\$ <u>8,047,934</u>

Budgetary expenditures are different than GAAP expenditures because:

Expenditures not included in the budget, consisting primarily of:

The District does not budget for sewer rebates	1,000,000
The District does not budget for sales accruals	706,703
The District does not budget for certain interest and note expense	(28,105)
The District does not budget for billable or developer payroll	(143,669)
The District does not budget for certain non-funded payroll	(152,329)
The District does not budget for year end payroll accruals	(143,111)
The District does not budget for bad debts	(1,427,621)
The District does not budget for year end expense accruals	(366,821)
The District does not budget for the retirement incentive plan	<u>(11,025)</u>

Net Change in Fund Balance as Reported on the Statement of Revenues,
Expenditures and Changes in Fund Balances - Governmental Funds

\$ 7,481,956

**THE METROPOLITAN DISTRICT
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
MDERS
LAST SEVEN FISCAL YEARS***

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total pension liability:							
Service cost	\$ 4,679,208	\$ 4,201,054	4,088,615	\$ 3,989,674	\$ 4,121,036	\$ 3,977,923	\$ 3,534,272
Interest	19,624,655	19,227,865	18,306,742	18,000,653	17,634,276	17,230,210	16,861,364
Changes of benefit terms	21,260	350		258,130			
Differences between expected and actual experience	1,826,376	2,768,238	8,180,799	(605,374)	159,570	(348,426)	
Changes of assumptions	18,425,798	6,966,524				7,992,450	
Benefit payments, including refunds of member contributions	<u>(18,776,033)</u>	<u>(18,226,458)</u>	<u>(17,748,776)</u>	<u>(17,299,291)</u>	<u>(15,950,213)</u>	<u>(15,844,541)</u>	<u>(15,437,612)</u>
Net change in total pension liability	25,801,264	14,937,573	12,827,380	4,343,792	5,964,669	13,007,616	4,958,024
Total pension liability - beginning	<u>284,902,241</u>	<u>269,964,668</u>	<u>257,137,288</u>	<u>252,793,496</u>	<u>246,828,827</u>	<u>233,821,211</u>	<u>228,863,187</u>
Total pension liability - ending	<u>310,703,505</u>	<u>284,902,241</u>	<u>269,964,668</u>	<u>257,137,288</u>	<u>252,793,496</u>	<u>246,828,827</u>	<u>233,821,211</u>
Plan fiduciary net position:							
Contributions - employer	8,650,763	5,688,000	6,500,000	6,300,000	6,361,424	6,000,000	5,918,000
Contributions - member	2,385,458	2,430,709	2,280,859	2,343,416	2,247,072	2,255,825	2,160,885
Net investment income (loss)	34,378,938	35,293,532	(9,180,721)	36,679,882	13,824,703	3,637,492	13,864,280
Other income							102,351
Benefit payments, including refunds of member contributions	(18,776,033)	(18,226,458)	(17,748,776)	(17,299,291)	(15,950,213)	(15,844,541)	(15,448,154)
Administrative expense	(79,174)	(103,926)	(67,530)	(119,313)	(109,687)	(35,213)	(46,896)
Special Item				(9,271,439)			
Net change in plan fiduciary net position	<u>26,559,952</u>	<u>25,081,857</u>	<u>(18,216,168)</u>	<u>18,633,255</u>	<u>6,373,299</u>	<u>(3,986,437)</u>	<u>6,550,466</u>
Plan fiduciary net position - beginning	<u>226,786,341</u>	<u>201,704,484</u>	<u>219,920,652</u>	<u>201,287,397</u>	<u>194,914,098</u>	<u>198,900,535</u>	<u>192,350,069</u>
Plan fiduciary net position - ending	<u>253,346,293</u>	<u>226,786,341</u>	<u>201,704,484</u>	<u>219,920,652</u>	<u>201,287,397</u>	<u>194,914,098</u>	<u>198,900,535</u>
District's Net Pension Liability - Ending	<u>\$ 57,357,212</u>	<u>\$ 58,115,900</u>	<u>68,260,184</u>	<u>\$ 37,216,636</u>	<u>\$ 51,506,099</u>	<u>\$ 51,914,729</u>	<u>\$ 34,920,676</u>
Plan fiduciary net position as a percentage of the total pension liability	81.54%	79.60%	74.72%	85.53%	79.63%	78.97%	85.07%
Covered payroll	\$ 44,912,213	\$ 44,912,213	42,779,907	\$ 42,096,151	\$ 43,972,101	\$ 42,655,811	\$ 41,460,234
Net pension liability as a percentage of covered payroll	127.71%	129.40%	159.56%	88.41%	117.13%	121.71%	84.23%

Notes to Schedule:

Discount rate changes: The rate at December 31, 2020 decreased 0.125% to 6.875% from 7.00% at December 31, 2019.

Mortality assumption change: The mortality table was updated to the Pub-2010 mortality table (using a 75%/25% blend of the Public Safety and General rates) with generational projection per the Ultimate MP-2019 scale. Previously, the mortality assumption used the RP-2000 mortality table (using a 75%/25% blend of the Blue Collar and White Collar rates) with generational projection to Scale AA.

*This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

**THE METROPOLITAN DISTRICT
SCHEDULE OF CONTRIBUTIONS
MDERS
LAST TEN FISCAL YEARS**

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Actuarially determined contribution	\$ 6,756,345	\$ 6,756,345	\$ 5,647,479	\$ 5,376,378	\$ 6,361,424	\$ 5,805,223	\$ 5,857,601	\$ 5,804,428	\$ 5,347,556	\$ 15,050,472	\$ 8,809,272
Contributions in relation to the actuarially determined contribution	8,650,763	5,688,000	6,500,000	6,300,000	6,361,424	6,000,000	5,918,000	5,881,000	5,822,098	4,633,200	2,863,964
Contribution Deficiency (Excess)	\$ (1,894,418)	\$ 1,068,345	\$ (852,521)	\$ (923,622)	\$ -	\$ (194,777)	\$ (60,399)	\$ (76,572)	\$ (474,542)	\$ 10,417,272	\$ 5,945,308
Covered payroll	\$ 44,912,213	\$ 44,912,213	\$ 42,779,907	\$ 42,096,151	\$ 43,972,101	\$ 42,655,811	\$ 41,460,234	\$ 38,773,923	\$ 41,341,171	\$ 43,872,205	\$ 45,271,276
Contributions as a percentage of covered payroll	19.26%	12.66%	15.19%	14.97%	14.47%	14.07%	14.27%	15.17%	14.08%	10.56%	6.33%

Notes to Schedule

Valuation date: January 1, 2020
 Measurement date: December 31, 2020
 Actuarially determined contribution rates are calculated as of January 1 of the fiscal year in which the contributions are reported

Methods and assumptions used to determine contribution rates:

Actuarial cost method: Entry Age Normal
 Amortization method: Level percent, closed
 Remaining amortization period: 19 years
 Asset valuation method: 5-years, non-asymptotic
 Inflation: 2.75%
 Salary increases: 3.50%
 Investment rate of return: 6.875%
 Retirement age: Aged based rates
 Turnover: Aged based rates
 Mortality: Pub-2010 Mortality (using a 75%/25% blend of Public Safety and General rates) with generational projection per MP-2019 Ultimate Scale

**THE METROPOLITAN DISTRICT
SCHEDULE OF INVESTMENT RETURNS
MDERS
LAST SEVEN FISCAL YEARS***

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Annual money-weighted rate of return, net of investment expense	15.43%	17.79%	(4.22%)	13.80%	7.48%	1.58%	7.42%

*This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

THE METROPOLITAN DISTRICT
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
RETIREE HEALTH PLAN
LAST FOUR FISCAL YEARS*

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total OPEB liability:				
Service cost	\$ 8,810,535	\$ 6,698,208	\$ 8,531,854	\$ 7,730,316
Interest	10,444,711	12,024,959	11,015,391	10,961,483
Changes of benefit terms	(41,393)			
Differences between expected and actual experience	(72,440,991)		14,146,966	
Changes of assumptions	(134,145,298)	72,422,368	(53,399,384)	16,177,425
Benefit payments	(5,226,394)	(5,465,311)	(5,313,360)	(5,564,433)
Net change in total OPEB liability	(192,598,830)	85,680,224	(25,018,533)	29,304,791
Total OPEB liability - beginning	<u>374,978,887</u>	<u>289,298,663</u>	<u>314,317,196</u>	<u>285,012,405</u>
Total OPEB liability - ending	<u>182,380,057</u>	<u>374,978,887</u>	<u>289,298,663</u>	<u>314,317,196</u>
Plan fiduciary net position:				
Contributions - employer	10,349,000	9,146,000	5,000,000	5,000,000
Contributions - member	1,477,112	1,155,677	869,481	804,712
Net investment income (loss)	2,531			
Reimbursements		179,878	241,355	451,135
Benefit payments	(6,244,093)	(6,341,967)	(6,185,680)	(6,595,450)
Administrative expense	-	(5,589)		
Special item				(26,346,000)
Net change in plan fiduciary net position	<u>5,584,550</u>	<u>4,133,999</u>	<u>(74,844)</u>	<u>(26,685,603)</u>
Plan fiduciary net position - beginning	<u>3,533,603</u>	<u>(600,396)</u>	<u>(525,552)</u>	<u>26,160,051</u>
Plan fiduciary net position - ending	<u>9,118,153</u>	<u>3,533,603</u>	<u>(600,396)</u>	<u>(525,552)</u>
Net OPEB Liability - Ending	<u>\$ 173,261,904</u>	<u>\$ 371,445,284</u>	<u>\$ 289,899,059</u>	<u>\$ 314,842,748</u>
Plan fiduciary net position as a percentage of the total OPEB liability	5.00%	0.94%	-0.21%	-0.17%
Covered payroll	\$ 43,143,678	\$ 43,143,678	\$ 43,535,483	\$ 43,535,483
Net OPEB liability as a percentage of covered payroll	401.59%	860.95%	665.89%	723.19%

Notes to Schedule:

Discount rate changes: The discount rate at December 31, 2020 increased 4.135% to 6.875% from 2.74% at December 31, 2019.

Medical trend rate changes: The medical trend rate at December 31, 2020 increased to 6.50% (6.30% for Post-65) - 4.30% over 53 years from a medical trend rate of 5.50% - 4.40% over 75 years at December 31, 2019.

Mortality assumption change: The mortality table was updated to the Pub-2010 mortality table (using a 75%/25% blend of the Public Safety and General rates) with generational projection per the Ultimate MP-2019 scale. Previously, the mortality assumption used the RP-2000 mortality table (using a 75%/25% blend of the blue Collar and White Collar rates) with generational projection to Scale AA.

* This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

**THE METROPOLITAN DISTRICT
SCHEDULE OF CONTRIBUTIONS
RETIREE HEALTH PLAN
LAST TEN FISCAL YEARS**

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Actuarially determined contribution (1)	\$ 13,846,000	\$ -	\$ -	\$ 18,458,692	\$ 15,855,000	\$ 14,765,820	\$ 15,755,000	\$ 15,162,000	\$ 14,301,000	\$ 19,989,745
Contributions in relation to the actuarially determined contribution	10,349,000	9,146,000	5,000,000	5,000,000	5,000,000	5,000,000	5,588,854	6,512,592	7,932,085	26,995,985
Contribution deficiency (excess)	\$ <u>3,497,000</u>	\$ <u>(9,146,000)</u>	\$ <u>(5,000,000)</u>	\$ <u>13,458,692</u>	\$ <u>10,855,000</u>	\$ <u>9,765,820</u>	\$ <u>10,166,146</u>	\$ <u>8,649,408</u>	\$ <u>6,368,915</u>	\$ <u>(7,006,240)</u>
Covered payroll	\$ 43,143,678	\$ 43,143,678	\$ 43,535,483	\$ 43,535,483	\$ 41,000,000	\$ 41,000,000	\$ 40,000,000	\$ 40,000,000	\$ 40,000,000	\$ N/A
Contributions as a percentage of covered payroll	23.99%	21.20%	11.48%	11.48%	12.20%	12.20%	13.97%	16.28%	19.83%	N/A

(1) Actuarially determined contributions prior to fiscal year ended December 31, 2017 is based on the Annual Required Contribution (ARC) calculated in accordance with GASB No. 45

Notes to Schedule

Valuation date:

January 1, 2020

Actuarially determined contribution rates are calculated as of December 31, two years prior to the end of the fiscal year in which contributions are reported

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level percent, closed
Asset valuation method	Market Value
Inflation	2.75%
Healthcare cost trend rates	6.50% (6.30% for Post-65) - 4.30% over 53 years
Salary increases	3.5%, average, including inflation
Investment rate of return	6.875%
Retirement age	Expected retirement rates for employees begin at 2% for employees aged 50-55, up to 100% at age 70.
Mortality	Pub-2010 mortality table (using a 75%/25% blend of the Public Safety and General rates) with generational projection per the Ultimate MP-2019 scale.

