

**OFFICIAL STATEMENT DATED AUGUST 16, 2022**

**NEW ISSUE**

**MOODY'S: Aa3  
S&P: AA  
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 imposed on individuals under the Code; however, such interest is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the alternative minimum tax imposed on corporations under the Code for tax years beginning after December 31, 2022. 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 – Form of Legal Opinion of Bond Counsel and Tax Exemption herein.*



**THE METROPOLITAN DISTRICT  
HARTFORD COUNTY, CONNECTICUT  
\$74,380,000 GENERAL OBLIGATION BONDS, ISSUE OF 2022  
BOOK-ENTRY-ONLY**

**Dated: Date of Delivery**

**Due: August 1, as shown below**

<u>Due</u> <u>1-Aug</u>	<u>Principal</u> <u>Amount</u>	<u>Coupon</u>	<u>Yield</u>	<u>CUSIP</u> <sup>1</sup>	<u>Due</u> <u>1-Aug</u>	<u>Principal</u> <u>Amount</u>	<u>Coupon</u>	<u>Yield</u>	<u>CUSIP</u> <sup>1</sup>
2023	\$2,520,000	5.000%	1.950%	416489YY2	2033	\$3,650,000	5.000%	2.540%*	416489ZJ4
2024	2,355,000	5.000%	1.950%	416489YZ9	2034	3,835,000	5.000%	2.650%*	416489ZK1
2025	2,470,000	5.000%	1.950%	416489ZA3	2035	4,025,000	5.000%	2.740%*	416489ZL9
2026	2,595,000	5.000%	1.950%	416489ZB1	2036	4,225,000	5.000%	2.830%*	416489ZM7
2027	2,725,000	5.000%	1.950%	416489ZC9	2037	4,435,000	5.000%	2.900%*	416489ZN5
2028	2,860,000	5.000%	2.070%	416489ZD7	2038	4,660,000	5.000%	2.950%*	416489ZP0
2029	3,005,000	5.000%	2.150%	416489ZE5	2039	4,890,000	5.000%	3.000%*	416489ZQ8
2030	3,155,000	5.000%	2.230%	416489ZF2	2040	5,135,000	5.000%	3.050%*	416489ZR6
2031	3,310,000	5.000%	2.320%	416489ZG0	2041	5,395,000	5.000%	3.130%*	416489ZS4
2032	3,475,000	5.000%	2.380%	416489ZH8	2042	5,660,000	5.000%	3.180%*	416489ZT2

\* Priced assuming redemption on August 1, 2032; however any such redemption is at the option of the District. See "Optional Redemption" herein.

**MESIROW FINANCIAL, INC.**

Interest on the Bonds will be payable on February 1, 2023 and semiannually thereafter on August 1 and February 1 in each year until maturity.

**The Bonds are subject to redemption prior to maturity as more fully described herein. See "Optional Redemption" herein.**

The \$74,380,000 General Obligation Bonds, Issue of 2022 (the "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 Bonds. See "Security and Remedies" herein.

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 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 the District's Member Municipalities (as defined herein). 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 Trust Company, National Association, CityPlace I, 185 Asylum Street, 27th Floor, Hartford, Connecticut will act as Certifying Agent, Registrar, Transfer Agent, and Paying Agent for the Bonds.

The Bonds are offered for delivery when, as and if issued, subject to the approving opinion of Shipman & Goodwin LLP, Bond Counsel, of Hartford, Connecticut. It is expected that delivery of the Bonds in book-entry-only form will be made to DTC in New York, New York on or about August 30, 2022.

***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.***

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

This 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 – Securities 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.

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**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.**

**BOND COUNSEL**  
**SHIPMAN & GOODWIN LLP**  
*Hartford, Connecticut*  
*(860) 251-5000*

**MUNICIPAL ADVISOR**  
**MUNISTAT SERVICES, INC.**  
*Madison, Connecticut*  
*(203) 421-2880*

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**PART I**  
**INFORMATION CONCERNING THE BONDS**  
**THE METROPOLITAN DISTRICT, HARTFORD COUNTY, CONNECTICUT**  
**August 16, 2022**

This Official Statement including the 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 \$74,380,000 General Obligation Bonds, Issue of 2022 (the "Bonds") of the District.

Part I of this Official Statement, including the 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, Part I, Part II and the Appendices thereto should be read collectively and in their entirety.

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## BOND ISSUE SUMMARY

*The information in this Bond Issue Summary and the 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.*

<b>Date of Sale:</b>	<b><u>Tuesday, August 16, 2022, 12:00 Noon (Eastern Time).</u></b>
<b>Location of Sale</b>	The Metropolitan District, 555 Main Street, 2 <sup>nd</sup> Floor CFO Conference Room, Hartford, Connecticut 06103.
<b>Issuer:</b>	The Metropolitan District, Hartford County, Connecticut (the “District”).
<b>Issue:</b>	\$74,380,000 General Obligation Bonds, Issue of 2022 (the “Bonds”).
<b>Dated Date:</b>	Date of Delivery, as defined below.
<b>Interest Due:</b>	February 1, 2023 and semiannually thereafter on August 1 and February 1 in each year until maturity or earlier redemption.
<b>Principal Due:</b>	Serially, August 1, 2023 through 2042, as detailed on the cover page of this Official Statement.
<b>Authorization and Purpose:</b>	The Bond proceeds will be used to provide permanent funding for various sewer, water and public improvement projects of the District. See “Part I – Information Concerning the Bonds - Securities Information - Authorization and Purpose” herein.
<b>Redemption:</b>	The Bonds <b>are</b> subject to redemption prior to maturity as more fully described herein. See “Part I – Information Concerning the Bonds – Securities Information– Redemption” herein.
<b>Security:</b>	The 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 Bonds when due. See “Part I – Information Concerning the Bonds - Securities Information - Security and Remedies” herein.
<b>Credit Ratings:</b>	The District received a credit rating 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. See “Part I – Information Concerning the Bonds - Securities Information - Ratings” herein.
<b>Basis of Award:</b>	Lowest True Interest Cost (TIC), as of dated date.
<b>Tax Exemption:</b>	See Appendix B – Form of Legal Opinion of Bond Counsel and Tax Exemption.
<b>Bank Qualification:</b>	The Bonds <b>shall not</b> 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 Bonds.
<b>Continuing Disclosure:</b>	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 Bonds, (ii) timely notices of the occurrence of certain events, within 10 business 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 on or before the date specified in the Continuing Disclosure Agreement, with respect to the Bonds, pursuant to a Continuing Disclosure Agreement to be executed by the District substantially in the form of Appendix C to this Official Statement.
<b>Registrar, Transfer Agent, Certifying Agent and Paying Agent:</b>	U.S. Bank Trust Company, National Association, City Place I, 185 Asylum Street, 27th Floor, Hartford, Connecticut 06103.
<b>Legal Opinion:</b>	Shipman & Goodwin LLP Hartford, Connecticut, will serve as Bond Counsel and will render its legal opinion on the Bonds in substantially the form set forth in Appendix B to this Official Statement.
<b>Delivery and Payment:</b>	It is expected that delivery of the Bonds in book-entry-only form will be made to The Depository Trust Company on or about August 30, 2022 (the “Date of Delivery”).
<b>Issuer Official:</b>	Questions concerning the District and the 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.
<b>Municipal Advisor:</b>	Munistat Services Inc., 129 Samson Rock Drive, Suite A, Madison, Connecticut 06443, attention: Bill Lindsay, Managing Director, Telephone: 203-421-2880.

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## I. SECURITIES INFORMATION

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### INTRODUCTION

This Official Statement, including the 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 \$74,380,000 General Obligation Bonds, Issue of 2022 (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.

Munistat Services, Inc. (“Munistat” 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. Munistat, 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 “Audited 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 as 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 does not assume responsibility for, the accuracy or adequacy of the statements made in this Official Statement (other than matters expressly set forth as its opinion in Appendix B herein), and it makes no representation that it has independently verified the same.

Bond Counsel expresses 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 – Form of Legal Opinion of Bond Counsel and Tax Exemption.

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

### DESCRIPTION OF THE BONDS

The Bonds will be dated the date of delivery and will mature in annual installments on August 1 in each of the years and in the principal amounts set forth on the cover page hereof. The Bonds will be issued in denominations of \$5,000 or any integral multiples thereof. Interest on the Bonds will be payable semiannually on February 1 and August 1 in each year until maturity, commencing on February 1, 2023, and will be payable to the registered owners of the Bonds as of the close of business on the fifteenth of January and July in each year, or the preceding business day if the fifteenth 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 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 Bonds will be U.S. Bank Trust Company, National Association, CityPlace I, 185 Asylum Street, 27th Floor, Hartford, Connecticut. The legal opinion on the Bonds will be rendered by Shipman & Goodwin LLP in substantially the form set forth in Appendix B to this Official Statement.

### **OPTIONAL REDEMPTION**

The Bonds maturing on or before August 1, 2032 are **not** subject to redemption prior to maturity. The Bonds maturing on August 1, 2033 and thereafter are subject to redemption prior to maturity, at the option of the District, on and after August 1, 2032, 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 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>
August 1, 2032 and thereafter	100%

### **NOTICE OF REDEMPTION**

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, and definitions of “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.

### **ADJUSTMENT OF MATURITY SCHEDULE**

The District reserves the right to change the maturity schedule of the Bonds after the determination of the winning bidder by decreasing the principal amount of each maturity by such amount as may be necessary and in \$5,000 increments. In such event, the final aggregate principal amount of the Bonds will be decreased by the net amount of such change or changes in the principal amount of one or more maturities, which net change in aggregate principal

amount of the Bonds will not exceed 20 percent of the original aggregate par amount. The District anticipates that the final maturity schedule will be communicated to the successful bidder by 1:30 p.m. local time on the day of the sale provided the District has received the reoffering prices and yield for the Bonds from the successful bidder by 12:30 p.m. The dollar amount bid by the successful bidder will be adjusted to reflect any adjustments in the aggregate principal amount of the Bonds to be issued. The adjusted bid price will reflect changes in the dollar amount of the underwriter's discount and original issue discount/premium, if any, but will not change the per-bond underwriter's discount as calculated from the bid and reoffering prices required to be delivered to the District as stated herein. The successful bidder may not withdraw its bid or change the interest rates bid or initial reoffering prices as a result of any changes made to the principal amounts within these limits.

### **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 cannot and does 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 such maturity and interest rate, 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](http://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.

The District will not 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 the District takes no responsibility for the accuracy thereof.

The District cannot 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.

## **REPLACEMENT BONDS**

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

## **DTC PRACTICES**

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

## **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 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, 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 \$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), \$318,170,000 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 any 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 2022 and actual 2021 tax warrants from the District.

<u>Member Municipality</u>	<u>Budget</u>		<u>Actual</u>	
	<u>2022</u>	<u>%</u>	<u>2021</u>	<u>%</u>
Bloomfield	\$ 3,868,400	7.29	\$ 3,808,100	7.40
East Hartford	6,264,400	11.80	6,015,200	11.69
Hartford	14,067,500	26.50	13,169,100	25.58
Newington	4,799,100	9.04	4,681,000	9.09
Rocky Hill	3,206,800	6.04	3,171,200	6.16
West Hartford	11,919,300	22.46	11,865,500	23.05
Wethersfield	4,252,500	8.01	4,214,100	8.19
Windsor	4,698,600	8.85	4,551,500	8.84
<b>Total</b>	<b>\$53,076,600</b>	<b>100.0%</b>	<b>\$51,475,700</b>	<b>100.0%</b>

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 of up to three years.
- Redirects State of Connecticut PILOT payments under Section 12-18b, otherwise payable to a Member Municipality, to the District if the Member Municipality fails to pay its tax obligation within the District’s fiscal year.

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 is approximately \$14.1 million for 2022.

## 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 the coronavirus known as SARS-CoV-2, has affected global, national, state and local economic activity. Early on, the response to the spread of the disease, national, state and local governments, businesses and other institutions, and individuals altered behaviors in a manner that had negative impact on global 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 continued 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. To date, the District's COVID-19-related direct costs remain 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. 22-118, effective July 1, 2022, authorizes a city or town in Connecticut to refund its outstanding indebtedness through July 1, 2027 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 was 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 “Part II – Information Concerning The Metropolitan District – II. Water Pollution Control – Clean Water Project” herein 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 that grants and low interest loans from the State Clean Water Fund “Part II – Information Concerning The Metropolitan District – VII. Debt Summary – Clean Water Fund Program” herein will fund approximately 60% 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 “Part II – Information Concerning The Metropolitan District – VII. Debt Summary – Clean Water Fund Program” herein 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 “Part II – Information Concerning The Metropolitan District – II. Water Pollution Control – Clean Water Project Charge” herein, and costs of compliance. 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, through the Department of Energy and Environmental Protection (“DEEP”), a sewer fee based on its fees for contaminated groundwater. Fees billed to DEEP are partially paid and the remaining outstanding balance is being challenged by DEEP. The accumulated receivable to date is \$14.7 million. In May, 2022, the MDC was granted permission to sue the State by the Office of the State Claims Commissioner. 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 of the State of Connecticut. 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 estates 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 – Securities 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 of Connecticut. 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 a natural disaster, such as a flood. 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 combined sewer overflows (“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 Environmental Protection Agency (“EPA”) passed the America’s Water Infrastructure Act (“AWIA”) which mandated water providers to 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. 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 Systems Applications and Products (“SAP”) Enterprise System. The 2022 assessment planning is in process. Lastly, in 2022, the District participated for its fifth time in the Cyber Yankee, a cybersecurity incident response exercise involving New England National Guard along with critical infrastructure utilities in the Electric, Gas and Water sectors.

## **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, December 31. 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 Agreement, with respect to the Bonds, pursuant to a Continuing Disclosure Agreement for the Bonds to be executed by the District and substantially in the form attached as Appendix C 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 except for the inadvertent failure to associate one CUSIP number from the 2015 issuance on the annual filing of the annual financial statement and related report for the Fiscal Year ending December 31, 2019 and December 31, 2020. On August 16, 2022 a filing was made to correct the effected CUSIP. The District has implemented procedures to ensure future compliance with its continuing disclosure obligations, this includes working with its municipal advisor to ensure requirements are followed.

## 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 \$2,350,374,903, of which \$1,752,383,056 has previously been funded (including this issuance of \$86,200,000\* in bonds), leaving a total of \$597,991,847 of authorized but 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 a resolution of the Board of Commissioners of the District adopted on July 11, 2022.

The Bonds are being issued to provide funding for various capital improvement projects of the District as set forth herein. See “Sources and Uses of Bond Proceeds” herein.

\* Reflects application of premium.

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## USE OF BOND PROCEEDS<sup>1</sup>

Project	Amount Authorized	Previously Bonds d/Grants/ Contributions	Bonds This Issue*	Authorized But Unissued
<b><u>Water Projects</u></b>				
2012 Dike Penetration and Correction Installations	\$764,000	\$95,000	\$11,000	\$658,000
2012 General Purpose Water	4,530,000	4,336,995	94,000	99,005
2012 Radio Frequency Automated Meter Reading	5,000,000	4,176,000	141,000	683,000
2013 Asset Management Water Main Replacement	4,460,000	3,006,000	44,000	1,410,000
2013 General Purpose Water	3,860,000	3,692,000	26,000	142,000
2013 Water Treatment Facilities Upgrades	2,160,000	1,387,000	74,000	699,000
2014 Radio Frequency Automated Meter Reading	5,000,000	1,145,000	626,000	3,229,000
2014 Water Treatment Facilities Upgrades	2,300,000	2,096,000	137,000	67,000
2014/2015 Water Main Replacement – Wethersfield	3,700,000	2,596,216	19,000	1,084,784
2015 General Purpose Water Program	4,000,000	3,908,199	67,000	24,801
2015 Water Supply Improvements	3,000,000	1,322,000	197,000	1,481,000
2015 Water Treatment Facilities Upgrades	1,000,000	976,000	20,000	4,000
2016 General Purpose Water Program	3,000,000	705,000	1,874,000	421,000
2016 Water Supply Improvements - Raw Water Transmission Mains	500,000	475,000	13,000	12,000
2017 General Purpose Water Program	2,000,000	1,823,000	36,000	141,000
2018 Buckingham St. Area WMR, Hartford	7,000,000	2,960,936	572,000	3,467,064
2018 General Purpose Water Program	2,000,000	1,189,000	768,000	43,000
2018 Paving Program & Restoration	4,000,000	1,983,000	691,000	1,326,000
2018 Water Treatment Facilities Infrastructure Rehabilitation, Upgrades & Replacements	2,200,000	1,307,000	431,000	462,000
2019 General Purpose Water Program	1,000,000	874,000	97,000	29,000
2019 Oakwood Avenue Area Water Main Replacement - Phases I & II	3,000,000	1,975,000	469,000	556,000
2019 Water Pump Stations and Equipment	300,000	0	104,000	196,000
2019 Water Supply Inf. Rehabilitation, Upgrades & Replacements	2,200,000	150,000	1,000,000	1,050,000
2019 Water Treatment Facilities Infrastructure Rehabilitation, Upgrades & Replacements	1,900,000	292,000	1,025,000	583,000
2020 District-wide Water Main Replacement Program	14,300,000	10,428,000	3,220,000	652,000
2020 General Purpose Water Program	1,000,000	0	621,000	379,000
2020 Paving Program and Restoration	3,000,000	2,000,000	995,000	5,000
2020 Water Main Replacements, Hartford and Wethersfield	12,500,000	8,475,142	2,220,000	1,804,858
2020 Water Pump Stations Upgrades and Equipment and Water Tank and Basin Rehabilitation	800,000	0	708,000	92,000
2021 District-wide Water Main Replacement Program	15,000,000	0	50,000	14,950,000
2021 General Purpose Water Program	1,200,000	0	833,000	367,000
2021 Paving Program and Restoration	2,000,000	1,900,000	72,000	28,000
2021 Water Storage Tank Rehabilitation and Improvement	1,000,000	0	925,000	75,000
2021 Water Treatment Facilities Infrastructure Rehabilitation, Upgrades and Replacements	2,500,000	0	1,350,000	1,150,000
2022 Advanced Meter Reading Program	1,500,000	0	1,400,000	100,000
2022 General Purpose Water	2,200,000	0	1,341,000	859,000
2022 Nepaug Dam Concrete Rehab & Stability Improvements Design	250,000	0	175,000	75,000
2022 Paving Program & Restoration	3,400,000	0	1,232,000	2,168,000
2022 Raw Water Transmission Main Rehab	250,000	0	225,000	25,000
<b>Total Water Projects</b>	<b>\$129,774,000</b>	<b>\$65,273,489</b>	<b>\$23,903,000</b>	<b>\$40,597,511</b>
<b><u>Sewer Projects</u></b>				
2009 Hartford Odor Control Construction	\$4,888,000	\$2,862,871	\$532,000	\$1,493,129
2011 Sewer Pump Station Rehabilitation	2,000,000	1,804,000	126,000	70,000
2012 Sewer Replacement - Montclair Drive, West Hartford	2,642,000	1,846,000	42,000	754,000
2012 WPC Renewal and Replacements	3,000,000	2,958,498	6,000	35,502
2012/2014 Pump Station Upgrades - Fishfry Street, Hartford	1,472,000	156,000	95,000	1,221,000
2013 General Purpose Sewer	1,920,000	1,843,000	18,000	59,000
2013 WPC Plant Infrastructure Renewal and Replacements	1,090,000	513,007	217,000	359,993
2014 Backwater Valve Program	750,000	630,000	120,000	0
2014 General Purpose Sewer	5,000,000	4,704,000	12,000	284,000
2014 Hartford WPCF Sludge Mixing Tank, Sludge Screening, GT & RSRF Upgrades	5,000,000	4,805,227	50,000	144,773
2014 Various Sewer Pipe Replacement/Rehab – District Wide	5,000,000	3,759,000	189,000	1,052,000
2015 Pump Station Replacement – Rainbow Trunk, Windsor	2,300,000	0	225,000	2,075,000
2015/2016 WPC Equipment & Facilities Improvements	4,700,000	3,524,978	25,000	1,150,022
2015/2016 WPC Plant Infrastructure Renewal and Replacements	4,500,000	2,888,333	174,000	1,437,667
2016 Hartford WPCF - Air Permit Compliance Upgrades	4,500,000	1,225,000	550,000	2,725,000
2017 General Purpose Sewer	3,000,000	1,794,000	425,000	781,000