**THE METROPOLITAN DISTRICT
SCHEDULE OF INVESTMENT RETURNS****LAST FOUR FISCAL YEARS***

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Annual money-weighted rate of return, net of investment expense	0.08%	0.00%	0.00%	0.00%

* This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

**SUPPLEMENTAL, COMBINING
STATEMENTS AND SCHEDULES**

**THE METROPOLITAN DISTRICT
ASSESSABLE SEWER CONSTRUCTION CAPITAL PROJECTS FUND
SCHEDULE OF CHANGES IN ASSESSMENTS RECEIVABLE - CONNECTION CHARGE PROJECTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

<u>Year</u>	<u>Total Assessments Billed</u>	<u>Assessments Receivable January 1, 2020</u>	<u>Assessments Billed</u>	<u>Assessment Collections</u>	<u>Assessment Adjustments</u>	<u>Assessments Receivable December 31, 2020</u>	<u>Interest Collected</u>
2000	\$ 1,032,647	\$ 6,070	\$	\$	\$	6,070	\$
2001	693,600					-	
2002	1,349,465	13,056				13,056	
2003	1,843,321	41,485				41,485	
2004	1,155,681	27,484		1,237	5,105	21,142	150
2005	804,622	225,931		27,665	173	198,093	244
2006	1,786,053	16,128		1,691		14,437	209
2007	1,120,400	8,763				8,763	
2008	1,108,907	35,227		12,821		22,406	8,386
2009	568,934	24,536		5,568		18,968	1,875
2010	895,500	201,562		31,054		170,508	12,094
2011	333,050	92,592		21,591	92	70,909	10,076
2012	139,933	39,627		4,562		35,065	2,851
2013	337,982	11,098		4,886		6,212	666
2014	99,496	40,207		2,210		37,997	1,947
2015	892,511	98,777		6,956		91,821	6,350
2016	2,138,838	151,003		5,496		145,507	4,790
2017	1,158,191	26,213		473	8,879	16,861	575
2018	164,855	42,808		15,629	9	27,170	928
2019	263,001	57,358		11,711	24,045	21,602	2,735
2020			821,355	15,977		805,378	148
Total	\$ 17,886,987	\$ 1,159,925	\$ 821,355	\$ 169,527	\$ 38,303	\$ 1,773,450	\$ 54,024

**THE METROPOLITAN DISTRICT
ASSESSABLE SEWER CONSTRUCTION CAPITAL PROJECTS FUND
SCHEDULE OF CHANGES IN ASSESSMENTS RECEIVABLE - FLAT RATE PROJECTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

<u>Year</u>	<u>Total Assessments Billed</u>	<u>Assessments Receivable January 1, 2020</u>	<u>Assessments Billed</u>	<u>Assessment Collections</u>	<u>Assessment Adjustments</u>	<u>Assessments Receivable December 31, 2020</u>	<u>Interest Collected</u>
2000	\$ 597,575	\$ 20,375	\$	\$	\$	20,375	\$
2001	514,481	7,950				7,950	
2002	375,756	-				-	
2003	684,750	17,449				17,449	
2004	714,634	31,412				31,412	
2005	18,097	877				877	
2006	258,777	5,006		2,445		2,561	302
2007	677,398	54,546		4,259	18,168	32,119	5,017
2008	113,301	48,792		11,835	3	36,954	3,895
2009	146,490	47,495		13,931	24,662	8,902	30,277
2010	219,724	17,462		2,488	16	14,958	1,048
2011	97,616	25,481		74		25,407	45
2012	53,935	32,286		3,555	77	28,654	340
2013						-	
2014	380,405	88,918		18,858	5,793	64,267	3,569
2015	198,421	26,800		7,155	11	19,634	1,230
2016						-	
2017	29,506					-	
2018	26,131	25,478		692		24,786	872
2019	76,917					-	
2020			80,097	10,909		69,188	432
Total	\$ 5,183,914	\$ 450,327	\$ 80,097	\$ 76,201	\$ 48,730	\$ 405,493	\$ 47,027

**THE METROPOLITAN DISTRICT
 COMBINING STATEMENT OF FIDUCIARY NET POSITION - PENSION AND
 OTHER EMPLOYEE BENEFIT TRUST FUNDS
 DECEMBER 31, 2020**

	<u>Pension Trust Fund</u>	<u>OPEB Trust Fund</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents	\$ 588,432	\$ 9,105,814	\$ 9,694,246
Accounts receivable	43,602	142,272	185,874
Investments, at fair value:			
Mutual funds	25,700,261		25,700,261
Guaranteed investment contracts	25,623,113		25,623,113
Land	3,705,913		3,705,913
Commingled collective trusts	179,076,798		179,076,798
Real estate	18,608,174		18,608,174
Total assets	<u>253,346,293</u>	<u>9,248,086</u>	<u>262,594,379</u>
LIABILITIES			
Due to other funds		127,266	127,266
Retiree expense reimbursement payable		2,667	2,667
Total liabilities	<u>-</u>	<u>129,933</u>	<u>129,933</u>
NET POSITION			
Restricted for Pension and OPEB Benefits	<u>\$ 253,346,293</u>	<u>\$ 9,118,153</u>	<u>\$ 262,464,446</u>

**THE METROPOLITAN DISTRICT
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - PENSION AND
 OTHER EMPLOYEE BENEFIT TRUST FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2020**

	<u>Pension Trust Fund</u>	<u>OPEB Trust Fund</u>	<u>Total</u>
Additions:			
Contributions:			
Employer	\$ 8,650,763	\$ 10,349,000	\$ 18,999,763
Plan members	2,385,458	1,477,112	3,862,570
Total contributions	<u>11,036,221</u>	<u>11,826,112</u>	<u>22,862,333</u>
Investment earnings:			
Net change in fair value of investments	32,713,513		32,713,513
Interest and dividends	2,613,761	3,198	2,616,959
Total investment earnings (loss)	<u>35,327,274</u>	<u>3,198</u>	<u>35,330,472</u>
Less investment expenses:			
Investment management fees	948,336	667	949,003
Net investment earnings (loss)	<u>34,378,938</u>	<u>2,531</u>	<u>34,381,469</u>
Total additions (reductions)	<u>45,415,159</u>	<u>11,828,643</u>	<u>57,243,802</u>
Deductions:			
Benefits	18,776,033	6,244,093	25,020,126
Administrative expense	79,174		79,174
Total deductions	<u>18,855,207</u>	<u>6,244,093</u>	<u>25,099,300</u>
Change in Net Position	26,559,952	5,584,550	32,144,502
Net Position at Beginning of Year	<u>226,786,341</u>	<u>3,533,603</u>	<u>230,319,944</u>
Net Position at End of Year	<u>\$ 253,346,293</u>	<u>\$ 9,118,153</u>	<u>\$ 262,464,446</u>

STATISTICAL SECTION

This part of the District's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the District's overall financial health.

Contents	Page
Financial Trends	74-77
These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	
Revenue Capacity	78
This schedule contains information to help the reader assess the District's most significant local revenue source, taxation of member municipalities.	
Debt Capacity	79-81
These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	
Demographic and Economic Information	82
This schedule offers demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	
Operating Information	83-85
These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	

TABLE 1

**THE METROPOLITAN DISTRICT
NET POSITION BY COMPONENT
LAST TEN YEARS
(Accrual Basis of Accounting)**

	<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>	<u>2011</u>
Governmental Activities:										
Net investment in capital assets	\$ 846,161,504	\$ 809,558,713	\$ 738,962,237	\$ 628,338,124	\$ 586,568,408	\$ 484,901,567	\$ 455,295,358	\$ 404,221,698	\$ 376,209,555	\$ 357,567,083
Restricted	2,744,874	2,744,874					56,291,586	45,369,836	18,025,247	
Unrestricted	<u>(56,289,770)</u>	<u>(57,460,793)</u>	<u>(38,317,559)</u>	<u>(37,710,011)</u>	<u>79,129,891</u>	<u>97,312,929</u>	<u>32,965,610</u>	<u>41,240,029</u>	<u>44,461,431</u>	<u>47,256,621</u>
Total Governmental Activities Net Position	\$ <u>792,616,608</u>	\$ <u>754,842,794</u>	\$ <u>700,644,678</u>	\$ <u>590,628,113</u>	\$ <u>665,698,299</u>	\$ <u>582,214,496</u>	\$ <u>544,552,554</u>	\$ <u>490,831,563</u>	\$ <u>438,696,233</u>	\$ <u>404,823,704</u>
Business-Type Activities:										
Net investment in capital assets	\$ 281,225,011	\$ 272,553,110	\$ 284,768,635	\$ 282,355,400	\$ 262,043,055	\$ 267,745,071	\$ 256,080,877	\$ 255,929,765	\$ 258,683,886	\$ 251,051,504
Restricted							114,520	3,335,436	282,217	
Unrestricted	<u>(130,180,132)</u>	<u>(182,249,667)</u>	<u>(168,750,519)</u>	<u>(126,684,152)</u>	<u>(37,981,423)</u>	<u>(17,023,254)</u>	<u>(31,124,873)</u>	<u>(13,801,825)</u>	<u>14,004,932</u>	<u>21,695,117</u>
Total Business-Type Activities Net Position	\$ <u>151,044,879</u>	\$ <u>90,303,443</u>	\$ <u>116,018,116</u>	\$ <u>155,671,248</u>	\$ <u>224,061,632</u>	\$ <u>250,721,817</u>	\$ <u>225,070,524</u>	\$ <u>245,463,376</u>	\$ <u>272,971,035</u>	\$ <u>272,746,621</u>
Primary Government:										
Net investment in capital assets	\$ 1,127,386,515	\$ 1,082,111,823	\$ 1,023,730,872	\$ 910,693,524	\$ 848,611,463	\$ 752,646,638	\$ 711,376,235	\$ 660,151,463	\$ 634,893,441	\$ 608,618,587
Restricted	2,744,874	2,744,874					56,406,106	48,705,272	18,307,464	
Unrestricted	<u>(186,469,902)</u>	<u>(239,710,460)</u>	<u>(207,068,078)</u>	<u>(164,394,163)</u>	<u>41,148,468</u>	<u>80,289,675</u>	<u>1,840,737</u>	<u>27,438,204</u>	<u>58,466,363</u>	<u>68,951,738</u>
Total Primary Government Net Position	\$ <u>943,661,487</u>	\$ <u>845,146,237</u>	\$ <u>816,662,794</u>	\$ <u>746,299,361</u>	\$ <u>889,759,931</u>	\$ <u>832,936,313</u>	\$ <u>769,623,078</u>	\$ <u>736,294,939</u>	\$ <u>711,667,268</u>	\$ <u>677,570,325</u>

TABLE 2

**THE METROPOLITAN DISTRICT
CHANGES IN NET POSITION
LAST TEN YEARS
(Accrual Basis of Accounting)**

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Expenses:										
Governmental activities:										
General government	\$ 12,632,933	\$ 22,503,242	\$ 3,478,751	\$ 12,782,032	\$ 13,683,241	\$ 12,337,881	\$ 12,784,187	\$ 9,524,064	\$ 8,866,521	\$ 10,129,598
Engineering and planning							877,678	486,626	255,872	1,586,506
Operations	19,918,024	32,724,856	11,612,676	15,004,934	25,441,446	6,151,830	8,614,482	5,439,460	6,622,431	6,412,930
Plants and maintenance	49,634,121	71,412,175	32,932,419	43,573,609	46,577,522	29,189,681	34,067,360	30,341,543	32,894,344	26,362,389
Interest on long-term debt	30,987,059	28,064,892	30,746,675	26,066,412	24,217,631	19,489,920	16,263,466	13,271,555	7,936,484	7,608,354
Total governmental activities expenses	113,172,137	154,705,165	78,770,521	97,426,987	109,919,840	67,169,312	72,607,173	59,063,248	56,575,652	52,099,777
Business-type activities:										
Water	73,551,706	107,583,098	124,328,800	91,573,513	84,025,204	84,404,787	79,597,522	68,713,237	63,719,227	56,895,453
Hydroelectricity	2,037,099	2,116,807	247,281	702,704	827,100	479,326	394,359	345,431	402,924	321,966
Mid-Connecticut Project					1,793,246	761,311	2,166,557	6,091,844	11,400,744	27,696,462
Total business-type activities expenses	75,588,805	109,699,905	124,576,081	92,276,217	86,645,550	85,645,424	82,158,438	75,150,512	75,522,895	84,913,881
Total Primary Government Expenses	\$ 188,760,942	\$ 264,405,070	\$ 203,346,602	\$ 189,703,204	\$ 196,565,390	\$ 152,814,736	\$ 154,765,611	\$ 134,213,760	\$ 132,098,547	\$ 137,013,658
Program revenues:										
Governmental activities:										
Charges for services	\$ 86,709,779	\$ 86,222,994	\$ 73,018,310	\$ 72,013,708	\$ 70,629,736	\$ 61,592,665	\$ 63,885,662	\$ 47,300,004	\$ 41,434,212	\$ 40,448,907
Operating grants and contributions	10,111,198					3,992,310	1,039,223			
Capital grants and contributions	23,423,241	53,379,335	49,836,293	64,775,491	51,301,142	32,788,216	26,927,807	26,506,324	12,949,510	20,498,331
Total governmental activities program revenues	120,244,218	139,602,329	122,854,603	136,789,199	121,930,878	98,353,191	91,852,692	73,806,328	54,383,722	60,947,238
Business-type activities:										
Charges for services	106,176,291	92,873,907	79,715,461	82,836,604	75,606,571	74,198,011	77,748,234	79,971,496	74,412,896	105,116,289
Capital grants and contributions	6,651,401	4,949,099	17,337,818	20,596,616	12,285,315	4,827,274	5,227,745	5,145,634	2,546,093	1,557,615
Total business-type activities program revenues	112,827,692	97,823,006	97,053,279	103,433,220	87,891,886	79,025,285	82,975,979	85,117,130	76,958,989	106,673,904
Total Primary Government Program Revenues	\$ 233,071,910	\$ 237,425,335	\$ 219,907,882	\$ 240,222,419	\$ 209,822,764	\$ 177,378,476	\$ 174,828,671	\$ 158,923,458	\$ 131,342,711	\$ 167,621,142
Net revenues (expenses):										
Governmental activities	\$ 7,072,081	\$ (15,102,836)	\$ 44,084,082	\$ 39,362,212	\$ 12,011,038	\$ 31,183,879	\$ 19,245,519	\$ 14,743,080	\$ (2,191,930)	\$ 8,847,461
Business-type activities	37,238,887	(11,876,899)	(27,522,802)	11,157,003	1,246,336	(6,620,139)	817,541	9,966,618	1,436,094	21,760,023
Total Primary Government Net (Revenue) Expense	\$ 44,310,968	\$ (26,979,735)	\$ 16,561,280	\$ 50,519,215	\$ 13,257,374	\$ 24,563,740	\$ 20,063,060	\$ 24,709,698	\$ (755,836)	\$ 30,607,484
General revenues and other changes in net position:										
Governmental activities:										
Sewer taxation - member municipalities	\$ 51,475,700	\$ 48,153,100	\$ 45,004,000	\$ 41,670,400	\$ 38,944,300	\$ 37,446,400	\$ 36,156,600	\$ 34,799,400	\$ 33,493,200	\$ 32,360,500
Miscellaneous		3,466,043	5,501,247	2,813,918	1,864,076	116,577	1,540,335	54,771	8,337	
Unrestricted investment earnings	1,029,927	3,573,305	3,060,821	1,689,115	586,401	272,361	207,637	393,677	245,269	278,854
Transfers	(21,803,894)	14,108,504	12,366,415	(17,707,978)						
Special item				(31,414,007)	28,760,431		1,556,735	2,144,402	2,317,653	2,518,973
Total governmental activities	30,701,733	69,300,952	65,932,483	(2,948,552)	70,155,208	37,835,338	39,461,307	37,392,250	36,064,459	35,158,327
Business-type activities:										
Miscellaneous	1,620,957			1,906,736	2,130,684	2,204,726	5,661,124	2,160,605	1,010,677	770,949
Unrestricted investment earnings	77,698	270,730	236,085	201,900	40,783	15,338	138,537	110,747	95,296	106,672
Transfers	21,803,894	(14,108,504)	(12,366,415)		(28,760,431)		(1,556,735)	(2,144,402)	(2,317,653)	(2,518,973)
Special item				32,809,473						
Total business-type activities	23,502,549	(13,837,774)	(12,130,330)	34,918,109	(26,588,964)	2,220,064	4,242,926	126,950	(1,211,680)	(1,641,352)
Total Primary Government	\$ 54,204,282	\$ 55,463,178	\$ 53,802,153	\$ 31,969,557	\$ 43,566,244	\$ 40,055,402	\$ 43,704,233	\$ 37,519,200	\$ 34,852,779	\$ 33,516,975
Change in net position:										
Governmental activities	\$ 37,773,814	\$ 54,198,116	\$ 110,016,565	\$ 36,413,660	\$ 82,166,246	\$ 69,019,217	\$ 58,706,826	\$ 52,135,330	\$ 33,872,529	\$ 44,005,788
Business-type activities	60,741,436	(25,714,673)	(39,653,132)	46,075,112	(25,342,628)	(4,400,075)	5,060,467	10,093,568	224,414	20,118,671
Total Primary Government	\$ 98,515,250	\$ 28,483,443	\$ 70,363,433	\$ 82,488,772	\$ 56,823,618	\$ 64,619,142	\$ 63,767,293	\$ 62,228,898	\$ 34,096,943	\$ 64,124,459

TABLE 3

**THE METROPOLITAN DISTRICT
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)**

	<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>	<u>2011</u>
General Fund:										
Nonspendable	\$ 3,715,448	\$ 3,403,852	\$ 3,065,322	\$ 2,851,003	\$ 3,047,848	\$ 2,987,472	\$ 2,654,631	\$ 1,980,172	\$ 1,387,243	\$ 1,749,997
Assigned								891,949	573,120	2,423,443
Unassigned	<u>31,870,227</u>	<u>24,699,867</u>	<u>23,226,621</u>	<u>16,743,975</u>	<u>14,498,170</u>	<u>14,501,695</u>	<u>14,040,267</u>	<u>12,585,122</u>	<u>14,665,371</u>	<u>10,895,466</u>
Total General Fund	<u>\$ 35,585,675</u>	<u>\$ 28,103,719</u>	<u>\$ 26,291,943</u>	<u>\$ 19,594,978</u>	<u>\$ 17,546,018</u>	<u>\$ 17,489,167</u>	<u>\$ 16,694,898</u>	<u>\$ 15,457,243</u>	<u>\$ 16,625,734</u>	<u>\$ 15,068,906</u>
All other governmental funds:										
Nonspendable	\$	\$	\$	\$ 53,957	\$ 183,283	\$ 319,960	\$ 17,034	\$ 19,951	\$ 42,748	\$ 3,193
Restricted	2,744,874	2,744,874	100,879,288	120,176,898	129,078,070	155,110,707	149,816,144	20,450,646	79,566,079	59,080,014
Committed	75,165,949	100,487,052	9,827,026	76,741,076	50,808,229	2,637,663	3,310,650	3,141,343	10,286,298	8,309,465
Unassigned	<u>(31,175,587)</u>	<u></u>	<u>(6,272,630)</u>	<u>(130,243,360)</u>	<u>(76,526,304)</u>	<u>(102,328,055) *</u>	<u>(114,364,898)</u>	<u>(101,036,586)</u>	<u>(227,346,425)</u>	<u>(108,722,305)</u>
Total All Other Governmental Funds	<u>\$ 46,735,236</u>	<u>\$ 103,231,926</u>	<u>\$ 104,433,684</u>	<u>\$ 66,728,571</u>	<u>\$ 103,543,278</u>	<u>\$ 55,740,275</u>	<u>\$ 38,778,930</u>	<u>\$ (77,424,646)</u>	<u>\$ (137,451,300)</u>	<u>\$ (41,329,633)</u>

* Restated in current year

**THE METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - GOVERNMENTAL FUNDS
LAST TEN YEARS
(Modified Accrual Basis of Accounting)**

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Revenues:										
Taxation - member municipalities	\$ 51,475,700	\$ 48,153,100	\$ 45,004,000	\$ 41,670,400	\$ 38,944,300	\$ 37,446,400	\$ 36,156,600	\$ 34,799,400	\$ 33,493,200	\$ 32,360,500
Assessments	1,071,240	696,265	458,413	1,519,217	2,312,965	1,332,938	1,603,914	1,085,603	504,330	715,456
Sewer user fees	83,717,134	77,482,872	63,888,022	62,678,046	60,242,461	54,093,916	57,226,390	43,062,080	35,225,903	28,120,415
Intergovernmental revenues	33,534,439	30,203,841	53,890,725	69,199,739	55,232,126	39,706,369	29,610,377	26,439,377	16,312,586	26,571,263
Investment income	1,029,927	3,573,305	3,060,820	1,689,115	586,401	272,361	207,637	393,677	245,269	278,854
Other local revenues	1,363,443	5,945,349	8,385,615	6,063,916	4,022,343	2,473,789	4,051,117	1,807,930	2,254,580	5,704,035
Total revenues	<u>172,191,883</u>	<u>166,054,732</u>	<u>174,687,595</u>	<u>182,820,433</u>	<u>161,340,596</u>	<u>135,325,773</u>	<u>128,856,035</u>	<u>107,588,067</u>	<u>88,035,868</u>	<u>93,750,523</u>
Expenditures:										
Current:										
General government	4,446,417	4,548,043	4,762,419	3,436,145	3,918,725	5,471,054	4,824,078	4,071,317	4,114,155	7,463,935
Engineering and planning							247,304	36,396	118,517	1,124,966
Operations	3,573,467	3,745,528	3,918,542	2,313,810	6,343,886	1,447,931	1,432,213	1,802,090	1,679,661	3,281,022
Plants and maintenance	19,643,333	18,150,755	15,144,347	20,148,645	17,673,827	17,002,752	16,780,068	19,078,105	21,555,352	20,001,916
Employee benefits and other	16,194,956	15,335,071	11,162,192	10,881,861	11,034,670	7,196,385	8,900,673	8,435,751	8,183,275	8,388,095
Debt service:										
Principal retirement	58,091,086	61,289,866	45,242,984	36,642,960	32,141,853	28,706,882	22,808,465	19,193,477	13,865,151	12,675,029
Interest	32,379,979	32,347,160	31,071,486	28,182,268	25,398,643	22,011,825	15,323,178	11,792,099	8,025,733	7,830,669
Legal services	939,475									
Capital outlay	114,163,376	148,118,412	185,211,071	243,634,827	228,529,877	160,991,417	172,024,423	163,835,773	157,029,034	131,973,877
Total expenditures	<u>249,432,089</u>	<u>283,534,835</u>	<u>296,513,041</u>	<u>345,240,516</u>	<u>325,041,481</u>	<u>242,828,246</u>	<u>242,340,402</u>	<u>228,245,008</u>	<u>214,570,878</u>	<u>192,739,509</u>
Deficiency of revenues over expenditures	<u>(77,240,206)</u>	<u>(117,480,103)</u>	<u>(121,825,446)</u>	<u>(162,420,083)</u>	<u>(163,700,885)</u>	<u>(107,502,473)</u>	<u>(113,484,367)</u>	<u>(120,656,941)</u>	<u>(126,535,010)</u>	<u>(98,988,986)</u>
Other financing sources (uses):										
Bond proceeds	55,010,000	38,395,250	62,591,950		85,331,650	39,070,781	167,578,000	126,838,000		
Refunding bond proceeds	76,065,000	58,603,410			18,301,300		9,931,648			
Payment to refunded bond escrow agent	(76,935,985)	(68,712,098)			(21,140,765)		(10,757,266)			
Loan obligation proceeds	30,267,733	46,067,106	79,135,454	127,654,336	91,409,817	66,766,625	36,841,772	40,364,999	29,162,137	43,228,154
Bond premium	15,448,049	7,049,505	7,411,503		5,933,457	3,352,904	24,934,481	9,952,391		
Premium on refunding bonds	(49,825,431)	10,539,988			2,964,849		840,228			
Transfers in	91,788,595	119,345,479	91,667,990	62,444,100	80,984,336	52,502,525	36,915,679	46,793,697	36,778,838	30,834,857
Transfers out	(113,592,489)	(93,198,519)	(74,579,373)	(62,444,100)	(52,223,905)	(52,502,525)	(35,358,944)	(44,433,983)	(33,970,804)	(27,936,753)
Total other financing sources	<u>28,225,472</u>	<u>118,090,121</u>	<u>166,227,524</u>	<u>127,654,336</u>	<u>211,560,739</u>	<u>109,190,310</u>	<u>230,925,598</u>	<u>179,515,104</u>	<u>31,970,171</u>	<u>46,126,258</u>
Net change in fund balances	(49,014,734)	610,018	44,402,078	(34,765,747)	47,859,854	1,687,837	117,441,231	58,858,163	(94,564,839)	(52,862,728)
Fund balance at beginning of year	131,335,645	130,725,627	86,323,549	121,089,296	73,229,442	71,541,605 *	(61,697,403)	(120,825,566)	(26,260,727)	26,592,001
Fund Balance at End of Year	<u>\$ 82,320,911</u>	<u>\$ 131,335,645</u>	<u>\$ 130,725,627</u>	<u>\$ 86,323,549</u>	<u>\$ 121,089,296</u>	<u>\$ 73,229,442</u>	<u>\$ 55,743,828</u>	<u>\$ (61,967,403)</u>	<u>\$ (120,825,566)</u>	<u>\$ (26,270,727)</u>
Debt Service as a Percentage to Noncapital Expenditures										
	60.72%	62.53%	61.39%	53.78%	49.22%	63.02%	50.10%	50.95%	36.69%	32.58%
Total Debt Service	\$ 91,410,540	\$ 93,637,026	\$ 76,314,470	\$ 64,825,228	\$ 57,540,496	\$ 50,718,707	\$ 38,131,643	\$ 30,985,576	\$ 21,890,884	\$ 20,505,698
Capitalized capital outlay	(98,882,354)	(133,794,027)	(172,201,352)	(224,712,443)	(208,127,036)	(162,349,655)	(166,226,160)	(167,432,856)	(153,268,996)	(133,071,304)
Noncapital expenditures	150,549,735	149,740,808	124,311,689	120,528,073	116,914,445	80,478,591	76,114,242	60,812,152	59,668,205	62,948,966