<sup>1</sup> Totals may not add due to rounding.

\* Reflects application of premium.

<u>Project</u>	<u>Amount</u> <u>Authorized</u>	<u>Previously</u> <u>Bonded/Grants/</u> <u>Contributions</u>	<u>Bonds</u> <u>This Issue*</u>	<u>Authorized</u> <u>But Unissued</u>
<b><u>Sewer Projects</u></b>				
2017 Sanitary Sewer Easements Acquisitions & Improvements	1,400,000	416,000	716,000	268,000
2017 Sanitary Sewer Rehabilitation Program	3,600,000	2,245,000	1,355,000	0
2017 Wastewater Pump Station Upgrades	400,000	176,000	204,000	20,000
2017 WPC Equipment & Facilities Improvements	2,700,000	1,686,000	525,000	489,000
2017 WPC Plant Infrastructure Renewal & Replacement	2,000,000	576,000	375,000	1,049,000
2017 WPC SCADA Upgrades	2,000,000	663,000	735,000	602,000
2018 CCTV Generated Sewer Construction	7,000,000	6,879,000	9,000	112,000
2018 General Purpose Sewer	5,000,000	3,917,000	75,000	1,008,000
2018 Paving Program & Restoration	3,000,000	1,607,000	1,336,000	57,000
2018 WPC Infrastructure Rehabilitation, Upgrades & Replacements	5,200,000	4,158,000	50,000	992,000
2019 General Purpose Sewer	1,000,000	159,000	25,000	816,000
2019 Paving Program & Restoration	3,000,000	2,929,000	70,000	1,000
2019 Sewer Rehabilitation Program	3,300,000	2,516,000	225,000	559,000
2019 Wastewater Pump Stations and Equipment	400,000	0	83,000	317,000
2019 Water Pollution Control Facilities Infrastructure Rehabilitation, Upgrades and Replacements	4,200,000	1,441,000	1,685,000	1,074,000
2020 General Purpose Sewer Program	5,000,000	0	991,000	4,009,000
2020 Hartford Large Diameter Sewer Rehabilitation – Phase I	14,600,000	7,571,000	1,386,000	5,643,000
2020 Levee Protection System, East Hartford and Hartford	2,200,000	1,655,000	325,000	220,000
2020 Paving Program and Restoration	3,000,000	1,000,000	1,000,000	1,000,000
2020 Various Sewer Pipe Replacement/Rehabilitation Program	6,000,000	4,986,000	397,000	617,000
2020 Wastewater Pump Station Upgrades and Equipment	1,500,000	784,000	700,000	16,000
2020 WPC Fac. Infrastructure Rehabilitation, Upgrades and Replacements	15,900,000	7,564,000	3,750,000	4,586,000
2021 New Park Avenue Sewer Replacement, West Hartford	600,000	0	600,000	0
2021 Paving Program and Restoration	1,500,000	0	1,000,000	500,000
2021 Various Sewer Pipe Replacement/Rehabilitation Program	8,000,000	429,000	5,781,000	1,790,000
2021 Water Pollution Control Facilities Infrastructure Rehabilitation, Upgrades and Replacements	3,000,000	0	2,423,000	577,000
2022 Brookside Rd. Sanitary Pump Station Replacement	3,700,000	0	2,225,000	1,475,000
2022 Hartford Hospital Area WMR, Hartford	600,000	0	200,000	400,000
2022 Private Property Inflow Disconnect Program	2,100,000	0	1,568,000	532,000
2022 Various Sewer Pipe Replacement/Rehabilitations	7,500,000	0	5,508,000	1,992,000
<b>Total Sewer Projects</b>	<b>\$171,162,000</b>	<b>\$88,670,915</b>	<b>\$38,128,000</b>	<b>\$44,363,085</b>
<b><u>Combined Funding Projects</u></b>				
2011 Security and Supervisory Control and Data Acquisition (SCADA)	\$1,000,000	\$961,000	\$17,000	\$22,000
2016 Information Systems I/T Upgrades	5,000,000	4,836,000	27,000	137,000
2017 Administration Facilities and Equipment Improvements	1,000,000	970,000	20,000	10,000
2017 Business Transformation	5,000,000	4,947,000	31,000	22,000
2017 Computerized Management System	1,600,000	503,000	990,000	107,000
2019 Fleet and Equipment Replacement and Upgrade	1,700,000	1,679,000	17,000	4,000
2019 Information Systems Upgrade	3,200,000	1,434,000	1,294,000	472,000
2020 Facilities and Equipment Improvements	2,000,000	13,000	1,571,000	416,000
2020 Fleet and Equipment Replacement and Upgrades	2,000,000	1,772,000	200,000	28,000
2021 Business Application Expansion and Enhancements	3,500,000	0	2,526,000	974,000
2021 Construction Services	2,000,000	1,400,000	130,000	470,000
2021 Engineering Services	4,000,000	3,600,000	262,000	138,000
2021 Facilities and Equipment Improvements	500,000	0	450,000	50,000
2021 Fleet and Equipment Replacement and Upgrades	2,100,000	0	1,487,000	613,000
2021 Inspection Services	3,800,000	2,550,000	76,000	1,174,000
2021 Technical Services	4,500,000	4,000,000	397,000	103,000
2022 Construction Services	2,000,000	0	1,700,000	300,000
2022 Engineering Services	4,800,000	0	4,080,000	720,000
2022 Fleet and Equipment Replacement and Upgrades	2,550,000	0	2,519,000	31,000
2022 Inspection Services	2,500,000	0	2,125,000	375,000
2022 Technical Services	5,000,000	0	4,250,000	750,000
<b>Total Combined Funding Projects</b>	<b>\$59,750,000</b>	<b>\$28,665,000</b>	<b>\$24,169,000</b>	<b>\$6,916,000</b>
<b>Total</b>	<b>\$360,686,000</b>	<b>\$182,609,404</b>	<b>\$86,200,000</b>	<b>\$91,876,596</b>

<sup>1</sup> Totals may not add due to rounding.

\*Reflects application of premium.

## **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, 45<sup>th</sup> 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.

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## II. LEGAL AND OTHER INFORMATION

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### LITIGATION

The Metropolitan District is engaged in the advancement of an ambitious capital improvement project known as the Clean Water Project (“CWP”). A component of the CWP is the construction of the South Hartford Conveyance and Storage Tunnel (“SHCST”), a 4.1 milelong subterranean tunnel which begins at the District’s plant located in the South Meadows of Hartford and ends in West Hartford. The contractor constructing the project on behalf of the District is Kenny/Obayashi, A Joint Venture (“KOJV”), and the cost of the project is \$279,400,000, funded by the District and the State of Connecticut. It is anticipated that the SHCST will be substantially complete in 2023.

In the course of constructing the first phase of the tunnel (Reach 1), KOJV alleged that it encountered “differing site conditions,” and, as a result, it alleges that it incurred additional costs beyond those costs identified in its contract with the District. KOJV has estimated that the cost impacts of the differing site conditions to be in excess of \$37 million. The District vigorously disputes KOJV’s claim for any additional compensation, and the dispute has been referred to the Dispute Resolution Board (“DRB”) per the contract. No determination has been rendered by the DRB. Ultimately, any recommendation of the DRB on the merits of KOJV’s claim may be challenged by either party to the contract in the Superior Court.

More recently, KOJV has filed a proposed change order (“PCO”), as to Reach 2 and Reach 3, the final two legs of the tunnel. The claim is similar to the claim for Reach 1, and the estimated amount of the claim is \$41 million. Again, the District disputes the claim.

In contrast, the District alleges that KOJV has failed to achieve certain construction completion milestones that were agreed to by KOJV when it entered into the construction contract. As a result, the District submits that KOJV is liable to the District for certain contract-related liquidated damages. It is anticipated that the liquidated damage claims to be assessed against KOJV will exceed \$20 million.

In terms of “materiality,” the District has sufficient contract contingency funds to meet its alleged exposure, and the State is expected to participate in satisfying any eligible change order as well.

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.

### LEGAL MATTERS

The validity of the Bonds and certain other legal matters are subject to the approving opinion of Shipman & Goodwin LLP, Bond Counsel to the District. A complete copy of the proposed form of Bond Counsel’s opinion is set forth as Appendix B hereto.

### MUNICIPAL ADVISOR

Munistat Services, Inc. (the “Municipal Advisor”) 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 Munistat 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.

## 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 16, 2022

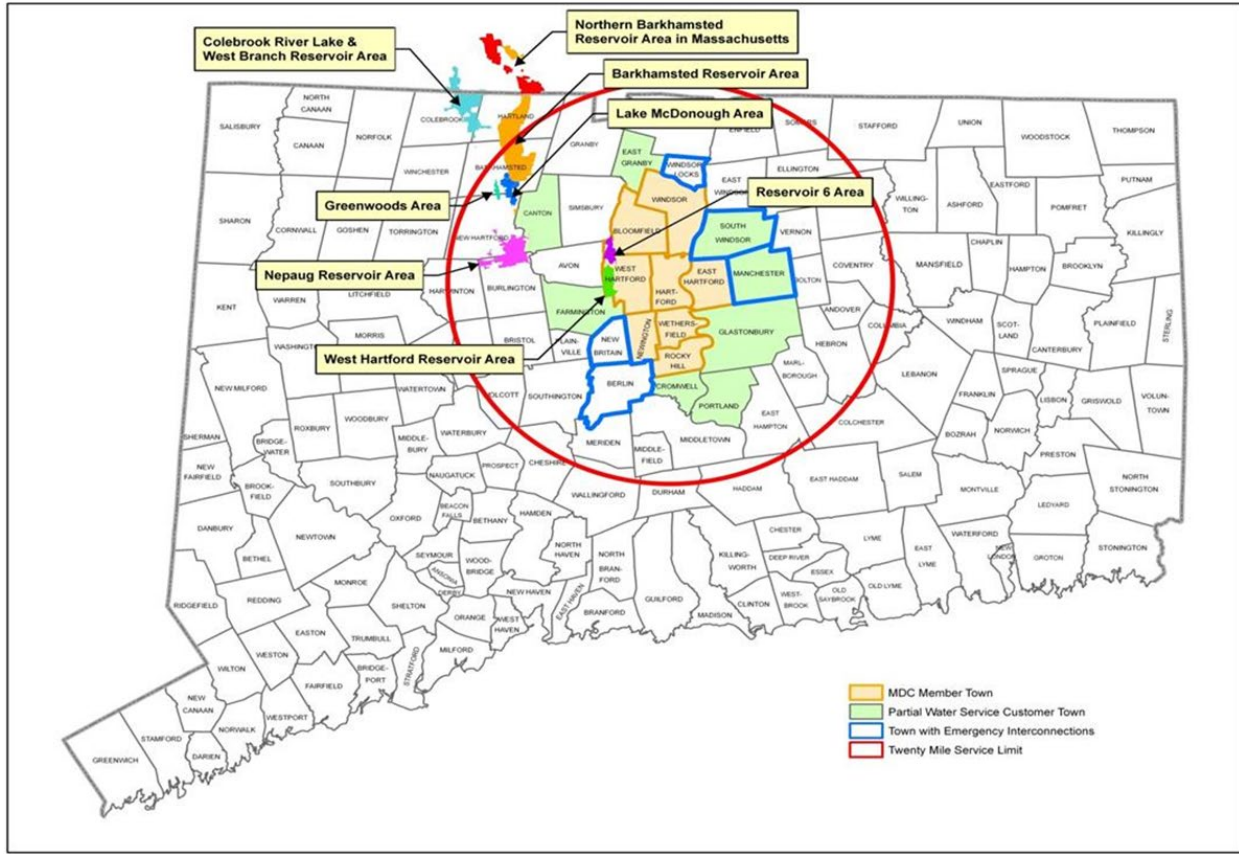
**PART II**  
**INFORMATION CONCERNING**  
**THE METROPOLITAN DISTRICT**  
**August 16, 2022**

This Part II contains information through August 16, 2022, concerning the District and includes the December 31, 2021 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.

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## 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, Connecticut (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 the Towns of Berlin, East Granby, Farmington, Glastonbury, Manchester, Portland, South Windsor and Windsor Locks and the City of New Britain, Connecticut.

### EFFECTS OF COVID-19 OUTBREAK

The outbreak of COVID-19, was declared a Public Health Emergency of International Concern by the World Health Organization. On March 13, 2020, the President of the United States declared a national emergency as a result of the COVID-19 outbreak. The outbreak of the virus has affected travel, commerce and financial markets globally, 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.

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

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

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

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

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

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

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

### **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.

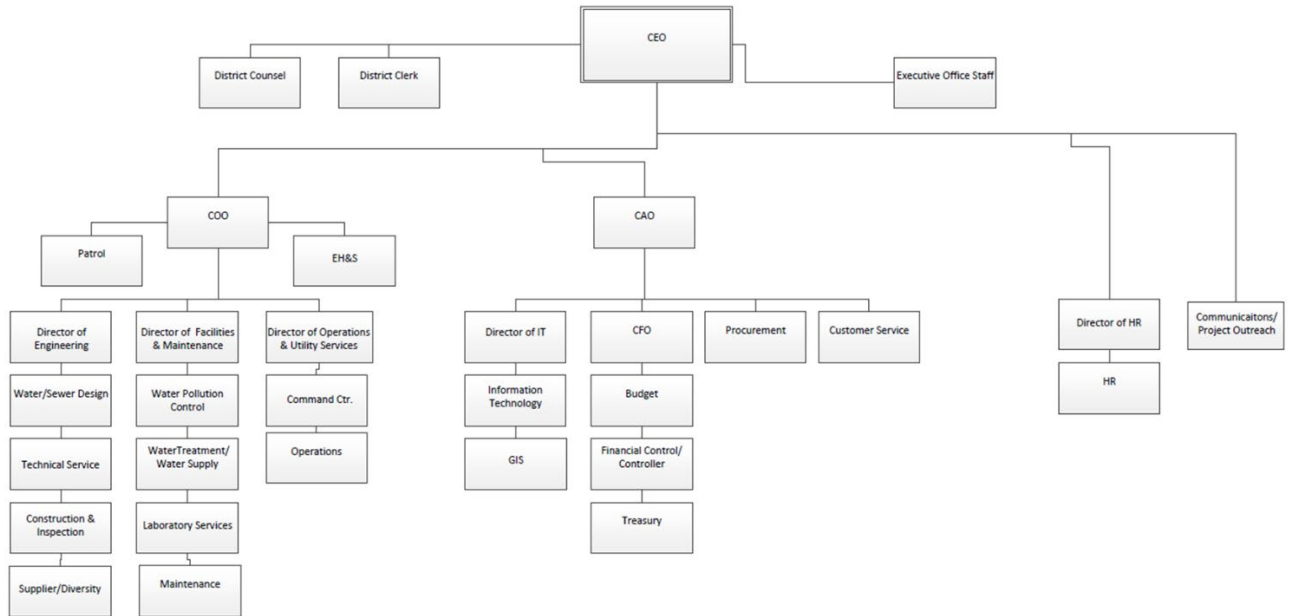
The District began its response to the coronavirus pandemic in March 2020. As an essential service provider, the District began taking steps to conform to guidance from the Governor's office, which included suspension of service shut-off and charges related to late fees on delinquent accounts. The District 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 2020 with the full staff reporting to work on June 15, 2020. 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, 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 commissioners are appointed by the Governor of the State of Connecticut, and four commissioners 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 (“CGS”), Revision of 1958, as amended. All commissioners serve without remuneration for a term of six years.

**DISTRIBUTION OF COMMISSION MEMBERSHIP**

	<b>Appointed By:</b>				
	<u>Commissioners</u>	<u>Member Municipality</u>	<u>Non-Member Municipality</u>	<u>Governor</u>	<u>Connecticut State Legislature</u>
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	*	0	1	0
Glastonbury.....	1	*	0	1	0
South Windsor.....	1	*	0	1	0
East Granby.....	0	*	0	0	0
<b>Total.....</b>	<b>31</b>	<b>17</b>	<b>3</b>	<b>7</b>	<b>4</b>

\*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 (as defined herein), 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 W. Vicino	December 2027
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>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total Employees.....	438	454	479	485	489

## DISTRICT EMPLOYEES BARGAINING UNITS

<b>Bargaining Groups</b>	<b>Positions Covered</b>	<b>Contract Expiration Date</b>
Clerks, Technicians and Non-Supervisory Engineers - Local 3713...	82	December 31, 2022 <sup>1</sup>
Supervisors - Local 1026.....	52	December 31, 2022 <sup>1</sup>
Operational - Local 184.....	195	December 31, 2022 <sup>1</sup>
Total Union Employees.....	<b>329</b>	

<sup>1</sup> *In negotiations.*  
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 the acquisition, construction and operation of hydroelectric plants. The Water 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 bylaws and regulations 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 the 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 District functions.

Additionally, the General Assembly of the State of Connecticut 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 any of the Riverfront Recapture’s parks, the District provides some funding to Riverfront Recapture through it’s water budget and water rates.

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

## II. WATER POLLUTION CONTROL

### FACILITIES FOR SEWER SERVICE As of December 31

Facilities for Sewer Service	2021	2020	2019	2018	2017
Total General Fixed Assets <sup>1</sup> .....	\$2,037,295,563	\$1,970,906,638	\$1,905,789,421	\$1,814,591,656	\$1,675,401,598
Miles of Sewers:					
Sanitary.....	1,096	1,093	1,090	1,089	1,088
Combined.....	149	159	159	159	159
Storm.....	105	79	79	79	78
Estimated Sewer Connections.....	91,506	91,376	91,208	91,037	91,011
<b>Estimated Sewer</b>					
Population Units:					
Estimated Population.....	364,263	362,937	364,173	364,969	364,793
Estimated Family Units Sewered.....	143,561	143,431	143,263	144,451	143,558
Present Sewage Plant Capacity:					
Design Population.....	513,900	513,900	513,900	513,900	513,900
Design Flow (million gallons daily)...	85	105	105	105	105
Average Daily Flow (million gallons).	80	72	79	81	65

<sup>1</sup> 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 with one in East Hartford (12.5 million gallons per day), one in Rocky Hill (7.5 million gallons per day), one in Poquonock (5.0 million gallons per day) and one in 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. To date, the District has 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 its 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 “Part II – Information Concerning The Metropolitan District – VII. Financial Information – Comparative General Fund and Operating Statement & General Fund Revenues and Expenditures, line item, Taxation - Member Towns”.

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 the District’s 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)**

<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
\$5.90	\$5.31	\$5.15	\$4.64	\$3.37

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 30, 2022, the District will have issued \$696,016,612 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” of which \$100,507,899 has been refunded with revenue bonds. As of August 30, 2022, the District will have issued \$332,515,000 in Clean Water Project Revenue Bonds, of which \$318,170,000 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 “Part II – Information Concerning The Metropolitan District – II. Water Pollution Control – Clean Water Project” herein.

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

<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
\$4.10	\$4.10	\$4.10	\$4.10	\$3.80

Source: District Officials.

**CLEAN WATER PROJECT<sup>1</sup>**

The Clean Water Project addresses approximately one billion gallons of combined wastewater and storm water released each year to area waterways prior to the commencement 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. That portion of the project related to the CSO consent order is detailed in a Long-Term Control Plan (the “LTCP”), which is periodically revised, as required by the Consent Order, and is subject to approval by DEEP. The District’s goal is to achieve compliance through efficient, cost-effective improvements to its system, while maximizing funding of the project with State and Federal grants and low-interest 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.

<sup>1</sup>The 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, 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 and unduly 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 northern part of Hartford (the "North Tunnel") that connected 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, and the District submitted its most recent submittal of a Phase I Implementation Plan in February 2021. Although no formal approval has been obtained, CT DEEP and the District have drafted a new consent order, which will replace the existing consent order, which incorporates the Phase I Implementation Plan as an achievement goal. The resubmitted LTCP introduces the concept of an "Integrated Plan". The Integrated Plan coordinates the District's ongoing capital improvement and maintenance program with projects reasonably necessary to comply with the CSO consent order. This plan included remedies such as replacing aged and damaged pipes and other system components, 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 the EPA in 2012 for communities dealing with CSO compliance issues coupled with the ongoing obligation to maintain its 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). However, the resubmitted LTCP replaces the North Tunnel concept with a shortened downtown area tunnel and separation projects in conjunction with capacity improvements in the northern part of Hartford. The Plan contemplates a compliance effort over a longer term (i.e. 40 years) and integrated ongoing maintenance and a rehabilitation program. The Plan combines the Clean Water Project with other capital improvements that had not been considered part of Clean Water Project, and continues to finance the combined effort with the Clean Water Project Charge. The Plan has a view to achieve compliance with the governmental orders efficiently 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 forty years. Other options would achieve compliance earlier, but have overlapping elements. The District has deferred designing specific elements of the compliance options until the LTCP and new consent order are approved, while work continues on the South Tunnel. The District remains committed to working with DEEP, and the District anticipates that the new CSO consent order will be issued and in effect in the next few months. Projects for the Phase I Implementation Plan would begin, if approved, in 2023.

## *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 through 2022 and then increase incrementally to approximately \$7.40 per hundred cubic feet ("ccf") and thereafter 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 assessed against the Member Municipalities. 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, on average, about the same. This assumes a continued level of Federal and State support in the form of grants and low-interest loans

consistent with the support provided to date. Other options, such as accelerating work or changes in sequencing of the work, would increase the surcharge, 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, 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. In accordance with the Consent Order, the LTCP will be updated on a 5-year schedule, thus allowing the District to update Program Cost Estimates and budgets on a routine basis.

#### *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 by referendum on November 7, 2006. An appropriation for an additional \$800 million for the Clean Water Project was approved by 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 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. The cost of many contemplated Integrated Plan projects will be below the threshold that requires approval by referendum and appropriations for those projects are expected to be made by the District Board. Full compliance with the resubmitted LTCP may 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, regulatory review schedules, and future LTCP submissions.

The District has issued, to date, \$332,515,000 in Clean Water Project Revenue Bonds, \$318,170,000 of which were outstanding as of December 31, 2021. 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.

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### 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 the Town of Bloomfield (35 million gallons per day) and the Town of 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 2021 was 46.0 million gallons per day.

#### FACILITIES FOR WATER SERVICE As of December 31

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total Utility Plant.....	\$680,083,154	\$648,901,852	\$608,196,939	\$599,920,958	\$575,779,741
Net Addition to Plant.....	31,181,302	40,704,913	8,275,981	24,141,217	20,389,873
Miles of Water Mains.....	1,579	1,562	1,562	1,557	1,554
Gross Miles Added During Year....	1	0	3	4	1
Number of Hydrants.....	10,189	10,216	10,763	10,720	10,329
Number of Services.....	101,816	101,731	102,184	102,051	101,836
Number of Meters.....	100,608	100,452	98,250	99,949	98,239
Estimated Population Served.....	443,451	443,451	443,451	443,451	443,451

Source: District Officials.

#### NUMBER OF WATER CUSTOMERS As of December 31

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Domestic.....	94,552	96,093	93,461	95,505	95,471
Commercial.....	5,807	4,515	5,771	5,771	5,536
Industrial.....	1,323	370	545	545	592
Public & Other.....	513	409	1,848	1,848	1,750
<b>Total.....</b>	<b>102,195</b>	<b>101,387</b>	<b>101,625</b>	<b>103,669</b>	<b>103,349</b>

Source: District Officials.

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

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Domestic.....	23.51	25.72	23.06	21.38	25.08
Commercial.....	7.47	9.66	8.35	8.43	6.47
Industrial.....	2.01	2.07	1.71	1.61	0.84
Municipal & Other.....	3.04	2.27	2.94	5.89	6.92
<b>Total Million Gallons Per Day<sup>1,2</sup>.....</b>	<b>36.03</b>	<b>39.72</b>	<b>36.06</b>	<b>37.31</b>	<b>39.31</b>
Production - Maximum Day.....	65.46	69.89	63.65	68.80	61.68
Production - Minimum Day.....	38.62	38.15	38.94	37.84	39.15

<sup>1</sup> Represents net consumption billed.

<sup>2</sup> Totals may not add due to rounding.

Source: District Officials.

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

2022	2021	2020	2019	2018
\$4.09	\$4.05	\$3.97	\$3.50	\$3.14

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 U.S. Environmental Protection Agency’s Safe Drinking Water Act of 1974, State public drinking water laws, and related State and federal regulations, including Public Health Code Regulation 19-13-B102, as amended. 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 the District Charter, rates must be uniform throughout the District.

**Billing Cycles:** The District bills its approximately 102,195 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. This economic Development Rate provides a discounted water rate for users above 600,000 gallons per day (gpd) over a monthly billing cycle. Once consumption reaches 600,000 gpd, there is a reduction of the Clean Water Project Charge based on actual volume discharged.

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#### IV. HYDROELECTRIC DEVELOPMENT PROGRAM

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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 Hydroelectric Power Facility ("Goodwin Station") in Hartland, Connecticut and at the Colebrook Hydroelectric Power Facility ("Colebrook Station"), located within the Colebrook River Dam, owned by the United States Army Corps of Engineers in Colebrook, Connecticut. The Goodwin Station began producing power on February 5, 1986, with full commercial operations commencing on April 2, 1986. The Colebrook Station began producing power in May 1988, with full commercial operation commencing later that summer.

As to the Colebrook Station, the District entered into a contract with the United States Army Corps of Engineers (ACOE) in 1965 for the construction of the Colebrook Dam ("Colebrook Project"). In January 2019, the District made the final payment to the ACOE for its share of the original construction costs for the dam. In exchange for its capital contribution and ongoing maintenance and repair payments, the District was assigned a designated storage area between certain elevations of the Colebrook Reservoir. To the extent an actual supply of water was available within this storage area, and subject to the rights of others, namely the ACOE and the State of Connecticut, to access any stored water for any public purpose, the District could access the stored water for emergency purposes. Over the years, with the change in the regulatory landscape, use of this water, whether for emergency purposes or as a source of water supply generally, is not allowed as a matter of right, but rather must be permitted through the diversion permit process controlled by the State of Connecticut Department of Energy and Environmental Protection. Further, over the life of the Colebrook Project, the District learned that there is no water available within its storage capacity for use as an emergency drinking water supply during the type of drought conditions that would trigger the need for the District to access its storage area. Additionally, the District completed a life cycle analysis of the Colebrook Station and determined that it 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 Station facility and has, by formal notice of termination of its contract with the ACOE, surrendered its storage area within the Colebrook Reservoir.

***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 and Colebrook facilities 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**

Year	Population <sup>1</sup>	% Increase	Density <sup>2</sup>
2020	21,128	0.5	807
2019	21,022	2.6	803
2010	20,486	4.6	783
2000	19,587	0.5	748
1990	19,483	4.7	744
1980	18,608	1.7	711

**Town of East Hartford**

Year	Population <sup>1</sup>	% Increase	Density <sup>2</sup>
2020	50,036	(0.5)	2,664
2019	50,272	(1.9)	2,677
2010	51,252	3.4	2,729
2000	49,575	(1.7)	2,640
1990	50,452	(4.0)	2,686
1980	52,563	(8.7)	2,799

**City of Hartford**

Year	Population <sup>1</sup>	% Increase	Density <sup>2</sup>
2020	122,549	(0.4)	6,820
2019	123,088	(1.4)	6,850
2010	124,775	0.2	6,944
2000	124,578	(10.8)	6,933
1990	139,739	2.5	7,776
1980	136,392	(13.7)	7,590

**Town of Newington**

Year	Population <sup>1</sup>	% Increase	Density <sup>2</sup>
2020	30,114	(0.4)	2,285
2019	30,234	(1.1)	2,294
2010	30,562	4.3	2,319
2000	29,306	0.3	2,224
1990	29,208	1.3	2,216
1980	28,841	10.8	2,188

**Town of Rocky Hill**

Year	Population <sup>1</sup>	% Increase	Density <sup>2</sup>
2020	20,147	(0.1)	1,460
2019	20,168	2.3	1,461
2010	19,709	9.7	1,428
2000	17,966	8.5	1,302
1990	16,554	13.7	1,200
1980	14,559	31.1	1,055

**Town of West Hartford**

Year	Population <sup>1</sup>	% Increase	Density <sup>2</sup>
2020	63,023	(0.1)	2,819
2019	63,063	(0.3)	2,820
2010	63,268	(0.5)	2,830
2000	63,589	5.8	2,844
1990	60,110	(1.9)	2,688
1980	61,301	(9.9)	2,742

**Town of Wethersfield**

Year	Population <sup>1</sup>	% Increase	Density <sup>2</sup>
2020	26,068	(0.4)	1,988
2019	26,171	(1.9)	1,996
2010	26,668	1.5	2,034
2000	26,271	2.4	2,004
1990	25,651	(1.4)	1,957
1980	26,013	(2.4)	1,984

**Town of Windsor**

Year	Population <sup>1</sup>	% Increase	Density <sup>2</sup>
2020	28,791	(0.2)	973
2019	28,859	(0.6)	975
2010	29,044	2.9	981
2000	28,237	1.5	954
1990	27,817	10.4	940
1980	25,204	12.0	851

<sup>1</sup> 1970-2010 – U.S. Department of Commerce, Bureau of Census; U.S. Census Bureau, 2016-2020 American Community Survey.

<sup>2</sup> 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 POPULATION<sup>1</sup>

	Town of Bloomfield		Town of East Hartford		City of Hartford	
	Number	Percent	Number	Percent	Number	Percent
Under 5.....	688	3.3%	3,443	6.9%	7,201	5.9%
5 - 9 years.....	800	3.8%	2,142	4.3%	7,912	6.5%
10 - 14 years.....	1,059	5.0%	2,935	5.9%	8,450	6.9%
15 - 19 years.....	1,105	5.2%	3,666	7.3%	10,515	8.6%
20 - 24 years.....	1,090	5.2%	3,842	7.7%	11,213	9.1%
25 - 34 years.....	2,469	11.7%	6,998	14.0%	19,845	16.2%
35 - 44 years.....	2,242	10.6%	7,930	15.8%	15,559	12.7%
45 - 54 years.....	2,821	13.4%	5,910	11.8%	14,570	11.9%
55 - 59 years.....	1,816	8.6%	3,490	7.0%	6,804	5.6%
60 - 64 years.....	1,665	7.9%	2,930	5.9%	6,146	5.0%
65 - 74 years.....	2,381	11.3%	3,949	7.9%	8,901	7.3%
75 - 84 years.....	1,891	9.0%	1,850	3.7%	3,663	3.0%
85 and over.....	1,101	5.2%	951	1.9%	1,770	1.4%
Totals.....	21,128	100.0%	50,036	100.0%	122,549	100.0%
Median Age (years)	49.1		37.8		32.9	

	Town of Newington		Town of Rocky Hill		Town of West Hartford	
	Number	Percent	Number	Percent	Number	Percent
Under 5.....	1,271	4.2%	822	4.1%	3,078	4.9%
5 - 9 years.....	1,246	4.1%	1,132	5.6%	3,401	5.4%
10 - 14 years.....	1,551	5.2%	875	4.3%	4,314	6.8%
15 - 19 years.....	1,759	5.8%	960	4.8%	4,335	6.9%
20 - 24 years.....	1,417	4.7%	1,028	5.1%	3,713	5.9%
25 - 34 years.....	3,833	12.7%	3,067	15.2%	8,625	13.7%
35 - 44 years.....	3,532	11.7%	2,629	13.0%	7,061	11.2%
45 - 54 years.....	4,624	15.4%	2,804	13.9%	7,641	12.1%
55 - 59 years.....	2,380	7.9%	1,155	5.7%	4,535	7.2%
60 - 64 years.....	1,987	6.6%	1,246	6.2%	4,487	7.1%
65 - 74 years.....	3,495	11.6%	2,421	12.0%	5,705	9.1%
75 - 84 years.....	1,849	6.1%	1,000	5.0%	3,554	5.6%
85 and over.....	1,170	3.9%	1,008	5.0%	2,574	4.1%
Totals.....	30,114	100.0%	20,147	100.0%	63,023	100.0%
Median Age (years)	46.1		43.1		40.9	

	Town of Wethersfield		Town of Windsor		State of Connecticut	
	Number	Percent	Number	Percent	Number	Percent
Under 5.....	1,379	5.3%	1,246	4.3%	182,708	5.1%
5 - 9 years.....	1,385	5.3%	1,146	4.0%	192,321	5.4%
10 - 14 years.....	1,411	5.4%	1,727	6.0%	221,648	6.2%
15 - 19 years.....	1,550	5.9%	1,647	5.7%	241,286	6.8%
20 - 24 years.....	1,448	5.6%	2,103	7.3%	243,381	6.8%
25 - 34 years.....	2,614	10.0%	3,770	13.1%	443,917	12.4%
35 - 44 years.....	3,405	13.1%	2,955	10.3%	426,097	11.9%
45 - 54 years.....	3,686	14.1%	4,051	14.1%	493,186	13.8%
55 - 59 years.....	1,796	6.9%	2,278	7.9%	267,164	7.5%
60 - 64 years.....	2,065	7.9%	2,447	8.5%	243,375	6.8%
65 - 74 years.....	2,686	10.3%	3,321	11.5%	345,407	9.7%
75 - 84 years.....	1,863	7.1%	1,326	4.6%	175,909	4.9%
85 and over.....	780	3.0%	774	2.7%	94,150	2.6%
Totals.....	26,068	100.0%	28,791	100.0%	3,570,549	100.0%
Median Age (years)		44.7		44.1		41.1

<sup>1</sup>Totals may not add due to rounding.