*Restated in current year

**THE METROPOLITAN DISTRICT
DISTRIBUTION OF ANNUAL TAX LEVY
LAST TEN FISCAL YEARS**

Year	Hartford	East Hartford	Newington	Wethersfield	Windsor	Bloomfield	Rocky Hill	West Hartford	Total Tax Levy
2020	25.32 % \$ 13,035,400	11.83 % \$ 6,089,300	8.98 % \$ 4,623,100	8.24 % \$ 4,240,800	8.96 % \$ 4,611,600	7.54 % \$ 3,879,300	6.11 % \$ 3,144,100	23.02 % \$ 11,852,100	\$ 51,475,700
2019	25.70 12,372,000	11.99 5,775,200	8.97 4,318,900	8.26 3,979,400	8.88 4,274,900	7.24 3,488,600	6.04 2,909,600	22.92 11,034,500	48,153,100
2018	25.67 11,550,400	12.19 5,486,600	9.16 4,120,900	8.24 3,707,800	8.89 4,001,500	7.24 3,256,200	6.03 2,712,500	22.59 10,168,100	45,004,000
2017	26.31 10,963,200	12.14 5,059,400	9.01 3,752,900	8.18 3,408,200	8.78 3,656,900	7.36 3,067,100	5.94 2,475,800	22.28 9,286,900	41,670,400
2016	26.13 10,174,900	12.23 4,762,000	9.01 3,508,400	8.24 3,207,700	8.74 3,404,700	7.54 2,936,000	5.75 2,239,700	22.36 8,710,900	38,944,300
2015	24.71 10,298,600	10.78 4,490,100	7.89 3,287,300	7.25 3,022,000	7.73 3,222,600	6.61 2,752,400	5.17 2,153,700	19.73 8,219,700	37,446,400
2014	26.64 10,374,400	10.82 4,213,200	8.04 3,132,300	7.25 2,824,400	7.99 3,111,900	6.71 2,612,500	5.36 2,089,100	20.03 7,798,800	36,156,600
2013	28.61 9,955,500	11.39 3,964,500	8.66 3,014,900	7.92 2,756,900	8.70 3,026,500	7.43 2,584,900	5.78 2,011,100	21.51 7,485,100	34,799,400
2012	28.28 9,472,000	11.51 3,856,000	8.62 2,888,200	8.01 2,682,500	8.83 2,956,200	7.43 2,488,900	5.80 1,941,700	21.52 7,207,700	33,493,200
2011	27.96 9,046,600	11.65 3,769,700	8.64 2,794,700	8.10 2,619,900	8.94 2,893,400	7.41 2,399,000	5.78 1,869,100	21.52 6,968,100	32,360,500

Source: Tax warrants served on member towns.

TABLE 6

**THE METROPOLITAN DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

Year	Governmental Activities				Business-Type Activities			Total Outstanding Debt	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Clean Water Fund Loans	Revenue Bonds	Premiums	General Obligation Bonds	Drinking Water Fund Loans	Premiums			
2020	\$ 301,040,982	\$ 476,391,446	\$ 252,350,000	\$ 68,379,540	\$ 246,359,019	\$ 49,861,600	\$ 28,687,419	\$ 1,423,070,006	11.23%	\$ 3,921
2019	321,971,912	527,219,298	197,740,000	61,527,071	263,903,089	51,989,586	30,738,850	1,455,089,806	11.04%	3,523
2018	313,429,633	510,928,231	209,180,000	49,069,482	245,900,361	53,100,633	22,838,290	1,404,446,630	10.69%	3,356
2017	267,601,331	456,402,106	213,050,000	44,213,815	211,468,661	53,391,540	17,889,117	1,264,016,570	10.17%	3,088
2016	280,392,899	348,839,161	216,810,000	46,665,336	222,847,089	52,742,532	19,159,532	1,187,456,549	9.87%	3,009
2015	208,159,425	274,299,755	220,490,000	39,827,550	179,515,564	40,354,348	11,533,978	974,180,620	8.83%	2,658
2014	226,563,565	222,701,991	224,000,000	38,318,840	120,661,852	28,789,597	6,391,577	867,427,422	8.01%	2,367
2013	184,968,258	197,977,858	85,000,000	14,047,043	103,271,314	20,602,949	3,487,545	609,354,967	5.68%	1,665
2012	149,882,258	168,874,722		4,661,334	85,226,038	6,671,780	2,673,082	417,989,214	3.94%	1,141
2011	156,274,915	145,865,280		4,963,303	90,204,432	7,099,177	2,822,048	407,229,155	3.94%	1,113

TABLE 7

**THE METROPOLITAN DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS**

	<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>	<u>2011</u>
Debt limit	\$ 1,317,246,191	\$ 1,298,953,045	\$ 1,277,811,488	\$ 1,260,243,294	\$ 1,243,899,020	\$ 1,211,556,756	\$ 1,196,077,656	\$ 1,189,228,048	\$ 1,219,419,892	\$ 1,201,875,400
Total net debt applicable to limit	<u>897,446,518</u>	<u>923,986,892</u>	<u>945,046,541</u>	<u>946,055,259</u>	<u>907,121,892</u>	<u>721,360,548</u>	<u>508,198,906</u>	<u>587,681,341</u>	<u>560,433,771</u>	<u>436,356,760</u>
Legal Debt Margin	<u>\$ 419,799,673</u>	<u>\$ 374,966,153</u>	<u>\$ 332,764,947</u>	<u>\$ 314,188,035</u>	<u>\$ 336,777,128</u>	<u>\$ 490,196,208</u>	<u>\$ 687,878,750</u>	<u>\$ 601,546,707</u>	<u>\$ 658,986,121</u>	<u>\$ 765,518,640</u>
Total net debt applicable to the limit as a percentage of debt limit	68.13%	71.13%	73.96%	75.07%	72.93%	59.54%	42.49%	49.42%	45.96%	36.31%

Note: The State of Connecticut General Statutes require that in no event shall the total debt of the District exceed 5% of the combined grand list of District member municipalities.
The calculation of the 2020 debt limit can be found on Table 8 of this report.

**THE METROPOLITAN DISTRICT
SCHEDULE OF DEBT LIMITATION AND LEGAL DEBT MARGIN
DECEMBER 31, 2020**

Schedule of Debt Limitation

Combined 2020 Grand List of Member Municipalities of the District		\$ 26,344,923,810
Debt Limit, 5% thereof		\$ 1,317,246,191
Total Outstanding Debt, December 31, 2020:		
Water General Obligation Bonds	\$ 169,255,842	
DWSRF Project Loan Obligations	48,527,291	
Sewer General Obligation Bonds	179,636,459	
CWF Project Loan Obligations	29,831,189	
Clean Water Project General Obligation Bonds (B)	47,325,000	
Clean Water Project Revenue Bonds (B)	252,350,000	
Clean Water Project CWF Project Loan Obligations (B)	389,187,597	
Combined General Obligation Bonds	<u>151,182,699</u>	
Total Direct-Long-Term Indebtedness	<u>1,267,296,077</u>	
Outstanding Bonds and Notes	93,185,000	
DWSRF Interim Funding Obligation	1,799,195	
CWF Interim Funding Obligation (B)	<u>133,451,321</u>	
Total Direct Short-Term Indebtedness	<u>228,435,516</u>	
Total Direct Indebtedness	<u>1,495,731,593</u>	
Less Outstanding Debt Not Subject to Debt Limitation:		
Water Bonds (A)	169,255,842	
DWSRF Project Loan Obligations	48,527,291	
DWSRF Interim Funding Obligations	1,799,195	
Clean Water Project Revenue Bonds (B)	252,350,000	
Water's Share of Combined General Obligation Bonds	77,103,177	
Water's Share of Outstanding Water Notes	<u>49,249,570</u>	
Total Outstanding Debt Not Subject to Debt Limitation	<u>598,285,075</u>	
Total Debt Subject to Debt Limitation		<u>897,446,518</u>
Excess of Charter Debt Limitation Over Outstanding Debt		<u>\$ 419,799,673</u>

(A) The District's Charter does not limit its borrowing capacity for water purposes, but limits its capacity for nonwater purposes to 5% of the combined grand lists of its member municipalities. The nature of this limitation requires the aggregation of obligations which normally appear in separate account groups.

(B) It is expected that these obligations issued pursuant to authorizations totaling \$1.759 billion for the District's Clean Water Project will be supported by a Special Sewer Service Surcharge levied annually and added to customers' water bills.

(C) In the above schedule, Interim Funding Obligations are considered short-term indebtedness. For GAAP purposes, these are included as long-term indebtedness.

TABLE 9

**THE METROPOLITAN DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

Fiscal Year	Population	Personal Income	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
2020	362,937	\$ 12,667,977,702	\$ 34,904	38.6	50,732	9.88%
2019	364,173	11,617,225,185	31,900	38.4	51,749	6.08%
2018	364,869	11,454,126,993	31,392	38.4	52,260	5.18%
2017	364,393	11,070,762,172	30,381	38.3	52,921	6.14%
2016	365,289	11,143,038,584	30,505	38.2	55,234	6.84%
2015	366,470	11,026,722,853	30,089	38.1	53,358	7.64%
2014	366,406	10,835,873,742	29,573	38.0	53,860	9.64%
2013	366,019	10,731,053,662	29,318	38.0	53,899	10.53%
2012	366,257	10,598,647,554	28,938	38.1	54,782	10.58%
2011	365,806	10,347,099,579	28,286	37.9	54,914	11.52%

Sources:

Town ACFRs

Any information not contained in ACFRs was taken from the US Census Bureau
or The Department of Labor

TABLE 10

**THE METROPOLITAN DISTRICT
FULL-TIME EQUIVALENT GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

	<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>	<u>2011</u>
Officials/administrators	28	36	31	32	34	32	33	31	34	34
Other administrative	32	33	31	30	32	33	35	34	36	39
Professional/technical	162	160	164	166	170	174	172	167	172	186
Protective service	12	10	8	8	8	8	9	9	9	15
Skilled craft, service/maintenance	<u>227</u>	<u>240</u>	<u>240</u>	<u>246</u>	<u>265</u>	<u>275</u>	<u>275</u>	<u>278</u>	<u>289</u>	<u>315</u>
Total	<u>461</u>	<u>479</u>	<u>474</u>	<u>482</u>	<u>509</u>	<u>522</u>	<u>524</u>	<u>519</u>	<u>540</u>	<u>589</u>

Notes: A full-time employee is scheduled to work 1,950 or 2,080 hours per year (including vacation and sick leave). Full-time equivalent employment is calculated by dividing total labor hours by 1,950 or 2,080.