Source: U.S. Census Bureau, 2016-2020 American Community Survey.

### INCOME DISTRIBUTION

	Town of Bloomfield		Town of East Hartford		City of Hartford	
	Families	Percent	Families	Percent	Families	Percent
\$ 0 - \$ 9,999.....	134	2.5%	451	3.6%	2,875	11.1%
10,000 - 14,999.....	115	2.2%	284	2.3%	1,402	5.4%
15,000 - 24,999.....	89	1.7%	710	5.7%	3,164	12.3%
25,000 - 34,999.....	137	2.6%	1,158	9.3%	3,082	12.0%
35,000 - 49,999.....	469	8.9%	1,511	12.2%	3,854	14.9%
50,000 - 74,999.....	919	17.4%	2,440	19.7%	4,477	17.4%
75,000 - 99,999.....	799	15.2%	1,646	13.3%	2,463	9.6%
100,000 - 149,999....	1,165	22.1%	2,641	21.3%	2,696	10.5%
150,000 - 199,999....	803	15.2%	1,114	9.0%	1,051	4.1%
200,000 and over.....	641	12.2%	447	3.6%	722	2.8%
Totals.....	5,271	100.0%	12,402	100.0%	25,786	100.0%

	Town of Newington		Town of Rocky Hill		Town of West Hartford	
	Families	Percent	Families	Percent	Families	Percent
\$ 0 - \$ 9,999.....	471	5.8%	66	1.2%	242	1.5%
10,000 - 14,999.....	85	1.0%	0	0.0%	134	0.8%
15,000 - 24,999.....	328	4.0%	100	1.8%	306	1.9%
25,000 - 34,999.....	168	2.1%	208	3.8%	399	2.5%
35,000 - 49,999.....	681	8.3%	707	12.8%	653	4.1%
50,000 - 74,999.....	1,177	14.4%	727	13.1%	1,741	10.9%
75,000 - 99,999.....	1,417	17.3%	797	14.4%	1,762	11.1%
100,000 - 149,999....	1,870	22.9%	1,512	27.3%	3,338	21.0%
150,000 - 199,999....	1,273	15.6%	590	10.7%	2,531	15.9%
200,000 and over.....	699	8.6%	826	14.9%	4,807	30.2%
Totals.....	8,169	100.0%	5,533	100.0%	15,913	100.0%



	<b>Town of Wethersfield</b>		<b>Town of Windsor</b>		<b>State of Connecticut</b>	
	<b>Families</b>	<b>Percent</b>	<b>Families</b>	<b>Percent</b>	<b>Families</b>	<b>Percent</b>
\$ 0 - \$ 9,999.....	136	1.9%	21	0.3%	24,418	2.7%
10,000 - 14,999.....	95	1.3%	69	0.9%	14,648	1.6%
15,000 - 24,999.....	171	2.4%	69	0.9%	38,026	4.2%
25,000 - 34,999.....	350	4.9%	158	2.1%	46,409	5.1%
35,000 - 49,999.....	515	7.2%	637	8.5%	75,375	8.3%
50,000 - 74,999.....	768	10.7%	1,176	15.8%	129,070	14.3%
75,000 - 99,999.....	1,041	14.5%	1,290	17.3%	113,813	12.6%
100,000 - 149,999....	1,808	25.1%	2,235	30.0%	189,460	21.0%
150,000 - 199,999....	1,215	16.9%	1,057	14.2%	110,975	12.3%
200,000 and over.....	1,092	15.2%	744	10.0%	160,802	17.8%
Totals.....	7,191	100.0%	7,456	100.0%	902,996	100.0%

Source: U.S. Census Bureau, 2016-2020 American Community Survey.

### INCOME LEVELS

	<b>Town of Bloomfield</b>	<b>Town of East Hartford</b>	<b>City of Hartford</b>	<b>Town of Newington</b>	<b>Town of Rocky Hill</b>
Per Capita Income, 2020.....	\$43,959	\$29,789	\$22,055	\$40,507	\$47,749
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, 2020.....	\$96,730	\$71,224	\$43,794	\$95,406	\$102,760
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.....	5.7%	9.0%	24.5%	7.6%	1.2%

	<b>Town of West Hartford</b>	<b>Town of Wethersfield</b>	<b>Town of Windsor</b>	<b>Hartford County</b>	<b>State of Connecticut</b>
Per Capita Income, 2020.....	\$58,140	\$46,967	\$41,596	\$41,470	\$45,668
Per Capita Income, 2010.....	\$43,534	\$37,329	\$35,780	\$35,078	\$36,775
Per Capita Income, 1999.....	\$33,468	\$28,930	\$27,633	\$26,047	\$28,766
Per Capita Income, 1989 .....	\$26,943	\$22,246	\$19,592	\$18,983	\$20,189
Median Family Income, 2020.....	\$137,446	\$113,340	\$106,071	\$97,406	\$102,061
Median Family Income, 2010.....	\$102,547	\$91,563	\$90,865	\$81,246	\$84,170
Median Family Income, 1999.....	\$77,865	\$68,154	\$73,064	\$62,144	\$65,521
Median Family Income, 1989.....	\$60,518	\$53,111	\$55,400	\$48,008	\$49,199
Percent Below Poverty Level 2020.....	3.4%	4.4%	1.9%	7.5%	6.7%

Source: U.S. Department of Commerce, Bureau of Census, 2010, 2000, and 1990; Census Bureau, 2016-2020 American Community Survey.

**EDUCATIONAL ATTAINMENT**  
Years of School Completed Age 25 and Over

	<b>Town of Bloomfield</b>		<b>Town of East Hartford</b>		<b>City of Hartford</b>	
	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>
Less than 9th grade.....	533	3.3%	2,634	7.7%	9,653	12.5%
9th to 12th grade.....	998	6.1%	2,386	7.0%	10,529	13.6%
High School graduate.....	4,071	24.8%	12,745	37.5%	25,545	33.1%
Some college, no degree.....	3,258	19.9%	6,294	18.5%	13,573	17.6%
Associate's degree .....	1,407	8.6%	3,150	9.3%	4,860	6.3%
Bachelor's degree.....	3,071	18.7%	4,402	12.9%	7,795	10.1%
Graduate or professional degree..	3,048	18.6%	2,397	7.0%	5,303	6.9%
Totals.....	16,386	100.0%	34,008	100.0%	77,258	100.0%

Total high school graduate or higher (%).....	90.7%	85.2%	73.9%
Total bachelor's degree or higher (%).....	37.3%	20.0%	17.0%

	<b>Town of Newington</b>		<b>Town of Rocky Hill</b>		<b>Town of West Hartford</b>	
	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>
Less than 9th grade.....	718	3.1%	423	2.8%	1,400	3.2%
9th to 12th grade.....	1,032	4.5%	369	2.4%	1,222	2.8%
High School graduate.....	5,684	24.9%	3,686	24.0%	5,565	12.6%
Some college, no degree.....	4,359	19.1%	1,662	10.8%	4,756	10.8%
Associate's degree .....	2,194	9.6%	1,595	10.4%	2,627	5.9%
Bachelor's degree.....	5,280	23.1%	4,675	30.5%	14,048	31.8%
Graduate or professional degree..	3,603	15.8%	2,920	19.0%	14,564	33.0%
Totals.....	22,870	100.0%	15,330	100.0%	44,182	100.0%

Total high school graduate or higher (%).....	92.3%	94.8%	94.1%
Total bachelor's degree or higher (%).....	38.8%	49.5%	64.8%

	<b>Town of Wethersfield</b>		<b>Town of Windsor</b>		<b>State of Connecticut</b>	
	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>
Less than 9th grade.....	654	3.5%	745	3.6%	99,436	4.0%
9th to 12th grade.....	592	3.1%	775	3.7%	126,114	5.1%
High School graduate.....	4,995	26.4%	4,523	21.6%	655,381	26.3%
Some college, no degree.....	2,570	13.6%	4,656	22.3%	419,238	16.8%
Associate's degree .....	1,150	6.1%	1,598	7.6%	193,036	7.8%
Bachelor's degree.....	4,806	25.4%	5,153	24.6%	551,459	22.2%
Graduate or professional degree..	4,128	21.8%	3,472	16.6%	444,541	17.9%
Totals.....	18,895	100.0%	20,922	100.0%	2,489,205	100.0%

Total high school graduate or higher (%).....	93.4%	92.7%	90.9%
Total bachelor's degree or higher (%).....	47.3%	41.2%	40.0%

Source: U.S. Census Bureau, 2016-2020 American Community Survey.

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## 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)
City of Hartford	Municipality	Hartford	(1,000 - 4,999)
Connecticut Children's Med Ctr	Hospitals	Hartford	(1,000 - 4,999)
CT Transportation Department	Government Offices-State	Newington	(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)
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	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)
GE/Alstrom Power	Power Plant Engineering/Customer	Windsor	(500 - 999)
Goodwin University	Educational Institute	East Hartford	(500 - 999)
Hartford Healthcare At Home	Home Health Service	West Hartford	(500 - 999)
Hartford Police Dept	Police Departments	Hartford	(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)
Mt. Sinai	Clinics	Hartford	(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)
Unico Service Co	Janitor Service	East Hartford	(500 - 999)
Waste Management	Waste Disposal/Recycling	Windsor	(250 - 499)
Walgreens	Distribution Center	Windsor	(500 - 999)
World Class Distributors	Warehouse Distribution	Bloomfield	(500 - 999)
X L Ctr Catering Svc	Halls & Auditoriums	Hartford	(500 - 999)
AECOM Technical Service Systems	Engineering Consultant	Rocky Hill	(250 - 499)
American Eagle Federal CU	Credit Union	East Hartford	(250 - 499)
Arbon Equipment Corporation	Door Frames Manufacturer	Windsor	(250 - 499)
Beauty Enterprises Inc.	Beauty Salons & Equipment	Hartford	(250 - 499)
Burris Logistics	Logistics Warehouse	Rocky Hill	(250 - 499)

Cabela's	Sporting Goods - Retail	East Hartford	(250 - 499)
Cheescake Factory	Restaurant	West Hartford	(250 - 499)
Cianbro	General Contractor	Bloomfield	(250 - 499)
Clayton House	Mental Health Services	Hartford	(250 - 499)
CDR Maguire Inc.	Engineers -Professional	Rocky Hill	(250 - 499)
Cohnreznick	Accountants	Hartford	(250 - 499)
Congregational Church Home Inc	Skilled Nursing Care Facilities	Hartford	(250 - 499)
Conning & Co.	Private Equity Companies	Hartford	(250 - 499)
Connecticut Veterinary Center	Animal Hospital	West Hartford	(250 - 499)
Constructive Workshops	Rehabilitation Services	West Hartford	(250 - 499)
Direct Mail Systems Inc.	Mailing & Shipping	Windsor	(250 - 499)
Duncaster	Retirement Community	Bloomfield	(250 - 499)
Eversource	Utility	Windsor	(250 - 499)
Hartford Healthcare	House Cleaning	Bloomfield	(250 - 499)
Hartford Steam Boiler Inspection	Insurance	Hartford	(250 - 499)
Henkel Corporation	Chemicals-Manufacturers	Rocky Hill	(250 - 499)
Hilton Hotel	Hotel	Hartford	(250 - 499)
Jacobs Vehicle Systems Inc	Truck Equipment & Parts-	Bloomfield	(250 - 499)
JD's Uniphase Corporation	Fiber Optics	Bloomfield	(250 - 499)
Keeney Manufacturing	Hygiene & Sanitary Appliance Mfrs.	Newington	(250 - 499)
Konica Minolta	Copying & Duplicating Machines &	Windsor	(250 - 499)
Liberty Mutual	Insurance	Rocky Hill	(250 - 499)
Masonicare Partners Home	Retirement Community & Home	East Hartford	(250 - 499)
Nursing Services	Home Health Service	East Hartford	(250 - 499)
Otis Elevator Co	Elevators-Supplies & Parts (whls)	Bloomfield	(250 - 499)
Permasteelisa North Amer. Corp.	Architects	Windsor	(250 - 499)
PCX Aerostructures LLC	Aircraft Components-Manufacturers	Newington	(250 - 499)
Quest Global	Engineering Software	East Hartford	(250 - 499)
Raytel Cardiac Services	Physicians & Surgeons Equipment	Windsor	(250 - 499)
Raytheon Technologies Research	Research Laboratory	East Hartford	(250 - 499)
Riverside Health & Rehab Ctr	Nursing & Convalescent Home	East Hartford	(250 - 499)
Seabury	Retirement Community	Bloomfield	(250 - 499)
Stew Leonards	Grocery	Newington	(250 - 499)
Stop & Shop	Grocery	Windsor	(250 - 499)
Tilcon Connecticut	Stone-Crushed	Newington	(250 - 499)
Trinity Health of New England	Health Services	Bloomfield	(250 - 499)
Triumph Engine Control Systems	Aircraft Components-Manufacturers	West Hartford	(250 - 499)
University of Conn - Hartford	University - Branch	West Hartford	(250 - 499)
Veterans Administration Hospital	Health Service	Newington	(250 - 499)
Veterans Affairs	State Government-Veterans Affairs	Rocky Hill	(250 - 499)
Zurich Insurance	Insurance	Rocky Hill	(250 - 499)
Town of West Hartford	Municipality	West Hartford	1,100-2,250
Town of East Hartford	Municipality	East Hartford	1,740
Town of Newington	Municipality	Newington	1,183
Town of Windsor	Municipality	Windsor	907
Town of Wethersfield	Municipality	Wethersfield	753
Town of Bloomfield	Municipality	Bloomfield	638
Town of Rocky Hill	Municipality	Rocky Hill	534

Source: 2021 Audited Financial Statements of Member Municipalities; State of Connecticut Department of Labor website as of July 5, 2022 <https://www1.ctdol.state.ct.us/lmi/EmpSearchTopList.asp?intAreaType=3&intArea=3&intTopEmployer=100> ; Bloomfield Official Statement dated August 3, 2021, East Hartford Official Statement dated July 28, 2021, Rocky Hill Preliminary Official Statement dated July 5, 2022, West Hartford Official Statement dated February 1, 2022 and Windsor Official Statement dated June 6, 2022.

**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%	59	0.1%
Construction.....	484	4.6%	1,484	5.7%	2,506	4.8%
Manufacturing.....	826	7.9%	2,357	9.0%	3,552	6.8%
Wholesale Trade.....	159	1.5%	626	2.4%	1,088	2.1%
Retail Trade.....	775	7.4%	3,443	13.1%	6,861	13.2%
Transportation and warehousing, and utilities....	730	6.9%	2,136	8.2%	5,052	9.7%
Information .....	132	1.3%	378	1.4%	571	1.1%
Finance, insurance, real estate, and rental and leasing.....	1,216	11.6%	2,384	9.1%	3,321	6.4%
Professional, scientific, management, administrative, and waste management svcs...	859	8.2%	2,057	7.9%	5,223	10.1%
Educational, health and social services.....	3,469	33.0%	6,364	24.3%	13,639	26.3%
Arts, entertainment, recreation, accommodation and food services.....	566	5.4%	2,485	9.5%	4,946	9.5%
Other services (except public administration)...	522	5.0%	1,300	5.0%	2,811	5.4%
Public Administration .....	784	7.5%	1,171	4.5%	2,288	4.4%
Total Labor Force, Employed.....	10,522	100.0%	26,190	100.0%	51,917	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%	91	0.3%
Construction.....	776	4.7%	530	5.1%	1,196	3.6%
Manufacturing.....	2,022	12.2%	714	6.9%	3,415	10.2%
Wholesale Trade.....	429	2.6%	201	1.9%	573	1.7%
Retail Trade.....	1,537	9.3%	941	9.0%	2,415	7.2%
Transportation and warehousing, and utilities....	766	4.6%	558	5.4%	541	1.6%
Information .....	228	1.4%	131	1.3%	874	2.6%
Finance, insurance, real estate, and rental and leasing.....	1,735	10.5%	1,235	11.9%	4,631	13.8%
Professional, scientific, management, administrative, and waste management svcs...	1,778	10.8%	1,751	16.8%	4,104	12.2%
Educational, health and social services.....	4,065	24.6%	2,326	22.3%	10,822	32.3%
Arts, entertainment, recreation, accommodation and food services.....	1,553	9.4%	689	6.6%	2,425	7.2%
Other services (except public administration)...	806	4.9%	563	5.4%	1,267	3.8%
Public Administration .....	814	4.9%	769	7.4%	1,180	3.5%
Total Labor Force, Employed.....	16,509	100.0%	10,408	100.0%	33,534	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.....	53	0.4%	45	0.3%	7,173	0.4%
Construction.....	676	4.8%	738	4.6%	110,308	6.1%
Manufacturing.....	1,065	7.6%	1,520	9.5%	188,968	10.5%
Wholesale Trade.....	285	2.0%	495	3.1%	42,782	2.4%
Retail Trade.....	1,369	9.7%	1,429	8.9%	190,314	10.5%
Transportation and warehousing, and utilities....	699	5.0%	1,020	6.4%	78,107	4.3%
Information .....	200	1.4%	221	1.4%	36,880	2.0%
Finance, insurance, real estate, and rental and leasing.....	1,866	13.2%	1,573	9.8%	163,661	9.1%
Professional, scientific, management, administrative, and waste management svcs...	1,574	11.2%	1,628	10.2%	211,665	11.7%
Educational, health and social services.....	3,969	28.2%	4,126	25.8%	478,318	26.5%
Arts, entertainment, recreation, accommodation and food services.....	995	7.1%	917	5.7%	149,684	8.3%
Other services (except public administration)...	751	5.3%	1,188	7.4%	82,940	4.6%
Public Administration .....	595	4.2%	1,118	7.0%	66,725	3.7%
Total Labor Force, Employed.....	14,097	100.0%	16,018	100.0%	1,807,525	100.0%

Source: U.S. Census Bureau, 2016-2020 American Community Survey.

**EMPLOYMENT DATA**

<b>Period</b> <sup>1</sup>	<b>Percentage Unemployed</b>				
	<b>Town of Bloomfield</b>	<b>Town of East Hartford</b>	<b>City of Hartford</b>	<b>Town of Newington</b>	<b>Town of Rocky Hill</b>
June 2022.....	4.8%	5.4%	6.9%	3.6%	3.1%
May 2022.....	4.8	4.5	6.5	3.6	3.0
April 2022.....	4.2	5.6	6.9	3.2	2.8
March 2022.....	4.7	5.0	6.5	3.6	3.4
February 2022.....	5.1	5.9	7.5	4.1	3.9
January 2022.....	5.0	5.9	7.7	4.2	3.8
<b><u>Annual Average</u></b>					
2021.....	6.7%	8.5%	11.0%	5.3%	4.7%
2020.....	8.0	10.2	13.1	7.2	5.9
2019.....	3.7	4.4	6.2	3.2	2.6
2018.....	4.1	5.0	6.7	3.4	2.9
2017.....	4.9	5.4	7.7	3.8	3.4
2016.....	5.1	6.1	8.7	4.2	3.7
2015.....	6.0	7.0	9.9	4.7	4.2
2014.....	6.8	8.2	11.4	5.5	5.0
2013.....	8.3	9.7	13.7	6.7	5.9
2012.....	8.9	10.3	14.3	7.1	6.2

<b>Period</b> <sup>1</sup>	<b>Percentage Unemployed</b>				
	<b>Town of West Hartford</b>	<b>Town of Wethersfield</b>	<b>Town of Windsor</b>	<b>Hartford Labor</b>	<b>State of Connecticut</b>
June 2022.....	3.3%	3.7%	4.0%	4.1%	4.1%
May 2022.....	3.1	3.5	3.9	3.9	4.0
April 2022.....	2.7	3.6	3.7	3.8	3.7
March 2022.....	2.9	3.8	4.1	4.2	4.3
February 2022.....	3.5	4.6	4.6	5.0	5.0
January 2022.....	3.5	4.6	4.6	4.9	5.0
<b><u>Annual Average</u></b>					
2021.....	4.6%	5.8%	6.4%	6.3%	6.3%
2020.....	5.9	7.1	7.9	7.6	7.8
2019.....	2.7	3.0	3.6	3.4	3.5
2018.....	2.9	3.4	3.9	3.9	3.9
2017.....	3.2	4.2	4.5	4.4	4.4
2016.....	3.6	4.3	4.7	4.9	4.8
2015.....	4.1	4.8	5.3	5.6	5.6
2014.....	4.8	5.8	6.4	6.6	6.6
2013.....	5.9	6.8	7.7	7.9	8.0
2012.....	6.1	7.0	8.2	8.3	8.4

<sup>1</sup> 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.....	466	5.0%	3,335	16.1%	22,516	40.8%
1940 to 1949.....	624	6.7%	2,287	11.0%	4,693	8.5%
1950 to 1959.....	2,096	22.5%	4,392	21.2%	7,453	13.5%
1960 to 1969.....	1,623	17.4%	5,142	24.8%	7,411	13.4%
1970 to 1979.....	1,589	17.1%	2,460	11.9%	4,483	8.1%
1980 to 1989.....	1,291	13.9%	1,388	6.7%	4,008	7.3%
1990 to 1990.....	588	6.3%	1,034	5.0%	2,475	4.5%
2000 to 2009.....	675	7.3%	422	2.0%	1,422	2.6%
2010 to 2013.....	60	0.6%	176	0.9%	331	0.6%
Later than 2014.....	293	3.1%	64	0.3%	413	0.7%
Total housing units, 2020..	9,305	100.0%	20,700	100.0%	55,205	100.0%
Percent Owner Occupied, 2020		68.1%		58.5%		24.9%

Year Built	Town of Newington		Town of Rocky Hill		Town of West Hartford	
	Units	Percent	Units	Percent	Units	Percent
1939 or earlier.....	1,066	8.1%	513	5.6%	7,554	28.3%
1940 to 1949.....	813	6.2%	366	4.0%	3,279	12.3%
1950 to 1959.....	2,870	21.9%	867	9.4%	6,889	25.8%
1960 to 1969.....	2,346	17.9%	1,052	11.4%	3,574	13.4%
1970 to 1979.....	2,475	18.9%	2,589	28.1%	2,248	8.4%
1980 to 1989.....	1,576	12.0%	1,763	19.1%	1,082	4.0%
1990 to 1990.....	1,006	7.7%	1,056	11.5%	660	2.5%
2000 to 2009.....	718	5.5%	779	8.5%	996	3.7%
2010 to 2013.....	168	1.3%	190	2.1%	144	0.5%
Later than 2014.....	77	0.6%	42	0.5%	295	1.1%
Total housing units, 2020..	13,115	100.0%	9,217	100.0%	26,721	100.0%
Percent Owner Occupied, 2020		77.8%		65.5%		69.4%

Year Built	Town of Wethersfield		Town of Windsor		State of Connecticut	
	Units	Percent	Units	Percent	Units	Percent
1939 or earlier.....	2,449	21.5%	1,787	15.5%	327,771	21.5%
1940 to 1949.....	1,023	9.0%	997	8.6%	102,488	6.7%
1950 to 1959.....	2,374	20.9%	2,443	21.1%	223,513	14.7%
1960 to 1969.....	2,283	20.1%	1,476	12.8%	206,458	13.6%
1970 to 1979.....	1,164	10.2%	1,515	13.1%	204,902	13.5%
1980 to 1989.....	1,056	9.3%	1,726	14.9%	188,346	12.4%
1990 to 1990.....	630	5.5%	756	6.5%	118,768	7.8%
2000 to 2009.....	303	2.7%	680	5.9%	102,986	6.8%
2010 to 2013.....	43	0.4%	131	1.1%	22,107	1.5%
Later than 2014.....	54	0.5%	47	0.4%	23,860	1.6%
Total housing units, 2020..	11,379	100.0%	11,558	100.0%	1,521,199	100.0%
Percent Owner Occupied, 2020		78.7%		83.8%		66.1%

Source: U.S. Census Bureau, 2016-2020 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.....	5,884	63.2%	11,124	53.7%	8,412	15.2%
1 unit attached.....	667	7.2%	1,266	6.1%	2,214	4.0%
2 units.....	234	2.5%	1,317	6.4%	7,846	14.2%
4 units.....	605	6.5%	1,781	8.6%	12,198	22.1%
5 to 9 units.....	603	6.5%	1,025	5.0%	6,980	12.6%
10 to 19 units.....	214	2.3%	743	3.6%	3,940	7.1%
20 or more units.....	1,051	11.3%	2,852	13.8%	13,597	24.6%
Mobile home, trailer, other..	47	0.5%	592	2.9%	18	0.0%
Total Inventory.....	9,305	100.0%	20,700	100.0%	55,205	100.0%

Type	Town of Newington		Town of Rocky Hill		Town of West Hartford	
	Units	Percent	Units	Percent	Units	Percent
1 unit detached.....	8,121	61.9%	4,618	50.1%	17,406	65.1%
1 unit attached.....	1,707	13.0%	842	9.1%	1,363	5.1%
2 units.....	236	1.8%	253	2.7%	1,589	5.9%
4 units.....	687	5.2%	684	7.4%	1,306	4.9%
5 to 9 units.....	906	6.9%	604	6.6%	675	2.5%
10 to 19 units.....	880	6.7%	537	5.8%	885	3.3%
20 or more units.....	569	4.3%	1,679	18.2%	3,378	12.6%
Mobile home, trailer, other..	9	0.1%	0	0.0%	119	0.4%
Total Inventory.....	13,115	100.0%	9,217	100.0%	26,721	100.0%

Type	Town of Wethersfield		Town of Windsor		State of Connecticut	
	Units	Percent	Units	Percent	Units	Percent
1 unit detached.....	8,472	74.5%	8,978	77.7%	897,094	59.0%
1 unit attached.....	638	5.6%	809	7.0%	85,585	5.6%
2 units.....	414	3.6%	543	4.7%	125,289	8.2%
4 units.....	596	5.2%	583	5.0%	128,352	8.4%
5 to 9 units.....	216	1.9%	212	1.8%	80,405	5.3%
10 to 19 units.....	336	3.0%	103	0.9%	54,136	3.6%
20 or more units.....	707	6.2%	330	2.9%	137,923	9.1%
Mobile home, trailer, other..	0	0.0%	0	0.0%	12,415	0.8%
Total Inventory.....	11,379	100.0%	11,558	100.0%	1,521,199	100.0%

Source: U.S. Census Bureau, 2016-2020 American Community Survey.

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## 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.....	60	1.0%	439	4.0%	251	2.1%
\$50,000 to \$99,999.....	163	2.8%	700	6.3%	1,170	9.8%
\$100,000 to \$149,999.....	632	10.8%	2,673	24.2%	2,459	20.7%
\$150,000 to \$199,999.....	1,564	26.6%	4,089	37.0%	4,065	34.2%
\$200,000 to \$299,999.....	2,201	37.5%	2,702	24.5%	2,255	18.9%
\$300,000 to \$499,999.....	1,075	18.3%	289	2.6%	1,193	10.0%
\$500,000 to \$999,999.....	138	2.3%	66	0.6%	356	3.0%
\$1,000,000 or more.....	40	0.7%	83	0.8%	151	1.3%
Totals.....	5,873	100.0%	11,041	100.0%	11,900	100.0%
Median Sales Price <sup>1</sup>		\$134,000		\$112,800		\$93,900
Median Sales Price <sup>2</sup>		\$219,400		\$168,300		\$170,200

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.....	88	0.9%	131	2.3%	157	0.9%
\$50,000 to \$99,999.....	380	3.9%	61	1.1%	81	0.5%
\$100,000 to \$149,999.....	692	7.1%	312	5.5%	288	1.6%
\$150,000 to \$199,999.....	2,109	21.5%	619	10.9%	1,275	7.2%
\$200,000 to \$299,999.....	4,771	48.7%	2,375	41.8%	5,525	31.3%
\$300,000 to \$499,999.....	1,562	16.0%	1,890	33.2%	7,635	43.3%
\$500,000 to \$999,999.....	113	1.2%	297	5.2%	2,535	14.4%
\$1,000,000 or more.....	76	0.8%	0	0.0%	128	0.7%
Totals.....	9,791	100.0%	5,685	100.0%	17,624	100.0%
Median Sales Price <sup>1</sup>		\$144,800		\$165,400		\$176,400
Median Sales Price <sup>2</sup>		\$233,200		\$270,800		\$330,100

Specified Owner-Occupied Units	Town of Wethersfield		Town of Windsor		State of Connecticut	
	Number	Percent	Number	Percent	Number	Percent
Less than \$50,000.....	106	1.2%	297	3.2%	17,908	2.0%
\$50,000 to \$99,999.....	60	0.7%	334	3.6%	26,616	2.9%
\$100,000 to \$149,999.....	337	3.9%	913	9.9%	76,280	8.3%
\$150,000 to \$199,999.....	1,502	17.5%	1,861	20.1%	135,429	14.8%
\$200,000 to \$299,999.....	3,848	44.7%	4,445	48.0%	249,697	27.3%
\$300,000 to \$499,999.....	2,509	29.2%	1,370	14.8%	255,697	27.9%
\$500,000 to \$999,999.....	242	2.8%	14	0.2%	110,850	12.1%
\$1,000,000 or more.....	0	0.0%	27	0.3%	42,931	4.7%
Totals.....	8,604	100.0%	9,261	100.0%	915,408	100.0%
Median Sales Price <sup>1</sup>		\$159,300		\$142,200		\$166,900
Median Sales Price <sup>2</sup>		\$257,200		\$223,500		\$279,700

<sup>1</sup> Median Sales Price, U.S. Department of Commerce, Bureau of Census, 2000.

<sup>2</sup> U. S. Census Bureau, 2016-2020 American Community Survey.

Source: U. S. Census Bureau, 2016-2020 American Community Survey.

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**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**

<b>Town of Bloomfield</b>			<b>Town of East Hartford</b>		
<b>Grand List of 10/1</b>	<b>Net Taxable Grand List</b>	<b>% Growth</b>	<b>Grand List of 10/1</b>	<b>Net Taxable Grand List</b>	<b>% Growth</b>
2021	\$2,423,050,587	0.9%	2021 <sup>1</sup>	\$3,493,134,813	24.4%
2020	2,402,488,570	1.0%	2020	2,807,364,070	0.5%
2019 <sup>1</sup>	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 <sup>1</sup>	2,757,568,984	0.8%
2015	2,038,195,880	0.2%	2015	2,736,032,759	1.7%
2014 <sup>1</sup>	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%

<sup>1</sup> Revaluation Year.

<sup>1</sup> Revaluation Year.

<b>City of Hartford</b>			<b>Town of Newington</b>		
<b>Grand List of 10/1</b>	<b>Net Taxable Grand List</b>	<b>% Growth</b>	<b>Grand List of 10/1</b>	<b>Net Taxable Grand List</b>	<b>% Growth</b>
2021 <sup>1</sup>	\$4,786,119,941	16.3%	2021	\$2,844,090,904	2.8%
2020	4,115,886,472	2.0%	2020 <sup>1</sup>	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 <sup>1</sup>	4,068,017,222	9.9%	2016	2,609,986,139	-0.2%
2015	3,701,904,978	2.3%	2015 <sup>1</sup>	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%

<sup>1</sup> Revaluation Year.

<sup>1</sup> Revaluation Year.

**Town of Rocky Hill**

<b>Grand List of 10/1</b>	<b>Net Taxable Grand List</b>	<b>% Growth</b>
2021	\$2,286,850,170	1.9%
2020	2,243,544,929	0.4%
2019	2,235,057,168	1.2%
2018 <sup>1</sup>	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 <sup>1</sup>	1,988,502,360	-8.1%
2012	2,164,593,839	0.4%

<sup>1</sup> Revaluation Year

**Town of West Hartford**

<b>Grand List of 10/1</b>	<b>Net Taxable Grand List</b>	<b>% Growth</b>
2021 <sup>1</sup>	\$6,975,273,047	9.1%
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 <sup>1</sup>	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%

<sup>1</sup> Revaluation Year.

**Town of Wethersfield**

<b>Grand List of 10/1</b>	<b>Net Taxable Grand List</b>	<b>% Growth</b>
2021	\$2,425,972,323	2.6%
2020	2,365,265,780	1.2%
2019	2,336,707,216	0.7%
2018 <sup>1</sup>	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 <sup>1</sup>	2,205,813,324	-5.7%
2012	2,338,758,240	0.4%

<sup>1</sup> Revaluation Year.

**Town of Windsor**

<b>Grand List of 10/1</b>	<b>Net Taxable Grand List</b>	<b>% Growth</b>
2021	\$3,311,353,809	3.1%
2020	3,212,190,082	1.8%
2019	3,153,873,769	1.5%
2018 <sup>1</sup>	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 <sup>1</sup>	2,831,162,216	-6.1%
2012	3,014,279,336	3.7%

<sup>1</sup> 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**

<b>Grand List of 10/1</b>	<b>Fiscal Year Year Ending 6/30</b>	<b>Net Taxable Grand List</b>	<b>Mill Rate</b>	<b>Tax Levy</b>	<b>Percent Annual Levy Collected End of Fiscal Year</b>	<b>Percent Annual Levy Uncollected End of Fiscal Year</b>	<b>Percent Annual Levy Uncollected 6/30/2021</b>
2021	2023	\$2,423,050,587	34.53/32.46 <sup>1</sup>	\$75,325,891	<i>Collections 7/1/22 &amp; 1/1/23</i>		
2020	2022	2,402,488,570	35.58	82,373,036	<i>Unaudited</i>		
2019	2021	2,377,731,476	35.01	83,086,680	98.8%	1.2%	1.2%
2018	2020	2,155,023,283	37.46	78,744,103	98.7%	1.3%	0.5%
2017	2019	2,116,863,202	37.52	80,638,872	98.4%	1.6%	0.0%
2016	2018	2,018,358,356	37.56	68,644,146	98.4%	1.6%	0.0%
2015	2017	2,038,195,880	36.65	74,666,544	98.6%	1.4%	0.0%
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%	0.0%
2012	2014	2,032,528,017	34.85	71,075,964	98.5%	1.5%	0.0%

<sup>1</sup> The mill rate for real estate and personal property is 34.53 and for motor vehicles 32.46 for fiscal year ending June 30, 2023. Source: Tax Collector's Office, Town of Bloomfield.