Source: Budget analysis from data provided by Human Resources

TABLE 11

**THE METROPOLITAN DISTRICT
WATER OPERATING INDICATORS BY FUNCTION/PROGRAM AND CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN YEARS**

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
<u>Water Operations</u>										
Miles of water mains added	0.12	3.04	3.71	0.77	1.56	2.10	5.58	2.00	1.00	(2.00)
Total miles of water mains	1,562	1,562	1,557	1,554	1,553	1,551	1,549	1,543	1,541	1,540
Water connections made	101,731	102,184	102,051	101,836	101,599	101,446	101,217	102,669	102,449	102,324
Average daily consumption (millions of gallons)	47.63	45.80	37.34	39.30	39.59	40.07	42.02	40.25	42.27	41.95
Maximum consumption (millions of gallons daily)	69.89	63.65	68.80	61.70	71.94	70.09	69.59	71.84	74.68	87.06
Minimum consumption (millions of gallons daily)	38.15	38.94	37.84	39.20	39.9	37.57	38.46	35.85	35.19	42.69
Number of hydrants	10,216	10,166	10,720	10,329	10,197	11,238	11,484	11,238	11,178	11,146
Number of meters	100,452	98,250	99,946	98,239	102,987	101,400	102,828	103,340	103,125	102,895
Plant capacity (millions of gallons)	126	126	126	126	126	126	126	126	126	105

Source: MDC Budgets

TABLE 12

**THE METROPOLITAN DISTRICT
SEWER OPERATING INDICATORS BY FUNCTION/PROGRAM AND CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

	<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>	<u>2011</u>
<u>Sewer Operations</u>										
Miles of sewer mains added	2.43	0.81	1.20	(0.34)	1.57	2.89	2.80	3.37	2.29	(0.22)
Total miles of sanitary sewers	1,092.67	1,090.24	1,089.43	1,088.23	1,088.57	1,087.47	1,084.04	1,081.24	1,077.87	1,075.58
Miles of combined sewers	159	159	159	159	159	159	160	160	160	160
Miles of storm sewers	79	79	79	78	79	79	76	76	73	72
Sewer connections made	91,376	91,208	91,037	91,011	90,728	90,566	90,666	90,220	90,035	89,969
Average daily flow (millions of gallons)	72.30	79.42	80.70	65.20	56.70	60.50	65.30	66.00	60.30	83.20
Plant capacity (millions of gallons)	105	105	105	105	105	105	105	105	105	105

Source: MDC Budgets

**APPENDIX B-1 – FORM OF LEGAL OPINION OF BOND COUNSEL AND TAX EXEMPTION –
SERIES A BONDS**

The legal opinion of the firm of Shipman & Goodwin LLP of Hartford, Connecticut, Bond Counsel, will be furnished to the underwriter when the Bonds are delivered, and a copy of the legal opinion will be included in the record of proceedings of the District authorizing the Bonds. The opinion will be dated and given on and will speak only as of the date of original delivery of the Bonds to the underwriter.

The opinion of Shipman & Goodwin LLP will be in substantially the following form:

The Metropolitan District
555 Main Street
Hartford, Connecticut 06142

Ladies and Gentlemen:

We have acted as bond counsel in connection with the issuance by The Metropolitan District, Hartford County, Connecticut (the “District”) of its \$130,810,000 General Obligation Bonds, Issue of 2021, Series A, dated August 31, 2021, maturing September 1, 2022-2041 (the “Bonds”).

In connection with our representation of the District as bond counsel with respect to the Bonds, we have examined the executed Tax Certificate and Tax Compliance Agreement of the District, each dated as of August 31, 2021, the executed Bonds, and certified records of proceedings of the District authorizing the Bonds. In addition, we have examined and relied on originals or copies, identified to us as genuine, of such other documents, instruments or records, and have made such investigations of law as we considered necessary or appropriate for the purposes of this opinion. In making the statements contained in this opinion, we have assumed, without independently verifying, the genuineness of all signatures, the authenticity of all documents submitted to us as originals, the conformity to original documents of documents submitted to us as certified or photostatic copies, and the legal capacity and authority of all persons executing such documents.

On the basis of our review noted above and subject to the qualifications set forth herein:

1. We are of the opinion that the proceedings and above-referenced evidence show lawful authority for the issuance and sale of the Bonds under the authority of the constitution and statutes of the State of Connecticut, and that the Bonds are valid and binding general obligations of the District. The full faith and credit of the District is pledged to the payment of the principal and interest on the Bonds. The District is authorized to levy unlimited taxes upon the City of Hartford and the Towns of Bloomfield, East Hartford, Newington, Rocky Hill, West Hartford, Wethersfield and Windsor, comprising the District, proportionately as provided in the District’s Charter, to pay said principal and interest, and that such city and towns are authorized to levy ad valorem taxes on all taxable property within their respective limits to pay such District taxes without limitation as to rate or amount, except as to property classified under the statutes of the State of Connecticut such as certified forest land taxable at a limited rate and dwelling houses of qualified elderly persons of low income or of qualified disabled persons taxable at limited amounts.

2. We are of the opinion that the Tax Compliance Agreement is a valid and binding agreement of the District and that the Tax Certificate and Tax Compliance Agreement were duly authorized by the District.

3. The Internal Revenue Code of 1986, as amended (the “Code”), establishes certain requirements that must be met subsequent to the issuance and delivery of the Bonds if interest on the Bonds is to be excludable from gross income under Section 103 of the Code. The District has covenanted in the Tax Compliance Agreement that it will at all times perform all acts and things necessary or appropriate under any valid provision of law to ensure that interest paid on the Bonds will not be includable in the gross income of the owners thereof for federal income tax purposes under the Code. In our opinion, under existing law:

(i) interest on the Bonds is excludable from gross income of the owners thereof for federal income tax purposes pursuant to Section 103 of the Code; and

(ii) such interest is not treated as 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 of, or receipt of interest on, the Bonds. In rendering the foregoing opinions regarding the federal income tax 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 Tax Certificate and the Tax Compliance Agreement, and (ii) full compliance by the District with the covenants set forth in the Tax Compliance Agreement. The inaccuracy of the representations, statements of intention and reasonable expectations, and certifications of fact, contained in the Tax Certificate or the Tax Compliance Agreement, or the failure of the District to fully comply with the covenants set forth therein, 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.

4. We are 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 in the case of individuals, trusts and estates required to pay the federal alternative minimum tax.

The rights of the holders of the Bonds and the enforceability of the Bonds and the enforceability of the Tax Compliance Agreement are limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally, and by equitable principles, whether considered at law or in equity.

We express no opinion herein as to the accuracy, adequacy or completeness of the Official Statement relating to the Bonds.

This opinion is given as of the date hereof and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law, regulation or judicial interpretation that may hereafter occur.

Very truly yours,

Shipman & Goodwin LLP

CERTAIN ADDITIONAL FEDERAL TAX CONSEQUENCES.

The following is a brief discussion of certain federal income tax matters with respect to the Bonds under existing statutes. It does not purport to deal with all aspects of federal taxation that may be relevant to a particular owner of the Bonds. Prospective owners of the Bonds, particularly those that may be subject to special rules, are advised to consult their own tax advisors regarding the federal tax consequences of owning and disposing of the Bonds.

Changes in Federal and State Tax Law. 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 or the interpretation thereof that may occur after the date of its opinion.

From time to time, there are Presidential proposals, proposals of various federal committees, and legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to herein or adversely affect the marketability or market value of the Bonds or otherwise prevent holders of the Bonds from realizing the full benefit of the tax exemption of interest on the Bonds.

In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value, marketability or tax status of the Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Bonds would be impacted thereby.

Purchasers of the Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Bonds, and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any proposed or pending legislation, regulatory initiatives or litigation.

Alternative Minimum Tax. The Code imposes an alternative minimum tax. The alternative minimum tax is imposed on alternative minimum taxable income, which includes items of tax preference. The interest on certain tax-exempt "private activity bonds" is treated as an item of tax preference. The District's Tax Compliance Agreement will contain certain representations and covenants to ensure that the Bonds are not "private activity bonds" so that interest on the Bonds will not be treated as an item of tax preference for purposes of calculating the federal alternative minimum tax.

Financial Institutions. The Code provides that commercial banks, thrift institutions and certain other financial institutions may not deduct the portion of their interest expense allocable to tax-exempt obligations acquired after August 7, 1986, other than "qualified tax-exempt obligations". The Bonds **shall not** be designated by the District as "qualified tax-exempt obligations" for purposes of the deduction for federal income tax purposes by financial institutions of a portion of interest expense allocable to tax-exempt obligations.

Other. Ownership of the Bonds may result in collateral federal income tax consequences to various categories of persons, such as corporations (including S corporations and foreign corporations), financial institutions, property and casualty and life insurance companies, individual recipients of Social Security and railroad retirement benefits, and individuals otherwise eligible for the earned income credit, and to taxpayers deemed to have incurred or continued indebtedness to purchase or carry obligations the interest on which is not included in gross income for federal income tax purposes.

STATE OF CONNECTICUT TAX ON INTEREST.

The opinion of Bond Counsel will state in substance that, based on the record of proceedings authorizing the Bonds, 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.

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

Owners of the Bonds should consult their tax advisors with respect to other applicable state and local tax consequences of ownership of the Bonds and the disposition thereof, including the extent to which gains and losses from the sale or exchange of Bonds held as capital assets reduce and increase, respectively, amounts taken into account in computing the Connecticut income tax on individuals, trusts and estates and may affect the net Connecticut minimum tax on such taxpayers who are also required to pay the federal alternative minimum tax.

ORIGINAL ISSUE DISCOUNT.

The initial public offering price of the Bonds (the “OID Bonds”) may be less than the stated principal amount. Under existing law, the difference between the stated principal amount and the initial offering price of the OID Bonds to the public (excluding bond houses and brokers) at which a substantial amount of the OID Bonds is sold will constitute original issue discount (“OID”). The offering price relating to the yield set forth on the inside cover page of this Official Statement for the OID Bonds is expected to be the initial offering price to the public at which a substantial amount of the OID Bonds are sold. Under existing law, OID on the Bonds accrued and properly allocable to the owners thereof under the Code is not included in gross income for federal income tax purposes if interest on the Bonds is not included in gross income for federal income tax purposes.

Under the Code, for purposes of determining an owner’s adjusted basis in an OID Bond, OID treated as having accrued while the owner holds the OID Bond will be added to the owner’s basis. OID will accrue on a constant-yield-to-maturity method based on regular compounding. 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 an OID Bond.

Prospective purchasers of OID Bonds should consult their own tax advisors as to the calculation of accrued OID, the accrual of OID in the cases of owners of the OID Bonds purchasing such 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 price of the Bonds (the “OIP Bonds”) may be more than the stated principal amount. An owner who purchases a Bond at a premium to its principal amount must amortize bond premium as provided in applicable Treasury Regulations, and amortized premium reduces the owner’s basis in the Bond for federal income tax purposes. Prospective purchasers of OIP Bonds should consult their tax advisors regarding the amortization of premium and the effect upon basis.

* * * * *

The information above does not purport to deal with all aspects of federal or state taxation that may be relevant to particular investors. Prospective investors, particularly those that may be subject to special rules, are advised to consult their own tax advisors regarding the federal and state tax consequences of owning and disposing of the Bonds, including any tax consequences arising under the laws of any state or other taxing jurisdiction.

**APPENDIX B-2 – FORM OF LEGAL OPINION OF BOND COUNSEL AND TAX EXEMPTION –
SERIES B BONDS**

The legal opinion of the firm of Shipman & Goodwin LLP of Hartford, Connecticut, Bond Counsel, will be furnished to the underwriter when the Bonds are delivered, and a copy of the legal opinion will be included in the record of proceedings of the District authorizing the Bonds. The opinion will be dated and given on and will speak only as of the date of original delivery of the Bonds to the underwriter.