**PROPERTY TAX LEVIES AND COLLECTIONS – TOWN OF EAST HARTFORD**

Grand List of 10/1	Fiscal Year 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 6/30/2021
					Fiscal Year	End of Fiscal Year	6/30/2021
2021	2023	\$3,493,134,813	41.00/32.46 <sup>1</sup>	\$138,274,696	<i>Collections 7/1/22 &amp; 1/1/23</i>		
2020	2022	2,807,364,070	49.35	137,602,141	<i>Unaudited</i>		
2019	2021	2,794,244,994	49.92	138,180,000	97.7%	2.3%	2.3%
2018	2020	2,783,862,372	49.11	136,197,000	97.9%	2.1%	0.9%
2017	2019	2,811,967,294	47.66	133,952,000	98.1%	1.9%	0.2%
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%

<sup>1</sup> The mill rate for real estate and personal property is 41.00 and for motor vehicles 32.46 for fiscal year ending June 30, 2023. Source: Tax Collector’s Office, Town of East Hartford.

**PROPERTY TAX LEVIES AND COLLECTIONS – CITY OF HARTFORD**

Grand List of 10/1	Fiscal Year 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 6/30/2021
					Fiscal Year	End of Fiscal Year	6/30/2021
2021	2023	\$4,786,119,941	68.95/32.46 <sup>1</sup>	\$298,384,077	<i>Collections 7/1/22 &amp; 1/1/23</i>		
2020	2022	4,115,886,472	74.29	292,547,228	<i>Unaudited</i>		
2019	2021	4,036,000,866	74.29	287,960,000	95.5%	4.5%	4.5%
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	95.3%	4.7%	4.7%
2016	2018	4,068,017,222	74.29	282,448,000	95.3%	4.7%	1.4%
2015	2017	3,701,904,978	74.29	257,563,000	95.6%	4.4%	1.2%
2014	2016	3,619,341,714	74.29	262,887,000	95.7%	4.3%	1.4%
2013	2015	3,531,344,777	76.79	253,546,000	96.0%	4.0%	1.3%
2012	2014	3,487,781,236	74.29	248,851,000	95.0%	5.0%	1.2%

<sup>1</sup> The mill rate for real estate and personal property is 68.95 and for motor vehicles 32.46 for fiscal year ending June 30, 2023. Source: Tax Collector’s Office, City of Hartford.

**PROPERTY TAX LEVIES AND COLLECTIONS – TOWN OF NEWINGTON**

Grand List of 10/1	Fiscal Year 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 6/30/2021
					Fiscal Year	End of Fiscal Year	6/30/2021
2021	2023	\$2,844,090,904	38.49/32.46 <sup>1</sup>	\$105,776,685	<i>Collections 7/1/22 &amp; 1/1/23</i>		
2020	2022	2,765,341,316	38.81	105,825,763	<i>Unaudited</i>		
2019	2021	2,656,844,617	39.28	104,581,000	99.3%	0.7%	0.7%
2018	2020	2,640,307,103	39.45	104,725,000	99.3%	0.7%	0.1%
2017	2019	2,623,718,787	38.50	101,640,000	99.2%	0.8%	0.0%
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%

<sup>1</sup> The mill rate for real estate and personal property is 38.49 and for motor vehicles 32.46 for fiscal year ending June 30, 2023. Source: Tax Collector’s Office, Town of Newington.

**PROPERTY TAX LEVIES AND COLLECTIONS – TOWN OF ROCKY HILL**

<b>Grand List of 10/1</b>	<b>Fiscal Year Year Ending 6/30</b>	<b>Net Taxable Grand List</b>	<b>Mill Rate</b>	<b>Tax Levy</b>	<b>Percent Annual Levy Collected End of Fiscal Year</b>	<b>Percent Annual Levy Uncollected End of Fiscal Year</b>	<b>Percent Annual Levy Uncollected 6/30/2021</b>
2021	2023	\$2,286,850,170	34.52/32.46 <sup>1</sup>	\$77,715,432	<i>Collections 7/1/20 &amp; 1/1/21</i>		
2020	2022	2,243,544,929	34.10	75,730,906	<i>Unaudited</i>		
2019	2021	2,235,057,168	33.60	74,241,218	99.4%	0.6%	0.6%
2018	2020	2,208,948,420	32.50	70,993,728	99.2%	0.8%	0.3%
2017	2019	2,094,054,395	32.40	67,152,444	99.5%	0.5%	0.1%
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%

<sup>1</sup> The mill rate for real estate and personal property is 34.52 and for motor vehicles 32.46 for fiscal year ending June 30, 2023.  
Source: Tax Collector’s Office, Town of Rocky Hill.

**PROPERTY TAX LEVIES AND COLLECTIONS – TOWN OF WEST HARTFORD**

<b>Grand List of 10/1</b>	<b>Fiscal Year Year Ending 6/30</b>	<b>Net Taxable Grand List</b>	<b>Mill Rate</b>	<b>Tax Levy</b>	<b>Percent Annual Levy Collected End of Fiscal Year</b>	<b>Percent Annual Levy Uncollected End of Fiscal Year</b>	<b>Percent Annual Levy Uncollected 6/30/2021</b>
2021	2023	\$6,975,273,047	40.68/32.46 <sup>1</sup>	\$278,397,250	<i>Collections 7/1/22 &amp; 1/1/23</i>		
2020	2022	6,394,578,261	42.42	266,811,380	<i>Unaudited</i>		
2019	2021	6,363,394,009	41.80	266,861,000	99.3%	0.7%	0.7%
2018	2020	6,314,734,062	41.80	265,632,000	99.3%	0.7%	0.3%
2017	2019	6,285,118,569	41.00	258,647,000	99.3%	0.7%	0.1%
2016	2018	6,232,711,742	41.04	255,988,000	100.0%	0.0%	0.0%
2015	2017	5,981,347,789	39.51	236,740,000	99.2%	0.8%	0.0%
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%

<sup>1</sup> The mill rate for real estate and personal property is 40.68 and for motor vehicles 32.46 for fiscal year ending June 30, 2023.  
Source: Tax Collector’s Office, Town of West Hartford.

**PROPERTY TAX LEVIES AND COLLECTIONS – TOWN OF WETHERSFIELD**

<b>Grand List of 10/1</b>	<b>Fiscal Year Year Ending 6/30</b>	<b>Net Taxable Grand List</b>	<b>Mill Rate</b>	<b>Tax Levy</b>	<b>Percent Annual Levy Collected End of Fiscal Year</b>	<b>Percent Annual Levy Uncollected End of Fiscal Year</b>	<b>Percent Annual Levy Uncollected 6/30/2021</b>
2021	2023	\$2,425,972,323	41.08/32.46 <sup>1</sup>	\$94,021,317	<i>Collections 7/1/22 &amp; 1/1/23</i>		
2020	2022	2,365,265,780	40.67	92,604,001	<i>Unaudited</i>		
2019	2021	2,336,707,216	40.69	94,625,375	99.3%	0.7%	0.7%
2018	2020	2,321,469,775	40.74	94,126,544	99.1%	0.9%	0.3%
2017	2019	2,251,449,143	40.78	91,511,510	99.2%	0.8%	0.2%
2016	2018	2,242,958,976	39.77	88,497,998	99.1%	0.9%	0.1%
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%

<sup>1</sup> The mill rate for real estate and personal property is 41.08 and for motor vehicles 32.46 for fiscal year ending June 30, 2023.  
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 Fiscal Year	Percent Annual Levy Uncollected End of Fiscal Year	Percent Annual Levy Uncollected 6/30/2021
					Fiscal Year	End of Fiscal Year	6/30/2021
2021	2023	\$3,311,353,809	33.27/32.46 <sup>1</sup>	\$99,048,280	<i>Collections 7/1/22 &amp; 1/1/23</i>		
2020	2022	3,212,190,082	33.27	104,722,100	<i>Unaudited</i>		
2019	2021	3,153,873,769	33.11	104,927,574	98.9%	1.1%	1.1%
2018	2020	3,105,965,090	32.38	100,912,792	98.9%	1.1%	0.4%
2017	2019	2,959,778,035	32.96	98,322,429	99.0%	1.0%	0.0%
2016	2018	2,886,742,186	32.45	93,966,005	99.0%	1.0%	0.0%
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%

<sup>1</sup> The mill rate for real estate and personal property is 33.27 and for motor vehicles 32.46 for fiscal year ending June 30, 2023.  
Source: Tax Collector’s Office, Town of Windsor.

**TEN LARGEST TAXPAYERS – TOWN OF BLOOMFIELD<sup>1</sup>**

Name of Taxpayer	Nature of Business	Assessed Valuation	Percent of Net Taxable Grand List
Eversource.....	Utility.....	\$124,559,640	5.14%
Connecticut General Life Insurance Co.....	Insurance.....	46,302,060	1.91%
Church Home of Hartford Inc.....	Retirement Facility.....	42,343,130	1.75%
AMCAP Copaco LLC.....	Shopping Center.....	39,640,370	1.64%
Duncaster Inc.....	Assisted Living.....	38,956,630	1.61%
HG Conn Realty Corp.....	Commercial Real Estate.....	34,226,220	1.41%
Bloomfield Owner LLC.....	Residential Real Estate.....	33,250,000	1.37%
CIGNA Health & Life Insurance Co.....	Insurance.....	25,988,620	1.07%
Trader Joes East Inc.....	Shopping Center.....	24,261,965	1.00%
Metropolitan Life Insurance Co.....	Insurance.....	22,710,310	0.94%
<b>Total.....</b>		<b>\$432,238,945</b>	<b>17.84%</b>

<sup>1</sup> Based on a 10/1/21 Net Taxable Grand List of \$2,423,050,587.  
Source: Town of Bloomfield.

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**TEN LARGEST TAXPAYERS – TOWN OF EAST HARTFORD<sup>1</sup>**

<u>Name of Taxpayer</u>	<u>Nature of Business</u>	<u>Assessed Valuation</u>	<u>Percent of Net Taxable Grand List</u>
United Technologies Corp/Raytheon.....	Manufacturing.....	\$556,252,320	15.92%
Goodwin College.....	Education.....	221,024,750	6.33%
Connecticut Light & Power.....	Utility.....	52,607,970	1.51%
Coca-Cola Bottling Co.....	Beverage Mfg./Distributor.....	41,679,252	1.19%
Ansonia Acquisitions LLC.....	Apartments.....	37,266,100	1.07%
Connecticut Natural Gas Corp.....	Utility.....	35,608,110	1.02%
Barrington Group.....	Industrial.....	26,104,350	0.75%
Merchant Group.....	Offices.....	22,913,420	0.66%
Fremont Riverview LLC.....	Offices.....	22,556,470	0.65%
Cabela's Inc.....	Retail.....	21,381,910	0.61%
<b>Total.....</b>		<b>\$1,037,394,652</b>	<b>29.70%</b>

<sup>1</sup> Based on a 10/1/21 Net Taxable Grand List of \$3,493,134,813.  
Source: Town of East Hartford.

**TEN LARGEST TAXPAYERS – CITY OF HARTFORD<sup>1</sup>**

<u>Name of Taxpayer</u>	<u>Nature of Business</u>	<u>Assessed Valuation</u>	<u>Percent of Net Taxable Grand List</u>
Eversource.....	Utility.....	\$208,534,740	4.36%
Travelers Indemnity Co. Affiliate.....	Insurance.....	134,692,170	2.81%
Aetna Life Insurance Co. & Annuity.....	Insurance.....	119,993,180	2.51%
Hartford Fire Insurance & Twin City Ins.....	Insurance.....	100,673,350	2.10%
Shelbourne Entities.....	Utility.....	81,748,722	1.71%
RP Asylum LLC.....	Real Estate.....	57,638,210	1.20%
Hartford Hospital & HHMOB Corp.....	Hospital.....	53,462,310	1.12%
Constitution Plaza Holding LLC.....	Office Complex.....	47,994,940	1.00%
Mac-State Square LLC.....	Office Complex.....	47,060,440	0.98%
LS Gold, LLC.....	Office Complex.....	43,636,180	0.91%
<b>Total.....</b>		<b>\$895,434,242</b>	<b>18.71%</b>

<sup>1</sup> Based on a 10/1/21 Net Taxable Grand List of \$4,786,119,941.  
Source: City of Hartford.

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**TEN LARGEST TAXPAYERS – TOWN OF NEWINGTON<sup>1</sup>**

<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.....	\$74,524,860	2.62%
IREIT Newington Fair LLC.....	Shopping Center.....	23,150,610	0.81%
Hayes Kaufman Newington Assoc. LLC.....	Real Estate.....	21,229,420	0.75%
TLG Newington LLC.....	Shopping Center.....	20,909,940	0.74%
Brixmor GA Turnpike Plaza LLC.....	Shopping Center.....	20,150,380	0.71%
Newington VF LLC.....	Shopping Center.....	19,975,400	0.70%
Newington Gross LLC.....	Shopping Center.....	19,529,360	0.69%
Scelza/Cambridge/Baldwin.....	Apartments.....	15,253,600	0.54%
Shelbourne Newington LLC.....	Real Estate.....	15,047,420	0.53%
Connecticut Natrual Gas.....	Utility.....	14,645,080	0.51%
<b>Total.....</b>		<b>\$244,416,070</b>	<b>8.59%</b>

<sup>1</sup> Based on a 10/1/21 Net Taxable Grand List of \$2,844,090,904.  
Source: Town of Newington.

**TEN LARGEST TAXPAYERS – TOWN OF ROCKY HILL<sup>1</sup>**

<u>Name of Taxpayer</u>	<u>Nature of Business</u>	<u>Assessed Valuation</u>	<u>Percent of Net Taxable Grand List</u>
Century Hills Property Owner LLC.....	Apartments.....	\$41,972,350	1.84%
Connecticut Natural Gas Corporation.....	Utility.....	34,532,050	1.51%
RP Glenbrook LLC.....	Warehouse.....	31,269,490	1.37%
MKS - 500 Enterprise LLC.....	Real Estate.....	26,387,060	1.15%
Connecticut Light & Power.....	Utility.....	25,135,440	1.10%
Burris Logistics Inc.....	Real Estate.....	23,964,120	1.05%
Churchill Property Portfolio.....	Real Estate.....	17,500,000	0.77%
Henkel Corporation.....	Manufacturer of Adhesives.....	16,494,050	0.72%
Stepney Place.....	Real Estate.....	13,966,190	0.61%
Albany Road-Winbrook LLC.....	Real Estate.....	13,670,930	0.60%
<b>Total.....</b>		<b>\$244,891,680</b>	<b>10.71%</b>

<sup>1</sup> Based on a 10/1/21 Net Taxable Grand List of \$2,286,850,170.  
Source: Town of Rocky Hill.

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**TEN LARGEST TAXPAYERS – TOWN OF WEST HARTFORD<sup>1</sup>**

<u>Name of Taxpayer</u>	<u>Nature of Business</u>	<u>Assessed Valuation</u>	<u>Percent of Net Taxable Grand List</u>
Eversource.....	Utility.....	\$62,101,000	0.89%
FW CT - Corbins Corner.....	Retail, Office.....	47,372,000	0.68%
West Farms Mall.....	Shopping Mall.....	44,371,000	0.64%
Sof-Ix Blueback Square Holdings LP.....	Real Estate.....	37,647,000	0.54%
Town Center West Associates.....	Office.....	29,502,000	0.42%
SF West Hartford Property Owner LLC.....	Real Estate.....	28,901,000	0.41%
Steele Road LLC.....	Real Estate.....	26,141,000	0.37%
ALNIC LLC.....	Supermarket.....	23,129,000	0.33%
E&A Northeast Limited Partnership.....	Shopping Center.....	21,772,000	0.31%
ER West Hartford LLC.....	Apartments.....	21,124,000	0.30%
<b>Total.....</b>		<b>\$342,060,000</b>	<b>4.90%</b>

<sup>1</sup> Based on a 10/1/21 Net Taxable Grand List of \$6,975,273,047.  
Source: Town of West Hartford.

**TEN LARGEST TAXPAYERS – TOWN OF WETHERSFIELD<sup>1</sup>**

<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.....	\$23,310,000	0.96%
Executive Square LTD Partnership.....	Apartments.....	19,250,000	0.79%
Connecticut Natural Gas.....	Utility.....	17,322,600	0.71%
Eversource.....	Utility.....	17,036,420	0.70%
Cedar-Jordan Lane LLC.....	Shopping Center.....	15,848,780	0.65%
Wethersfield Shopping Center LLC.....	Shopping Center.....	14,700,000	0.61%
100 Great Meadow Road.....	Real Estate.....	12,950,000	0.53%
Goodwin Gardens LLC.....	Apartments.....	9,290,795	0.38%
Wethersfield Folly Brook LLC.....	Real Estate.....	7,673,870	0.32%
Ridge Road Development Group LLC.....	Real Estate.....	7,497,020	0.31%
<b>Total.....</b>		<b>\$144,879,485</b>	<b>5.97%</b>

<sup>1</sup> Based on a 10/1/21 Net Taxable Grand List of \$2,425,972,323.  
Source: Town of Wethersfield.

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**TEN LARGEST TAXPAYERS – TOWN OF WINDSOR<sup>1</sup>**

<u>Name of Taxpayer</u>	<u>Nature of Business</u>	<u>Assessed Valuation</u>	<u>Percent of Net Taxable Grand List</u>
Deka Immobilien Investment (Amazon).....	Real Estate.....	\$265,655,233	8.02%
Eversource.....	Utility.....	91,847,769	2.77%
Industrial Realty Trust.....	Real Estate.....	79,720,130	2.41%
Walgreens.....	Pharmacy.....	78,190,536	2.36%
Voya Retirement Insurance.....	Finance.....	56,602,715	1.71%
Dollar Tree Distribution Inc.....	Real Estate.....	54,850,130	1.66%
Hartford Financial Corporation.....	Finance.....	52,262,725	1.58%
CIGNA.....	Insurance.....	51,556,354	1.56%
Cellco/Verizon Wireless.....	Information Technology.....	44,239,776	1.34%
Addison Property Owner LLC.....	Real Estate.....	31,164,485	0.94%
<b>Total.....</b>		<b>\$806,089,853</b>	<b>24.34%</b>

<sup>1</sup> Based on a 10/1/21 Net Taxable Grand List of \$3,311,353,809.  
Source: Town of Windsor.