The opinion of Shipman & Goodwin LLP will be in substantially the following form:

The Metropolitan District
555 Main Street
Hartford, Connecticut 06142

Ladies and Gentlemen:

We have acted as bond counsel in connection with the issuance by The Metropolitan District, Hartford County, Connecticut (the “District”) of its \$15,235,000 General Obligation Refunding Bonds, Issue of 2021, Series B (Forward Delivery), dated November 3, 2021, maturing February 1, 2022-2033 (the “Bonds”).

In connection with our representation of the District as bond counsel with respect to the Bonds, we have examined the executed Tax Certificate and Tax Compliance Agreement of the District, each dated as of November 3, 2021, the executed Bonds, and certified records of proceedings of the District authorizing the Bonds. In addition, we have examined and relied on originals or copies, identified to us as genuine, of such other documents, instruments or records, and have made such investigations of law as we considered necessary or appropriate for the purposes of this opinion. In making the statements contained in this opinion, we have assumed, without independently verifying, the genuineness of all signatures, the authenticity of all documents submitted to us as originals, the conformity to original documents of documents submitted to us as certified or photostatic copies, and the legal capacity and authority of all persons executing such documents.

On the basis of our review noted above and subject to the qualifications set forth herein:

1. We are of the opinion that the proceedings and above-referenced evidence show lawful authority for the issuance and sale of the Bonds under the authority of the constitution and statutes of the State of Connecticut, and that the Bonds are valid and binding general obligations of the District. The full faith and credit of the District is pledged to the payment of the principal and interest on the Bonds. The District is authorized to levy unlimited taxes upon the City of Hartford and the Towns of Bloomfield, East Hartford, Newington, Rocky Hill, West Hartford, Wethersfield and Windsor, comprising the District, proportionately as provided in the District’s Charter, to pay said principal and interest, and that such city and towns are authorized to levy ad valorem taxes on all taxable property within their respective limits to pay such District taxes without limitation as to rate or amount, except as to property classified under the statutes of the State of Connecticut such as certified forest land taxable at a limited rate and dwelling houses of qualified elderly persons of low income or of qualified disabled persons taxable at limited amounts.

2. We are of the opinion that the Tax Compliance Agreement is a valid and binding agreement of the District and that the Tax Certificate and Tax Compliance Agreement were duly authorized by the District.

3. The Internal Revenue Code of 1986, as amended (the “Code”), establishes certain requirements that must be met subsequent to the issuance and delivery of the Bonds if interest on the Bonds is to be excludable from gross income under Section 103 of the Code. The District has covenanted in the Tax Compliance Agreement that it will at all times perform all acts and things necessary or appropriate under any valid provision of law to ensure that interest paid on the Bonds will not be includable in the gross income of the owners thereof for federal income tax purposes under the Code. In our opinion, under existing law:

(i) interest on the Bonds is excludable from gross income of the owners thereof for federal income tax purposes pursuant to Section 103 of the Code; and

(ii) such interest is not treated as 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 of, or receipt of interest on, the Bonds. In rendering the foregoing opinions regarding the federal income tax 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 Tax Certificate and the Tax Compliance Agreement, and (ii) full compliance by the District with the covenants set forth in the Tax Compliance Agreement. The inaccuracy of the representations, statements of intention and reasonable expectations, and certifications of fact, contained in the Tax Certificate or the Tax Compliance Agreement, or the failure of the District to fully comply with the covenants set forth therein, 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.

4. We are 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 in the case of individuals, trusts and estates required to pay the federal alternative minimum tax.

The rights of the holders of the Bonds and the enforceability of the Bonds and the enforceability of the Tax Compliance Agreement are limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally, and by equitable principles, whether considered at law or in equity.

We express no opinion herein as to the accuracy, adequacy or completeness of the Official Statement relating to the Bonds.

This opinion is given as of the date hereof and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law, regulation or judicial interpretation that may hereafter occur.

Very truly yours,

Shipman & Goodwin LLP

CERTAIN ADDITIONAL FEDERAL TAX CONSEQUENCES.

The following is a brief discussion of certain federal income tax matters with respect to the Bonds under existing statutes. It does not purport to deal with all aspects of federal taxation that may be relevant to a particular owner of the Bonds. Prospective owners of the Bonds, particularly those that may be subject to special rules, are advised to consult their own tax advisors regarding the federal tax consequences of owning and disposing of the Bonds.

Changes in Federal and State Tax Law. 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 or the interpretation thereof that may occur after the date of its opinion.

From time to time, there are Presidential proposals, proposals of various federal committees, and legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to herein or adversely affect the marketability or market value of the Bonds or otherwise prevent holders of the Bonds from realizing the full benefit of the tax exemption of interest on the Bonds.

In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value, marketability or tax status of the Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Bonds would be impacted thereby.

Purchasers of the Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Bonds, and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any proposed or pending legislation, regulatory initiatives or litigation.

Alternative Minimum Tax. The Code imposes an alternative minimum tax. The alternative minimum tax is imposed on alternative minimum taxable income, which includes items of tax preference. The interest on certain tax-exempt "private activity bonds" is treated as an item of tax preference. The District's Tax Compliance Agreement will contain certain representations and covenants to ensure that the Bonds are not "private activity bonds" so that interest on the Bonds will not be treated as an item of tax preference for purposes of calculating the federal alternative minimum tax.

Financial Institutions. The Code provides that commercial banks, thrift institutions and certain other financial institutions may not deduct the portion of their interest expense allocable to tax-exempt obligations acquired after August 7, 1986, other than "qualified tax-exempt obligations". The Bonds **shall not** be designated by the District as "qualified tax-exempt obligations" for purposes of the deduction for federal income tax purposes by financial institutions of a portion of interest expense allocable to tax-exempt obligations.

Other. Ownership of the Bonds may result in collateral federal income tax consequences to various categories of persons, such as corporations (including S corporations and foreign corporations), financial institutions, property and casualty and life insurance companies, individual recipients of Social Security and railroad retirement benefits, and individuals otherwise eligible for the earned income credit, and to taxpayers deemed to have incurred or continued indebtedness to purchase or carry obligations the interest on which is not included in gross income for federal income tax purposes.

STATE OF CONNECTICUT TAX ON INTEREST.

The opinion of Bond Counsel will state in substance that, based on the record of proceedings authorizing the Bonds, 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.

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

Owners of the Bonds should consult their tax advisors with respect to other applicable state and local tax consequences of ownership of the Bonds and the disposition thereof, including the extent to which gains and losses from the sale or exchange of Bonds held as capital assets reduce and increase, respectively, amounts taken into account in computing the Connecticut income tax on individuals, trusts and estates and may affect the net Connecticut minimum tax on such taxpayers who are also required to pay the federal alternative minimum tax.

ORIGINAL ISSUE DISCOUNT.

The initial public offering price of the Bonds (the “OID Bonds”) may be less than the stated principal amount. Under existing law, the difference between the stated principal amount and the initial offering price of the OID Bonds to the public (excluding bond houses and brokers) at which a substantial amount of the OID Bonds is sold will constitute original issue discount (“OID”). The offering price relating to the yield set forth on the inside cover page of this Official Statement for the OID Bonds is expected to be the initial offering price to the public at which a substantial amount of the OID Bonds are sold. Under existing law, OID on the Bonds accrued and properly allocable to the owners thereof under the Code is not included in gross income for federal income tax purposes if interest on the Bonds is not included in gross income for federal income tax purposes.

Under the Code, for purposes of determining an owner’s adjusted basis in an OID Bond, OID treated as having accrued while the owner holds the OID Bond will be added to the owner’s basis. OID will accrue on a constant-yield-to-maturity method based on regular compounding. 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 an OID Bond.

Prospective purchasers of OID Bonds should consult their own tax advisors as to the calculation of accrued OID, the accrual of OID in the cases of owners of the OID Bonds purchasing such 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 price of the Bonds (the “OIP Bonds”) may be more than the stated principal amount. An owner who purchases a Bond at a premium to its principal amount must amortize bond premium as provided in applicable Treasury Regulations, and amortized premium reduces the owner’s basis in the Bond for federal income tax purposes. Prospective purchasers of OIP Bonds should consult their tax advisors regarding the amortization of premium and the effect upon basis.

* * * * *

The information above does not purport to deal with all aspects of federal or state taxation that may be relevant to particular investors. Prospective investors, particularly those that may be subject to special rules, are advised to consult their own tax advisors regarding the federal and state tax consequences of owning and disposing of the Bonds, including any tax consequences arising under the laws of any state or other taxing jurisdiction.

APPENDIX C-1 – CONTINUING DISCLOSURE AGREEMENT – SERIES A BONDS

The Metropolitan District, Hartford County, Connecticut
\$130,810,000 General Obligation Bonds, Issue of 2021, Series A

WHEREAS, The Metropolitan District, Hartford County, Connecticut (the “District”) has authorized the issuance of \$130,810,000 General Obligation Bonds, Issue of 2021, Series A (the “Bonds”), to mature on the dates and in the amounts set forth in the District’s Official Statement dated August 18, 2021 describing the Bonds (the “Official Statement”); and

WHEREAS, the Bonds have been sold pursuant to a Bond Purchase Agreement dated August 18, 2021 (the “Purchase Contract”); and

WHEREAS, in the Purchase Contract, the District acknowledged that an underwriter may not purchase or sell the Bonds unless it has reasonably determined that the District has undertaken in a written agreement for the benefit of the beneficial owners of the Bonds to provide certain continuing disclosure as required by the Securities and Exchange Commission Rule 15c2-12(b)(5), as amended from time to time (the “Rule”), and the District desires to assist the underwriters of the Bonds to meet the requirements of the Rule; and

WHEREAS, the District is authorized pursuant to Section 3-20e of the General Statutes of Connecticut to make such representations and agreements for the benefit of the beneficial owners of the Bonds to meet the requirements of the Rule; and

WHEREAS, in order to assist the underwriters of the Bonds to meet the requirements of the Rule, this Continuing Disclosure Agreement (this “Agreement”) is to be made, executed and delivered by the District in connection with the issuance of the Bonds and to be described in the Official Statement, all for the benefit of the beneficial owners of the Bonds, as they may be from time to time;

NOW, THEREFORE, the District hereby represents, covenants and agrees as follows:

SECTION 1. Definitions. In addition to the definitions above, the following capitalized terms shall have the following meanings:

“Annual Report” means any Annual Report provided by the District pursuant to and as described in and consistent with Sections 2 and 3 of this Agreement.

“Annual Filing Date” means the date, set in Section 2(a) by which the Annual Report is to be filed with the Repository.

“Annual Financial Information” means annual financial information as such term is used in paragraph (b)(5)(i) of the Rule and specified in Section 3(a) of this Agreement.

“Audited Financial Statements” means the financial statements (if any) of the District and/or its members for the prior fiscal year, certified by an independent auditor as prepared in accordance with generally accepted accounting principles or otherwise, as such term is used in paragraph (b)(5)(i) of the Rule and specified in Section 3(b) of this Agreement.

“Listed Events” shall mean any of the events listed in Section 4 of this Agreement.

“MSRB” shall mean the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934, as amended, or any successor thereto.

“Repository” shall mean the Electronic Municipal Market Access system of the MSRB as described in 1934 Act Release No. 57577 for purposes of the Rule or any other nationally recognized municipal securities information repository or organization recognized by the SEC from time to time for the purposes of the Rule.

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

SECTION 2. Provision of Annual Reports.

(a) The District shall provide, annually, an electronic copy of the Annual Report to the Repository not later than eight (8) months after the end of each fiscal year of the District, commencing with the fiscal year ending December 31, 2021. Such date and each anniversary thereof is the Annual Filing Date. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 3 of this Agreement.

(b) If Audited Financial Statements of the District are prepared but not available prior to the Annual Filing Date, the District shall submit unaudited financial statements by the Annual Filing Date and, when the Audited Financial Statements are available, shall file the Audited Financial Statements in a timely manner with the Repository.

(c) If the District is unable to provide an Annual Report to the Repository by the Annual Filing Date, it shall send a notice in electronic format to the Repository of its failure to provide such Annual Report.

SECTION 3. Content of Annual Reports.