**EQUALIZED NET GRAND LIST<sup>1</sup>**

<b>Town of Bloomfield</b>			<b>Town of East Hartford</b>		
<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>
2020	\$3,856,242,814	13.29%	2020	\$5,269,862,528	22.55%
2019	3,403,726,280	-5.90%	2019	4,300,018,416	-1.25%
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%

<b>City of Hartford</b>			<b>Town of Newington</b>		
<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>
2020	\$8,062,393,752	7.74%	2020	\$3,951,453,309	-6.15%
2019	7,482,907,669	-1.77%	2019	4,210,605,850	5.48%
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%

Town of Rocky Hill		
Grand List of 10/1	Equalized Net Grand List	% Growth
2020	\$3,766,723,871	12.85%
2019	3,337,771,481	5.75%
2018	3,156,173,943	1.72%
2017	3,102,901,837	2.30%
2016	3,033,011,924	-0.87%
2015	3,059,763,412	-4.18%
2014	3,193,390,993	12.39%
2013	2,841,314,800	2.02%
2012	2,784,951,675	1.59%
2011	2,741,368,613	-0.81%

Town of West Hartford		
Grand List of 10/1	Equalized Net Grand List	% Growth
2020	\$10,870,763,470	7.55%
2019	10,107,519,211	2.34%
2018	9,876,620,438	2.82%
2017	9,605,646,775	7.83%
2016	8,907,859,189	-3.72%
2015	9,251,991,620	-0.77%
2014	9,323,512,094	1.83%
2013	9,156,172,567	1.33%
2012	9,035,908,810	7.56%
2011	8,400,921,331	15.96%

Town of Wethersfield		
Grand List of 10/1	Equalized Net Grand List	% Growth
2020	\$4,060,971,655	16.70%
2019	3,479,972,719	4.89%
2018	3,317,732,536	-1.82%
2017	3,379,119,934	-0.40%
2016	3,392,683,688	6.86%
2015	3,174,823,747	2.27%
2014	3,104,460,582	-1.54%
2013	3,153,114,691	0.19%
2012	3,147,128,675	0.02%
2011	3,146,435,531	0.59%

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

<sup>1</sup>Totals may not add due to rounding.  
Source: State of Connecticut, Office of Policy and Management.

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## VII. FINANCIAL INFORMATION

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### FISCAL YEAR

Financial information for the District for fiscal years ending December 31, 2017 through December 31, 2021 and for the Member Municipalities for fiscal years ended June 30, 2017 through June 30, 2021, 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 District Charter, and the District's Ordinances, 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 the 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 District's 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 Program. See "Part II – Information Concerning The Metropolitan District – IV. Hydroelectric Development Program" herein. 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 Capital Improvement Plan (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 23, 2021) \$23,020,379, 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 "*Part II – Information Concerning The Metropolitan District – II. Water Pollution Control – Clean Water Project*" and "*Part II – Information Concerning The Metropolitan District – VIII. Debt Summary - 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 District's 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 the District 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, 2021, 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 "Audited 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 (10) 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 Ordinances, establishes the benefit provisions and the employer’s and employees’ obligations. Any bargaining or non-bargaining unit employee who becomes totally and permanently disabled and has completed ten (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>Six-Year Trend Information</b>			
<b><u>Year Ended</u></b>	<b><u>Annual Determined Contribution</u></b>	<b><u>Actual Contribution</u></b>	<b><u>% of ADC Funded</u></b>
MDC			
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%
2021	\$9,133,515	\$9,133,600	100%

The District implemented GASB Statement No. 67 effective in Fiscal Year 2014. The following net pension liability of the District at December 31, 2021, determined by an actuarial valuation as of January 1, 2021 and based on actuarial assumptions as of that date, were as follows.

<b>GASB 67 Schedules</b>	
Total pension liability at December 31, 2021....	\$321,890,252
Plan fiduciary net position.....	279,203,551
District's net pension liability.....	\$42,686,701
Plan fiduciary net position as % of total pension liability.....	86.74%

The following presents the net pension liability, calculated using the discount rate of 6.75% 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 (5.75%) or 1-percentage-point higher (7.75%) than the current rate.

	<b>1% Decrease</b>	<b>Current</b>	<b>1% Increase</b>
	<b>(5.75%)</b>	<b>Discount</b>	<b>(7.75%)</b>
		<b>(6.75%)</b>	
District Plan's net pension liability			
as of December 31, 2021.....	\$78,929,187	\$42,686,701	\$11,919,787

*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 “Audited Financial Statements” under section “Notes to Financial Statements - Note 4” herein for information on the District’s Pension Plan.***

**OTHER POST EMPLOYMENT BENEFITS (“OPEB”)**

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 ten (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 post-employment benefits plan rests with the PPI Committee.

Expenses for post-employment benefits were paid out of the OPEB trust fund during fiscal year ended December 31, 2021. The RHP 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 October 4, 2015 are required to contribute 5% of regular compensation, employees hired between October 4, 2015 and June 5, 2018 contribute 7% 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 been self-insured for employee and retiree healthcare. The unrestricted net position in the internal service fund was \$13,479,050 as of December 31, 2021.

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.

<b>Six-Year Trend Information</b>			
<b>Year Ended</b>	<b>Annual Determined Contribution</b>	<b>Actual Contribution</b>	<b>% of ADC Funded</b>
2016	\$15,855,000	\$5,000,000	32%
2017	\$18,458,692	\$5,000,000	27%
2018	\$0	\$5,000,000	N/A
2019	\$0	\$9,146,000	N/A
2020	\$13,846,000	\$10,349,000	75%
2021	\$11,673,290	\$10,448,490	90%

The District implemented GASB Statement No. 74 effective in Fiscal Year 2017. The following net pension liability of the District at December 31, 2021, determined by an actuarial valuation as of January 1, 2020 and based on actuarial assumptions as of that date, were as follows.

<b>GASB 74 Schedules</b>	
Total OPEB liability at December 31, 2021...	\$193,721,507
Plan fiduciary net position.....	15,933,067
District's net OPEB liability.....	\$177,788,440
Plan fiduciary net position as % of total OPEB liability.....	8.22%

	<b>1% Decrease (5.875%)</b>	<b>Current Discount (6.875%)</b>	<b>1% Increase (7.875%)</b>
District Plan's net OPEB liability as of December 31, 2021.....	\$201,272,000	\$177,788,440	\$158,417,616

*Please refer to Appendix A “Audited 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 (i.e. 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 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 \$1,000,000 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 holds cyber liability insurance for claims up to \$1,000,000. The District established an internal service fund (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, 2021 were \$6,335,343.

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**REVENUES AND APPROPRIATIONS  
ADOPTED BUDGET FOR 2021**

<u>Water Revenues</u>	<u>Adopted Budget 2022</u>
Sale of Water.....	\$96,552,254
Other Operating Revenue.....	8,494,100
<b>Total Operating Revenue.....</b>	<b>\$105,046,354</b>
Non-Operating Revenue.....	2,401,119
Contribution from (to) Working Funds.....	1,400,000
<b>Total Water Revenues.....</b>	<b>\$108,847,473</b>
<u>Sewer Revenues</u>	
Tax on Member Municipalities.....	\$53,076,600
Revenue From Other Governmental Agencies.....	10,931,000
Other Sewer Revenues.....	18,212,000
Sewer User Charge Revenue.....	13,301,902
<b>Total Operating Revenue.....</b>	<b>\$95,521,502</b>
DEEP Contingency.....	1,980,000
Revenue Surplus Designated from Prior Year.....	2,700,000
<b>Total Sewer Revenues.....</b>	<b>\$100,201,502</b>
<b>Total Water and Sewer Revenues.....</b>	<b>\$209,048,975</b>
<b>Hydroelectric Revenues.....</b>	<b>403,700</b>
<b>Total Revenues and Other Financing Sources.....</b>	<b>\$209,452,675</b>

	<u>Adopted 2022</u>		
	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
<b>Appropriations Water And Sewer Budgets</b>			
District Board.....	\$ 268,000	\$ 257,500	\$ 525,500
Executive Office.....	1,567,167	1,505,900	3,073,067
Legal.....	752,570	723,100	1,475,670
Finance.....	3,579,365	3,439,200	7,018,565
Information Technology.....	5,946,280	2,928,700	8,874,980
Engineering and Planning.....	557,532	535,600	1,093,132
Water Treatment and Supply.....	8,101,154	-	8,101,154
Water Pollution Control.....	-	20,573,002	20,573,002
Laboratory Services.....	821,354	758,200	1,579,554
Maintenance.....	6,367,381	6,117,900	12,485,281
Chief Operating Office.....	390,354	375,000	765,354
Environment, Health and Safety.....	500,118	480,600	980,718
Command Center.....	2,917,195	1,502,800	4,419,995
Operations.....	9,805,634	3,268,600	13,074,234
Patrol.....	1,470,957	-	1,470,957
Debt Service.....	33,899,300	35,117,500	69,016,800
Employee Benefits.....	20,469,174	16,747,500	37,216,674
General Insurance.....	3,738,138	2,492,100	6,230,238
Taxes and Fees.....	3,810,500	-	3,810,500
Special Agreements and Programs.....	3,885,300	1,398,300	5,283,600
Contingency.....	-	1,980,000	1,980,000
<b>Total Water and Sewer Budgets.....</b>	<b>\$108,847,473</b>	<b>\$ 100,201,502</b>	<b>\$ 209,048,975</b>
<b>Hydroelectric Budget.....</b>	<b>403,700</b>		<b>403,700</b>
<b>Total Appropriations.....</b>	<b>\$109,251,173</b>	<b>\$ 100,201,502</b>	<b>\$ 209,452,675</b>

**SOURCES OF FUNDS  
ADOPTED BUDGET FOR 2021**

<b>Sale of Water by User</b>	<b>Adopted Budget 2022</b>
Domestic.....	32.57%
Commercial.....	8.71
Industrial.....	1.87
Public Authority.....	2.08
Other Water Companies.....	0.96
<b>Total</b> .....	<b>46.19%</b>
<b>Sewer Revenues Paid By Member Municipality Tax</b>	
Hartford.....	6.84
East Hartford.....	3.05
Newington.....	2.34
Wethersfield.....	2.07
Windsor.....	2.29
Bloomfield.....	1.88
Rocky Hill.....	1.56
West Hartford.....	5.80
<b>Total</b> .....	<b>25.83%</b>
<b>Other Sources of Funds for Sewer &amp; Water</b>	
Other Sewer & Water Revenues.....	27.79%
<b>Total Sources of Funds for Sewer &amp; Water</b> .....	<b>99.81%</b>
<b>Sources of Funds for All Projects</b>	
Water Revenues.....	51.97
Sewer Revenues.....	47.84
Hydroelectric Revenues.....	0.19
<b>Total</b> .....	<b>100.00%</b>

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

	<b>Fiscal Year 2020-21</b>			<b>Fiscal Year</b>
	<b>Final Budget</b>	<b>Actual Operations</b>	<b>Variance Favorable (Unfavorable)</b>	<b>2021-22 Adopted Budget</b>
<b>REVENUES</b>				
Taxation - Member Towns.....	\$ 51,475,700	\$ 51,475,700	\$ -	\$53,076,600
Sewer User Fees.....	20,000,400	17,183,766	(2,816,634)	13,301,902
Intergovernmental.....	11,466,400	11,070,993	(395,407)	10,931,000
Income from Investment.....	200,000	30,448	(169,552)	40,000
Other Revenues.....	10,021,700	10,092,073	70,373	20,152,000
Transfers In.....	3,800,000	-	(3,800,000)	2,700,000
<b>TOTAL REVENUES .....</b>	<b>\$ 96,964,200</b>	<b>\$ 89,852,980</b>	<b>\$ (7,111,220)</b>	<b>\$100,201,502</b>
<b>EXPENDITURES</b>				
General Government .....	7,646,200	6,971,173	675,027	\$9,335,000
Engineering and Planning.....	546,500	444,991	101,509	535,600
Operations.....	6,467,700	5,925,368	542,332	5,146,400
Plants and Maintenance.....	25,731,100	23,279,725	2,451,375	27,449,102
Employee Benefits and Other.....	18,502,400	18,300,584	201,816	22,617,900
Contingency.....	1,980,000	-	1,980,000	-
Debt Service.....	36,090,300	36,074,772	15,528	35,117,500
<b>TOTAL EXPENDITURES .....</b>	<b>\$ 96,964,200</b>	<b>\$ 90,996,613</b>	<b>\$ 5,967,587</b>	<b>\$100,201,502</b>
Excess (deficiency) of revenues over expenditures .....	\$ -	\$ (1,143,633)	\$ (1,143,633)	\$ -

Source: Audit Report 2021; Budget 2022.

**GENERAL FUND BALANCE SHEET**  
**Summary of Audited Assets and Liabilities**  
**(GAAP Basis)**

<b>FISCAL YEAR ENDED:</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
<b>ASSETS</b>					
Cash and cash equivalents .....	\$26,945,085	\$28,834,678	\$21,964,836	\$16,212,716	\$15,069,654
Receivables, Net of Allowance for Uncollectibles..	5,443,211	6,127,738	5,153,260	9,960,629	6,663,875
Due From Other Funds.....	18,602	57,270	-	-	-
Inventory.....	-	-	2,916,842	2,560,251	2,536,006
Supplies.....	3,457,138	3,028,814	-	-	-
Prepaid Items.....	662,737	686,634	487,010	505,071	314,997
<b>TOTAL ASSETS.....</b>	<b>\$36,526,773</b>	<b>\$38,735,134</b>	<b>\$30,521,948</b>	<b>\$29,238,667</b>	<b>\$24,584,532</b>
<b>LIABILITIES</b>					
Accounts Payable & Accrued Items.....	\$ 2,299,046	\$ 2,255,485	\$ 1,596,059	\$ 1,940,605	\$ 2,091,664
Premium on bond anticipation notes payable.....	-	-	-	-	583,787
Customer Advances for Construction.....	690,351	893,974	822,170	1,006,119	2,314,103
<b>Total Liabilities .....</b>	<b>2,989,397</b>	<b>3,149,459</b>	<b>2,418,229</b>	<b>2,946,724</b>	<b>4,989,554</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable Revenue - Sewer User Fees.....	3,827,551	-	-	-	-
<b>TOTAL DEFERRED INFLOWS.....</b>	<b>3,827,551</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCE</b>					
Nonspendable .....	4,119,875	3,715,448	3,403,852	3,065,322	2,851,003
Restricted .....	-	-	-	-	-
Committed .....	-	-	-	-	-
Assigned .....	-	-	-	-	-
Unassigned .....	25,589,950	31,870,227	24,699,867	23,226,621	16,743,975
<b>TOTAL FUND BALANCE.....</b>	<b>29,709,825</b>	<b>35,585,675</b>	<b>28,103,719</b>	<b>26,291,943</b>	<b>19,594,978</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES.....</b>	<b>\$36,526,773</b>	<b>\$38,735,134</b>	<b>\$30,521,948</b>	<b>\$29,238,667</b>	<b>\$24,584,532</b>

Source: Audit Reports 2017-2021.

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

<b>FISCAL YEAR ENDED:</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
<b>REVENUES:</b>					
Taxation - Member Towns.....	\$51,475,700	\$51,475,700	\$48,153,100	\$45,004,000	\$41,670,400
Sewer User Fees.....	17,322,000	20,404,896	15,670,998	9,804,814	7,639,768
Intergovernmental .....	10,178,011	10,111,198	5,514,708	5,819,727	4,693,503
Investment Income.....	30,581	145,404	734,871	655,763	532,877
Other Revenues.....	2,742,962	1,287,228	5,582,358	7,613,648	5,683,498
Transfers In.....	531,209.00	-	-	-	-
<b>Total Revenues and Transfers In.....</b>	<b>\$82,280,463</b>	<b>\$83,424,426</b>	<b>\$75,656,035</b>	<b>\$68,897,952</b>	<b>\$60,220,046</b>
<b>EXPENDITURES:</b>					
General Government.....	\$5,002,410	\$4,446,417	\$4,548,043	\$4,762,419	\$3,436,145
Engineering & Planning.....	-	-	-	-	-
Operations.....	4,463,088	3,573,467	3,745,528	3,918,542	2,313,810
Plants & Maintenance.....	20,753,614	19,643,333	18,150,755	15,144,347	20,148,645
Employee Benefits & Other...	18,298,717	16,194,956	15,335,071	11,162,192	10,881,861
Debt Service.....	223,958	-	-	-	-
Transfers Out.....	36,035,881	32,084,297	32,064,862	27,213,487 <sup>2</sup>	21,390,625
<b>Total Expenditures.....</b>	<b>\$84,777,668</b>	<b>\$75,942,470</b>	<b>\$73,844,259</b>	<b>\$62,200,987</b>	<b>\$58,171,086</b>
<b>Results from Operations.....</b>	<b>(\$2,497,205)</b>	<b>\$7,481,956</b>	<b>\$1,811,776</b>	<b>\$6,696,965</b>	<b>\$2,048,960</b>
<b>Fund Balance, January 1.....</b>	<b>\$32,207,030 <sup>1</sup></b>	<b>\$28,103,719</b>	<b>\$26,291,943</b>	<b>\$19,594,978</b>	<b>\$17,546,018</b>
<b>Fund Balance, December 31</b>	<b>\$29,709,825</b>	<b>\$35,585,675</b>	<b>\$28,103,719</b>	<b>\$26,291,943</b>	<b>\$19,594,978</b>

<sup>1</sup> Restated

<sup>2</sup> Includes \$27,213,487 in debt service.