(a) Each Annual Report shall contain Annual Financial Information with respect to the District as follows: (i) commencing with information and data for the fiscal year ending December 31, 2021, the Audited Financial Statements of the District, which statements shall be prepared in accordance with generally accepted accounting principles accepted in the United States, as promulgated by the Government Accounting Standards Board from time to time or mandated state statutory principles as in effect from time to time; and (ii) to the extent not included in the financial statements described in (i) above:

(1) under the heading "WATER POLLUTION CONTROL", information concerning the District's facilities for sewer service and the sewer user charges;

(2) under the heading "WATER OPERATIONS", information concerning the District's facilities for water service, water consumption and water utility unit charges;

(3) under the heading "ECONOMIC AND DEMOGRAPHIC INFORMATION", information concerning income levels, employment data and major employers of each member municipality;

(4) under the heading "DEBT SUMMARY", the computation of the District's debt limits and net direct indebtedness, outstanding indebtedness, debt ratios, and debt service requirements, all as of the close of the District's prior fiscal year;

(5) under the heading "DEBT SUMMARY", information concerning the member municipalities' net direct debt and underlying net debt, and debt summary, all as of the close of such municipalities' prior fiscal year;

(6) under the heading "FINANCIAL INFORMATION", summaries of the general fund revenues and expenditures for each member municipality.

(b) Audited Financial Statements prepared in accordance with GAAP as described in the Official Statement will be included in the Annual Report. If the District is no longer required by applicable law, regulations or other legally binding obligation to prepare such audited financial statements, the District reserves the right to provide only financial statements which are not audited. Audited Financial Statements (if any) will be provided pursuant to Section 2 hereof.

Any or all of the items listed above may be included by specific reference from other documents, including official statements of debt issues with respect to which the District is an "obligated person" (as defined by the Rule), which have been previously filed with the Repository or the MSRB. If the document incorporated by reference is a final official statement, it must be available from the MSRB. The District will clearly identify each such document so incorporated by reference.

SECTION 4. Reporting of Listed Events.

events: (a) This Section 4 shall govern the giving of notices of the occurrence of any of the following

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. 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;
7. Modifications to rights of the holders of the Bonds, if material;
8. Bond calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution or sale of property securing repayment of the Bonds, if material;
11. Rating changes;
12. Bankruptcy, insolvency, receivership, or other similar event of any obligated person;
13. The consummation of a merger, consolidation, or acquisition involving any obligated person or the sale of all or substantially all of the assets of any obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake any such action or the termination of a definitive agreement related to such actions, other than pursuant to its terms, if material;
14. Appointment of a successor or additional trustee or the change of a name of a trustee, if material;
15. The incurrence of a financial obligation, if material, or agreement to covenants, events of default, remedies, priority rights or other similar terms of a financial obligation of the District, any of which affects security holders, if material; and
16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the District, any of which reflect financial difficulties.

For the purposes of events 15 and 16 above, 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 the MSRB pursuant to the Rule.

(b) Whenever the District obtains knowledge of the occurrence of a Listed Event, the District shall, in a timely manner not in excess of ten (10) business days after the occurrence of the Listed Event, provide or

cause to be provided a notice of such occurrence to the Repository in electronic format, accompanied by identifying information, as prescribed by the MSRB.

SECTION 5. Termination of Reporting Obligation. The District's obligations under this Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds.

SECTION 6. Dissemination Agent. The District may, from time to time, appoint or engage an agent to assist it in carrying out its obligations under this Agreement and may discharge any such agent with or without appointing a successor agent.

SECTION 7. Amendment; Waiver. Notwithstanding any other provision of this Agreement, the District may amend this Agreement (and any provision of this Agreement may be waived), provided that the following conditions are satisfied:

(a) It may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of the District or of the type of business conducted by the District;

(b) This Agreement, as so amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The District receives an opinion of counsel expert in federal securities laws to the effect that the amendment or waiver does not materially impair the interests of the holders of the Bonds. A copy of any such amendment will be filed in a timely manner with the Repository in electronic format. The Annual Report provided on the first date following the 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 financial information or operating data provided.

SECTION 8. Additional Information. Nothing in this Agreement shall be deemed to prevent the District from disseminating any other information, using the means of dissemination set forth in this Agreement or any other means of communication, or including any other information in any Annual Financial Statement, Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Agreement. If the District chooses to include any information in any Annual Financial Statement, Annual Report or notice of occurrence of a Listed Event, in addition to that which is specifically required by this Agreement, the District shall have no obligation under this Agreement to update such information or include it in any future Annual Financial Statement, Annual Report or notice of occurrence of a Listed Event.

SECTION 9. Enforceability. The District agrees that its undertaking pursuant to the Rule set forth in this Agreement is intended to be for the benefit of and enforceable by the beneficial owners of the Bonds. In the event of a failure of the District to comply with any provision of this Agreement, the District shall have the option to cure such failure after its receipt of written notice from any beneficial owner of the Bonds of such failure. In the event the District does not cure such failure, the right of any beneficial owner of the Bonds to enforce the provisions of this undertaking shall be limited to a right to specific performance to cause the District to comply with its obligations under this Agreement. A default under this Agreement shall not be deemed a default of the District with respect to the Bonds. No person or entity shall have any right to any monetary damages for any default under this Agreement.

SECTION 10. Indemnification. The District agrees to indemnify and save its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including reasonable attorneys' fees) of defending against any claim of liability, but excluding loss, expense or liability due any such person's willful misconduct. The obligations of the District under this Section shall survive payment of the Bonds.

IN WITNESS WHEREOF, the District has caused this Continuing Disclosure Agreement to be executed in its name by the undersigned officers, duly authorized, all as of the __ day of August, 2021.

**THE METROPOLITAN DISTRICT,
HARTFORD COUNTY, CONNECTICUT**

By: _____
William A. DiBella
Chairman

By: _____
Robert Barron
Chief Financial Officer/Treasurer

[THIS PAGE INTENTIONALLY LEFT BLANK]

APPENDIX C-2 – CONTINUING DISCLOSURE AGREEMENT – SERIES B BONDS

The Metropolitan District, Hartford County, Connecticut
\$15,235,000 General Obligation Refunding Bonds, Issue of 2021, Series B (Forward Delivery)

WHEREAS, The Metropolitan District, Hartford County, Connecticut (the “District”) has authorized the issuance of \$15,235,000 General Obligation Refunding Bonds, Issue of 2021, Series B (Forward Delivery) (the “Bonds”), to mature on the dates and in the amounts set forth in the District’s Official Statement dated August 18, 2021 describing the Bonds (the “Official Statement”); and

WHEREAS, the Bonds have been sold pursuant to a Bond Purchase Agreement dated August 18, 2021 (the “Purchase Contract”); and

WHEREAS, in the Purchase Contract, the District acknowledged that an underwriter may not purchase or sell the Bonds unless it has reasonably determined that the District has undertaken in a written agreement for the benefit of the beneficial owners of the Bonds to provide certain continuing disclosure as required by the Securities and Exchange Commission Rule 15c2-12(b)(5), as amended from time to time (the “Rule”), and the District desires to assist the underwriters of the Bonds to meet the requirements of the Rule; and

WHEREAS, the District is authorized pursuant to Section 3-20e of the General Statutes of Connecticut to make such representations and agreements for the benefit of the beneficial owners of the Bonds to meet the requirements of the Rule; and

WHEREAS, in order to assist the underwriters of the Bonds to meet the requirements of the Rule, this Continuing Disclosure Agreement (this “Agreement”) is to be made, executed and delivered by the District in connection with the issuance of the Bonds and to be described in the Official Statement, all for the benefit of the beneficial owners of the Bonds, as they may be from time to time;

NOW, THEREFORE, the District hereby represents, covenants and agrees as follows:

SECTION 1. Definitions. In addition to the definitions above, the following capitalized terms shall have the following meanings:

“Annual Report” means any Annual Report provided by the District pursuant to and as described in and consistent with Sections 2 and 3 of this Agreement.

“Annual Filing Date” means the date, set in Section 2(a) by which the Annual Report is to be filed with the Repository.

“Annual Financial Information” means annual financial information as such term is used in paragraph (b)(5)(i) of the Rule and specified in Section 3(a) of this Agreement.

“Audited Financial Statements” means the financial statements (if any) of the District and/or its members for the prior fiscal year, certified by an independent auditor as prepared in accordance with generally accepted accounting principles or otherwise, as such term is used in paragraph (b)(5)(i) of the Rule and specified in Section 3(b) of this Agreement.

“Listed Events” shall mean any of the events listed in Section 4 of this Agreement.

“MSRB” shall mean the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934, as amended, or any successor thereto.

“Repository” shall mean the Electronic Municipal Market Access system of the MSRB as described in 1934 Act Release No. 57577 for purposes of the Rule or any other nationally recognized municipal securities information repository or organization recognized by the SEC from time to time for the purposes of the Rule.

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

SECTION 2. Provision of Annual Reports.

(a) The District shall provide, annually, an electronic copy of the Annual Report to the Repository not later than eight (8) months after the end of each fiscal year of the District, commencing with the fiscal year ending December 31, 2021. Such date and each anniversary thereof is the Annual Filing Date. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 3 of this Agreement.

(b) If Audited Financial Statements of the District are prepared but not available prior to the Annual Filing Date, the District shall submit unaudited financial statements by the Annual Filing Date and, when the Audited Financial Statements are available, shall file the Audited Financial Statements in a timely manner with the Repository.

(c) If the District is unable to provide an Annual Report to the Repository by the Annual Filing Date, it shall send a notice in electronic format to the Repository of its failure to provide such Annual Report.

SECTION 3. Content of Annual Reports.

(a) Each Annual Report shall contain Annual Financial Information with respect to the District as follows: (i) commencing with information and data for the fiscal year ending December 31, 2021, the Audited Financial Statements of the District, which statements shall be prepared in accordance with generally accepted accounting principles accepted in the United States, as promulgated by the Government Accounting Standards Board from time to time or mandated state statutory principles as in effect from time to time; and (ii) to the extent not included in the financial statements described in (i) above:

(1) under the heading "WATER POLLUTION CONTROL", information concerning the District's facilities for sewer service and the sewer user charges;

(2) under the heading "WATER OPERATIONS", information concerning the District's facilities for water service, water consumption and water utility unit charges;

(3) under the heading "ECONOMIC AND DEMOGRAPHIC INFORMATION", information concerning income levels, employment data and major employers of each member municipality;

(4) under the heading "DEBT SUMMARY", the computation of the District's debt limits and net direct indebtedness, outstanding indebtedness, debt ratios, and debt service requirements, all as of the close of the District's prior fiscal year;

(5) under the heading "DEBT SUMMARY", information concerning the member municipalities' net direct debt and underlying net debt, and debt summary, all as of the close of such municipalities' prior fiscal year;

(6) under the heading "FINANCIAL INFORMATION", summaries of the general fund revenues and expenditures for each member municipality.

(b) Audited Financial Statements prepared in accordance with GAAP as described in the Official Statement will be included in the Annual Report. If the District is no longer required by applicable law, regulations or other legally binding obligation to prepare such audited financial statements, the District reserves the right to provide only financial statements which are not audited. Audited Financial Statements (if any) will be provided pursuant to Section 2 hereof.

Any or all of the items listed above may be included by specific reference from other documents, including official statements of debt issues with respect to which the District is an "obligated person" (as defined by the Rule), which have been previously filed with the Repository or the MSRB. If the document incorporated by reference is a final official statement, it must be available from the MSRB. The District will clearly identify each such document so incorporated by reference.

SECTION 4. Reporting of Listed Events.

events: (a) This Section 4 shall govern the giving of notices of the occurrence of any of the following

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. 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;
7. Modifications to rights of the holders of the Bonds, if material;
8. Bond calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution or sale of property securing repayment of the Bonds, if material;
11. Rating changes;
12. Bankruptcy, insolvency, receivership, or other similar event of any obligated person;
13. The consummation of a merger, consolidation, or acquisition involving any obligated person or the sale of all or substantially all of the assets of any obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake any such action or the termination of a definitive agreement related to such actions, other than pursuant to its terms, if material;
14. Appointment of a successor or additional trustee or the change of a name of a trustee, if material;
15. The incurrence of a financial obligation, if material, or agreement to covenants, events of default, remedies, priority rights or other similar terms of a financial obligation of the District, any of which affects security holders, if material; and
16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the District, any of which reflect financial difficulties.

For the purposes of events 15 and 16 above, 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 the MSRB pursuant to the Rule.

(b) Whenever the District obtains knowledge of the occurrence of a Listed Event, the District shall, in a timely manner not in excess of ten (10) business days after the occurrence of the Listed Event, provide or

cause to be provided a notice of such occurrence to the Repository in electronic format, accompanied by identifying information, as prescribed by the MSRB.

SECTION 5. Termination of Reporting Obligation. The District's obligations under this Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds.

SECTION 6. Dissemination Agent. The District may, from time to time, appoint or engage an agent to assist it in carrying out its obligations under this Agreement and may discharge any such agent with or without appointing a successor agent.

SECTION 7. Amendment; Waiver. Notwithstanding any other provision of this Agreement, the District may amend this Agreement (and any provision of this Agreement may be waived), provided that the following conditions are satisfied:

(a) It may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of the District or of the type of business conducted by the District;

(b) This Agreement, as so amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The District receives an opinion of counsel expert in federal securities laws to the effect that the amendment or waiver does not materially impair the interests of the holders of the Bonds. A copy of any such amendment will be filed in a timely manner with the Repository in electronic format. The Annual Report provided on the first date following the 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 financial information or operating data provided.

SECTION 8. Additional Information. Nothing in this Agreement shall be deemed to prevent the District from disseminating any other information, using the means of dissemination set forth in this Agreement or any other means of communication, or including any other information in any Annual Financial Statement, Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Agreement. If the District chooses to include any information in any Annual Financial Statement, Annual Report or notice of occurrence of a Listed Event, in addition to that which is specifically required by this Agreement, the District shall have no obligation under this Agreement to update such information or include it in any future Annual Financial Statement, Annual Report or notice of occurrence of a Listed Event.

SECTION 9. Enforceability. The District agrees that its undertaking pursuant to the Rule set forth in this Agreement is intended to be for the benefit of and enforceable by the beneficial owners of the Bonds. In the event of a failure of the District to comply with any provision of this Agreement, the District shall have the option to cure such failure after its receipt of written notice from any beneficial owner of the Bonds of such failure. In the event the District does not cure such failure, the right of any beneficial owner of the Bonds to enforce the provisions of this undertaking shall be limited to a right to specific performance to cause the District to comply with its obligations under this Agreement. A default under this Agreement shall not be deemed a default of the District with respect to the Bonds. No person or entity shall have any right to any monetary damages for any default under this Agreement.

SECTION 10. Indemnification. The District agrees to indemnify and save its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including reasonable attorneys' fees) of defending against any claim of liability, but excluding loss, expense or liability due any such person's willful misconduct. The obligations of the District under this Section shall survive payment of the Bonds.

IN WITNESS WHEREOF, the District has caused this Continuing Disclosure Agreement to be executed in its name by the undersigned officers, duly authorized, all as of the __ day of November, 2021.

**THE METROPOLITAN DISTRICT,
HARTFORD COUNTY, CONNECTICUT**

By: _____
William A. DiBella
Chairman

By: _____
Robert Barron
Chief Financial Officer/Treasurer

[THIS PAGE INTENTIONALLY LEFT BLANK]

APPENDIX D – FORM OF DELAYED DELIVERY CONTRACT

Raymond James & Associates, Inc.
535 Madison Avenue, 9th Floor
New York, NY 10022

RE: \$15,235,000 General Obligation Refunding Bonds, Issue of 2021, Series B (Forward Delivery)
(the “Series B Bonds”)

Ladies and Gentlemen:

The undersigned (the “Purchaser”) hereby agrees to purchase from Raymond James & Associates, Inc., as representative (the “Representative”) of the Underwriters set forth in the Forward Delivery Bond Purchase Agreement, as defined below (the “Underwriters”), and the other Underwriters, when, as, and if issued and delivered to the Underwriters by The Metropolitan District, Hartford County, Connecticut (the “District”), and the Underwriters agree to sell to the Purchaser:

Series	Par Amount	Maturity Date	Interest Rate	CUSIP Number	Yield	Price
--------	------------	---------------	---------------	-----------------	-------	-------

of the above-referenced bonds (the “Purchased Bonds”) offered by the District under the Preliminary Official Statement dated August 6, 2021 (the “Preliminary Official Statement”) and the Official Statement relating to the Purchased Bonds dated August 18, 2021 (the “Official Statement”), receipt and review of copies of which is hereby acknowledged, at the purchase price and with the interest rates, principal amounts, and maturity dates shown above, and on the further terms and conditions set forth in this Delayed Delivery Contract. Capitalized terms used but not defined herein shall have the meanings ascribed thereto in the Official Statement. The Purchased Bonds are being purchased by the Underwriters pursuant to a Forward Delivery Bond Purchase Agreement between the District and the Underwriters (the “Forward Delivery Bond Purchase Agreement”).

The Purchaser hereby confirms that it has received and reviewed the Preliminary Official Statement and the Official Statement (including, without limitation, the section entitled “Part I – Information Concerning the Bonds – Bond Information - Certain Considerations Regarding Forward Delivery of the Series B Bonds”), has considered the risks associated with purchasing the Purchased Bonds and is duly authorized to purchase the Purchased Bonds. The Purchaser acknowledges and agrees that the Purchased Bonds are being sold on a “forward” basis, and the Purchaser hereby purchases and agrees to accept delivery of the Purchased Bonds from the Underwriters on or about November 3, 2021 (the “Settlement Date”), as they may be issued and delivered in accordance with the Forward Delivery Bond Purchase Agreement.

Payment for the Purchased Bonds on the Settlement Date shall be made to the Underwriters or upon its order on the Settlement Date upon delivery to the Purchaser of the Purchased Bonds through the book-entry system of The Depository Trust Company. The Purchaser agrees that in no event shall the Underwriters be responsible or liable for any claim or loss, whether direct or consequential, which the Purchaser may suffer the District does not for any reason issue and deliver the above-referenced Series B Bonds.

Upon issuance by the District of the Series B Bonds and purchase thereof by the Underwriters, the obligation of the Purchaser to take delivery of the Purchased Bonds hereunder shall be unconditional except in the event that between the date of this Delayed Delivery Contract and the Settlement Date one of the following events shall have occurred:

- (1) there shall have been a Change in Law (defined below);
- (2) as a result of any legislation, regulation, ruling, order, release, court decision or judgment or action by the U.S. Department of the Treasury, the Internal Revenue Service, or any agency of the State either enacted, issued, effective, adopted or proposed (but only with respect to any such proposed legislation, regulation, ruling, order, release, court decision or judgment or action which continues to be proposed as of the Settlement Date), or for any other reason, Bond Counsel cannot issue an opinion substantially in the form attached to the Official Statement as APPENDIX B-2 to the effect that (a) the interest on the Purchased Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Code (or comparable provisions of any successor federal tax laws), and (b) the interest on the Purchased Bonds is exempt from State of Connecticut personal income taxes;
- (3) legislation shall be enacted, or a decision by a court of the United States shall be rendered, or any action shall be taken by, or on behalf of, the Securities Exchange Commission which, in the reasonable opinion of the Representative, following consultation with the District, has the effect of requiring the Purchased Bonds to be registered under the Securities Act of 1933, as amended, or requires the qualification of the Resolution under the Trust Indenture Act of 1939, as amended, or an event shall occur which would cause the sale of the Purchased Bonds to be in violation of any provision of the federal or State of Connecticut securities laws;
- (4) the Official Statement as of the date of Closing (as defined in the Forward Delivery Bond Purchase Agreement) (which is expected to occur on or about August 31, 2021), or the Updated Official Statement to be provided by the District pursuant to the terms of the Forward Delivery Bond Purchase Agreement as of the Settlement Date, contained or contains an untrue statement or misstatement of material fact or omitted or omits to state a material fact necessary in order to make the statements and information contained therein not misleading in any material respect; or
- (5) as of the Settlement Date, the Purchased Bonds are no longer rated investment grade by each of Moody's Investors Service and S&P Global Ratings.

The Underwriters shall notify the Purchaser promptly in the event that the Underwriters become aware of the occurrence of any of the events described in clauses (1) through (5) above.

A "Change in Law" means (i) any change in or addition to applicable federal or state law, whether statutory or as interpreted by the courts or by federal or state agencies, including any changes in or new rules, regulations or other pronouncements or interpretations by federal or state agencies; (ii) any legislation enacted by the Congress of the United States (if such enacted legislation has an effective date which is on or before the Settlement Date), (iii) any law, rule or regulation enacted by any governmental body, department or agency (if such enacted law, rule or regulation has an effective date which is on or before the Settlement Date) or (iv) any judgment, ruling or order issued by any court or administrative body, which in any such case would, (A) as to the Underwriters, prohibit the Underwriters from completing the underwriting of the Purchased Bonds or selling the Purchased Bonds or the beneficial ownership interests therein to the public, or (B) as to the District, would make the completion of the issuance, sale or delivery of the Purchased Bonds illegal.

If the Change of Law completely eliminates the exclusion from gross income for federal income tax purposes of interest payable on "state or local bonds," the Underwriters would not be obligated to purchase the Purchased Bonds from the District, and the Purchaser would not be required to accept delivery of the Purchased Bonds from the Underwriters.

The Purchaser acknowledges and agrees that the Purchased Bonds are being sold on a “forward” or “delayed delivery” basis for delivery on the Settlement Date and that the Purchaser is obligated to take up and pay for the Purchased Bonds on the Settlement Date unless one of the five events described above shall have occurred.

The Purchaser acknowledges that it will not be able to withdraw its order as described herein, and will not otherwise be excused from performance of its obligations to take up and pay for the Purchased Bonds on the Settlement Date because of market or credit changes, including specifically, but not limited to (a) except for the rating change described in event number 5 above, changes in the ratings assigned to the Purchased Bonds between the date of Closing and the Settlement Date or changes in the credit associated with the Purchased Bonds generally, and (b) changes in the financial condition, operations, performance, properties or prospects of the District from the date hereof to the Settlement Date. The Purchaser acknowledges and agrees that it will remain obligated to purchase the Purchased Bonds in accordance with the terms hereof, even if the Purchaser decides to sell the Purchased Bonds following the date hereof, unless the Purchaser sells the Purchased Bonds to another institution with the prior written consent of the Underwriters and such institution provides a written acknowledgment of confirmation of purchase order and a delayed delivery contract in the same respective forms as that executed by the Purchaser.

The Purchaser represents and warrants that, as of the date of this Delayed Delivery Contract, the Purchaser is not prohibited from purchasing the Purchased Bonds hereby agreed to be purchased by it under the laws of the jurisdiction to which the Purchaser is subject. Each of the undersigned parties represents and warrants that it has the power and authority to enter into this Delayed Delivery Contract and to perform its obligations hereunder.

The Purchaser agrees that it will at all times satisfy the minimum initial and maintenance margin requirements of Regulation T of the Board of Governors of the Federal Reserve System, Rule 431 of the New York Governors of the Federal Reserve System, Rule 4210 of the Financial Industry Regulatory Authority, and any other margin regulations applicable to the Underwriters.

This Delayed Delivery Contract will inure to the benefit of and be binding upon the parties hereto and their respective successors, but will not be assignable by either party without the prior written consent of the other.

The Purchaser acknowledges that the Underwriters are entering into a Forward Delivery Bond Purchase Agreement with the District to purchase the Purchased Bonds in reliance in part on the performance by the Purchaser of its obligations hereunder.

This Delayed Delivery Contract may be executed by either of the parties hereto in any number of counterparts, each of which shall be deemed to be an original, but all such counterparts shall together constitute one and the same instrument.

It is understood that the acceptance by the Underwriters of any Delayed Delivery Contract (including this one) is in the Underwriters’ sole discretion and that, without limiting the foregoing, acceptances of such contracts need not be on a first-come, first-served basis. If this Delayed Delivery Contract is acceptable to the Underwriters, it is requested that the Representative sign the form of acceptance below and mail, email or otherwise deliver one of the counterparts hereof to the Purchaser at its address set forth below. This will become a binding contract between the Underwriters, and the Purchaser when such counterpart is so mailed, emailed or otherwise delivered by the Representative. This Delayed Delivery Contract does not constitute a customer confirmation pursuant to Rule G-15 of the Municipal Securities Rulemaking Board.

This Delayed Delivery Contract shall be construed and administered under the laws of the State of New York.

[PURCHASER]

By: _____

Name: _____

Title: _____

Address: _____

Telephone: _____

Accepted: _____

RAYMOND JAMES & ASSOCIATES, INC., as Representative

By: _____

Name: _____

Title: _____



Printed by: ImageMaster, LLC
www.imagemaster.com