**ANALYSIS OF GENERAL FUND EQUITY**  
**The District**  
**(GAAP BASIS)**

<b>FISCAL YEAR ENDED:</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
Nonspendable.....	\$4,119,875	\$3,715,448	\$3,403,852	\$3,065,322	\$2,851,003
Unassigned.....	25,589,950	31,870,227	24,699,867	23,226,621	16,743,975
<b>Total Fund Balance</b>	<b>\$29,709,825</b>	<b>\$35,585,675</b>	<b>\$28,103,719</b>	<b>\$26,291,943</b>	<b>\$19,594,978</b>
<b>Unassigned Fund Balance As % of Total Expenditures.</b>	<b>30.18%</b>	<b>41.97%</b>	<b>33.45%</b>	<b>37.34%</b>	<b>28.78%</b>

Source: Audit Reports 2017-2021.

## HISTORY OF MEMBER MUNICIPALITY'S TAXATION <sup>1</sup>

<u>Member Municipality</u>	<u>Budget</u>		<u>Actual</u>		<u>Actual</u>	
	<u>2022</u>	<u>%</u>	<u>2021</u>	<u>%</u>	<u>2020</u>	<u>%</u>
Bloomfield	\$ 3,868,400	7.29	\$ 3,808,100	7.40	\$ 3,879,300	7.54
East Hartford	6,264,400	11.80	6,015,200	11.69	6,089,300	11.83
Hartford	14,067,500	26.50	13,169,100	25.58	13,035,400	25.32
Newington	4,799,100	9.04	4,681,000	9.09	4,623,100	8.98
Rocky Hill	3,206,800	6.04	3,171,200	6.16	3,144,100	6.11
West Hartford	11,919,300	22.47	11,865,500	23.05	11,852,100	23.02
Wethersfield	4,252,500	8.01	4,214,100	8.19	4,240,800	8.24
Windsor	4,698,600	8.85	4,551,500	8.84	4,611,600	8.96
<b>Total</b>	<b>\$53,076,600</b>	<b>100.0%</b>	<b>\$51,475,700</b>	<b>100.0%</b>	<b>\$51,475,700</b>	<b>100.0%</b>

<u>Member Municipality</u>	<u>Actual</u>		<u>Actual</u>		<u>Actual</u>	
	<u>2019</u>	<u>%</u>	<u>2018</u>	<u>%</u>	<u>2017</u>	<u>%</u>
Bloomfield	\$ 3,488,600	7.24	\$ 3,256,200	7.24	\$ 3,067,100	7.36
East Hartford	5,775,200	11.99	5,486,600	12.19	5,059,400	12.14
Hartford	12,372,000	25.69	11,550,400	25.67	10,963,200	26.31
Newington	4,318,900	8.97	4,120,900	9.16	3,752,900	9.01
Rocky Hill	2,909,600	6.04	2,712,500	6.03	2,475,800	5.94
West Hartford	11,034,500	22.93	10,168,100	22.58	9,286,900	22.28
Wethersfield	3,979,400	8.26	3,707,800	8.24	3,408,200	8.18
Windsor	4,274,900	8.88	4,001,500	8.89	3,656,900	8.78
<b>Total</b>	<b>\$48,153,100</b>	<b>100.0%</b>	<b>\$45,004,000</b>	<b>100.0%</b>	<b>\$41,670,400</b>	<b>100.0%</b>

<sup>1</sup> 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.

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**WATER UTILITY FUND REVENUES AND EXPENDITURES**

**The District**

Summary of Audited Revenues and Expenditures

**(GAAP BASIS)**

See Section III, "Water Operations"

FISCAL YEAR ENDED:	Adopted					
	Budget <sup>1</sup>	2021	2020	2019	2018	2017
<b>Operating Revenues:</b>						
Water Sales.....	\$96,552,254	\$93,404,849	\$98,277,039	\$86,566,574	\$74,795,863	\$78,137,873
Other Operating Revenues.....	8,494,100	7,869,933	7,427,376	5,491,192	3,631,305	3,991,268
<b>Total Operating Revenue.....</b>	<b>\$105,046,354</b>	<b>\$101,274,782</b>	<b>\$105,704,415</b>	<b>\$92,057,766</b>	<b>\$78,427,168</b>	<b>\$82,129,141</b>
<b>Total Operating Expenses.....</b>	<b>108,847,473</b>	<b>63,408,511</b>	<b>67,216,489</b>	<b>93,666,059</b>	<b>113,268,096</b>	<b>81,134,700</b>
Operating Income (Loss).....	(3,801,119)	37,866,271	38,487,926	(1,608,293)	(34,840,928)	994,441
<b>Non-operating Revenues.....</b>	<b>3,801,119</b>	<b>502,294</b>	<b>1,065,377</b>	<b>(5,315,658)</b>	<b>(32,807)</b>	<b>2,108,636</b>
Income (Loss) Before Interest &						
Fiscal Charges & Operating Transfers.....	-	38,368,565	39,553,303	(6,923,951)	(34,873,735)	3,103,077
Interest & Fiscal Charges.....	-	(5,223,626)	(11,112,851)	(11,287,082)	(9,573,365)	(9,117,593)
<b>Income Before Operating Transfers.....</b>	<b>-</b>	<b>\$33,144,939</b>	<b>\$28,440,452</b>	<b>(\$18,211,033)</b>	<b>(\$44,447,100)</b>	<b>(\$6,014,516)</b>
<b>Transfers</b>						
Grants & Contributions.....		\$5,828,453	\$6,651,401	\$15,921,555	\$22,060,020	\$20,596,616
<b>Net Operating Transfers</b>		-	15,266,267	(26,146,960)	(17,088,617)	-
<b>Net Income (Loss).....</b>		<b>\$38,973,392</b>	<b>\$50,358,120</b>	<b>(\$28,436,438)</b>	<b>(\$39,475,697)</b>	<b>\$14,582,100</b>
<b>Net Assets, January 1.....</b>		<b>\$138,733,479</b>	<b>\$88,375,359</b>	<b>\$116,811,797</b>	<b>\$156,287,494 <sup>2</sup></b>	<b>\$255,525,700</b>
<b>Net Assets, December 31.....</b>		<b>\$177,706,871</b>	<b>\$138,733,479</b>	<b>\$88,375,359</b>	<b>\$116,811,797</b>	<b>\$270,107,800</b>

<sup>1</sup> Budgetary Basis.

<sup>2</sup> Restated to reflect implementation of GASB 75.

Source: Audit Reports 2017-2021; Adopted Budget 2022.

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**HYDROELECTRIC FUND REVENUES AND EXPENDITURES**

**The District**

Summary of Audited Revenues and Expenditures

**(GAAP BASIS)**

See Section IV, "Hydroelectric Development Program"

FISCAL YEAR ENDED:	Adopted Budget <sup>1</sup>					
	2022	2021	2020	2019	2018	2017
<b>Operating Revenues:</b>						
Energy Sales.....	\$403,700	\$941,491	\$471,876	\$816,141	\$1,288,293	\$707,463
Miscellaneous.....	-	-	-	-	-	-
<b>Total Operating Revenue.....</b>	<b>\$403,700</b>	<b>\$941,491</b>	<b>\$471,876</b>	<b>\$816,141</b>	<b>\$1,288,293</b>	<b>\$707,463</b>
<b>Total Operating Expenses</b>	<b>\$403,700</b>	<b>\$289,595</b>	<b>\$432,713</b>	<b>\$688,775</b>	<b>\$247,281</b>	<b>\$702,704</b>
<b>Operating Income (Loss)</b>	<b>\$0</b>	<b>\$651,896</b>	<b>\$39,163</b>	<b>\$127,366</b>	<b>\$1,041,012</b>	<b>\$4,759</b>
<b>Non-operating Revenues (Expenses).....</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$878,871)</b>	<b>(\$1,428,032)</b>	<b>\$0</b>	<b>\$0</b>
<b>Income Before Operating Transfers.....</b>	<b>\$0</b>	<b>\$651,896</b>	<b>(\$839,708)</b>	<b>(\$1,300,666)</b>	<b>\$1,041,012</b>	<b>\$4,759</b>
Net Operating Transfers.....	-	-	-	1,066,000	-	-
<b>Net Income (Loss).....</b>	<b>\$0</b>	<b>\$651,896</b>	<b>(\$839,708)</b>	<b>(\$234,666)</b>	<b>\$1,041,012</b>	<b>\$4,759</b>
<b>Net Assets, January 1.....</b>		<b>\$7,626,003</b>	<b>\$8,465,711</b>	<b>\$8,700,377</b>	<b>\$7,659,365 <sup>2</sup></b>	<b>\$8,299,796</b>
<b>Net Assets, December 31.....</b>		<b>\$8,277,899</b>	<b>\$7,626,003</b>	<b>\$8,465,711</b>	<b>\$8,700,377</b>	<b>\$8,304,555</b>

<sup>1</sup> Budgetary Basis.

<sup>2</sup> Restated to reflect implementation of GASB 75.

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

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**MEMBER MUNICIPALITY FINANCIAL INFORMATION**

**COMPARATIVE GENERAL FUND OPERATING STATEMENT<sup>1</sup>**

**Town of Bloomfield  
Budget and Actual  
(Budgetary Basis)**

	Fiscal Year 2020-21 <sup>2</sup>			Fiscal Year	Fiscal Year
	Final Budget	Actual Operations	Variance Favorable (Unfavorable)	2021-22 Adopted Budget	2022-23 Adopted Budget
<b>REVENUES</b>					
Property Taxes.....	\$ 80,502,940	\$ 83,803,559	\$ 3,300,619	\$84,293,036	\$83,220,376
Interest on Investments.....	150,000	100,773	(49,227)	100,000	100,000
Intergovernmental.....	6,449,510	6,676,434	226,924	6,492,563	7,217,418
Charges for Services.....	1,867,700	3,018,698	1,150,998	2,131,701	2,203,330
Other Revenues.....	1,058,762	1,318,929	260,167	171,000	818,180
Transfers In.....	950,000	200,000	(750,000)	3,500,000	10,734,319
<b>TOTAL REVENUES .....</b>	<b>\$ 90,978,912</b>	<b>\$ 95,118,393</b>	<b>\$ 4,139,481</b>	<b>\$96,688,299</b>	<b>\$104,293,623</b>
<b>EXPENDITURES</b>					
Administration.....	4,357,074	4,342,826	14,248	\$4,731,356	\$5,162,325
Boards and Agencies.....	203,394	194,296	9,098	183,462	204,161
Planning and Development.....	1,485,647	1,469,694	15,953	1,580,210	1,794,522
Public Safety.....	10,074,248	10,047,515	26,733	10,636,939	11,112,014
Public Works.....	5,381,272	5,334,651	46,621	5,838,676	6,206,989
Leisure Services.....	874,758	871,033	3,725	1,055,392	1,219,888
Public Libraries.....	2,115,020	2,106,621	8,399	2,183,495	2,324,062
Human Services.....	2,192,471	2,138,693	53,778	2,306,794	2,453,256
Fixed Charges.....	14,203,064	14,204,360	(1,296)	13,376,717	14,742,807
Miscellaneous Charges.....	196,000	141,783	54,217	214,000	224,000
Education.....	44,899,111	44,901,417	(2,306)	46,738,567	48,841,803
Debt Service.....	7,801,467	7,768,430	33,037	7,042,632	6,807,797
Capital Improvements.....	-	-	-	800,060	-
Transfers Out.....	855,327	855,327	-	-	3,200,000
<b>TOTAL EXPENDITURES .....</b>	<b>\$ 94,638,853</b>	<b>\$ 94,376,646</b>	<b>\$ 262,207</b>	<b>\$96,688,299</b>	<b>\$104,293,623</b>
Excess (deficiency) of revenues over expenditures .....	\$ (3,659,941)	\$ 741,747	\$ 4,401,688	\$ -	\$ -

<sup>1</sup> Totals may not add due to rounding.

<sup>2</sup> Estimated/unaudited.

Source: Audit Report 2021; Budgets 2022 and 2023.

**GENERAL FUND BALANCE SHEET**  
**Town of Bloomfield**  
Summary of Audited Assets and Liabilities  
**(GAAP Basis)**

FISCAL YEAR ENDED:	2021 <sup>1</sup>	2020	2019	2018	2017
<b>ASSETS</b>					
Cash and cash equivalents .....	\$39,078,445	\$35,494,699	\$37,956,606	\$34,124,838	\$31,001,656
Investments.....	3,971,351	4,050,300	-	-	-
Receivables:					
Property taxes.....	1,457,776	1,549,311	1,862,140	1,703,605	1,853,061
Intergovernmental.....				1,073	1,013
Accounts receivable.....	129,106	261,159	670,366	534,477	461,327
Due from other funds.....	12,577,811	8,296,413	8,488,342	6,474,137	5,161,621
Other Assets.....	-	-	7,878	391,200	104,250
<b>TOTAL ASSETS.....</b>	<b>\$57,214,489</b>	<b>\$49,651,882</b>	<b>\$48,985,332</b>	<b>\$43,229,330</b>	<b>\$38,582,928</b>
<b>LIABILITIES</b>					
Accounts Payable .....	\$ 2,942,223	\$ 2,517,059	\$ 1,833,761	\$ 1,443,172	\$ 1,612,416
Accrued Liabilities.....	982,056	870,604	1,337,690	565,328	552,512
Due to other funds.....	17,476,990	15,621,683	13,321,277	16,221,496	12,630,138
Unearned Revenue.....	120,444	38,888	94,830	10,978	34,713
<b>Total Liabilities .....</b>	<b>21,521,713</b>	<b>19,048,234</b>	<b>16,587,558</b>	<b>18,240,974</b>	<b>14,829,779</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable Revenue - property taxes.....	1,317,026	1,350,676	1,665,949	1,494,860	1,634,908
Advance property tax collections.....	6,016,563	2,589,582	8,042,358	2,148,430	2,564,335
<b>TOTAL DEFERRED INFLOWS.....</b>	<b>7,333,589</b>	<b>3,940,258</b>	<b>9,708,307</b>	<b>3,643,290</b>	<b>4,199,243</b>
<b>FUND BALANCE</b>					
Nonspendable .....	-	-	7,878	391,200	104,250
Restricted .....	-	-	-	-	-
Committed .....	-	-	-	-	-
Assigned .....	7,318,474	4,156,461	3,925,697	2,596,815	2,064,444
Unassigned .....	21,040,713	22,506,929	18,755,892	18,357,051	17,385,212
<b>TOTAL FUND BALANCE.....</b>	<b>28,359,187</b>	<b>26,663,390</b>	<b>22,689,467</b>	<b>21,345,066</b>	<b>19,553,906</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES.....</b>	<b>\$57,214,489</b>	<b>\$49,651,882</b>	<b>\$48,985,332</b>	<b>\$43,229,330</b>	<b>\$38,582,928</b>

<sup>1</sup> Estimated/unaudited.  
Source: Audit Reports 2017-2021.

**GENERAL FUND REVENUES AND EXPENDITURES**

**Town of Bloomfield**

Summary of Audited Revenues and Expenditures  
(GAAP BASIS)

<b>FISCAL YEAR ENDED:</b>	<b>2021 <sup>7</sup></b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
<b>REVENUES:</b>					
Taxes and Assessments.....	\$83,803,559	\$81,834,237	\$80,621,613	\$76,396,187	\$74,698,743
State and Federal Grants.....	14,323,655	12,099,989	9,237,517	14,695,223	14,366,350
Charges for Services.....	3,018,698	2,966,976	3,008,250	2,538,033	3,281,387
Investment Income.....	100,773	568,007	684,288	376,677	157,151
Other.....	393,816	346,528	260,643	239,084	134,357
Transfers In.....	683,491 <sup>8</sup>	1,063,762 <sup>6</sup>	335,684 <sup>5</sup>	15,377,019 <sup>3</sup>	10,065,675 <sup>1</sup>
<b>Total Revenues and Transfers In.....</b>	<b>\$102,323,992</b>	<b>\$98,879,499</b>	<b>\$94,147,995</b>	<b>\$109,622,223</b>	<b>\$102,703,663</b>
<b>EXPENDITURES:</b>					
General Government.....	\$5,841,436	\$4,796,116	\$4,610,382	\$4,425,358	\$4,287,191
Public Safety.....	9,752,399	7,653,249	7,760,470	7,304,494	7,505,124
Public Works.....	5,169,390	3,191,310	3,106,586	3,091,766	3,067,339
Leisure Services.....	830,980	806,755	798,191	728,656	724,178
Public Libraries.....	2,106,621	1,719,406	1,733,695	1,621,318	1,580,730
Human Services.....	2,138,693	1,681,886	1,620,017	1,558,112	1,465,096
Facilities.....	0	1,747,651	1,590,269	1,640,342	1,461,766
Fixed Charges.....	14,204,360	17,784,106	17,767,465	16,168,272	16,005,256
Miscellaneous.....	141,783	252,341	207,429	150,137	73,839
Education.....	50,140,390	48,686,569	46,334,201	49,016,467	47,763,637
Debt Service.....	9,446,816	6,586,187	5,687,779	5,808,960	6,205,214
Transfers Out.....	855,327	-	1,587,110	16,317,181 <sup>4</sup>	11,161,499 <sup>2</sup>
<b>Total Expenditures and Transfers Out.....</b>	<b>\$100,628,195</b>	<b>\$94,905,576</b>	<b>\$92,803,594</b>	<b>\$107,831,063</b>	<b>\$101,300,869</b>
<b>Results from Operations..</b>	<b>\$1,695,797</b>	<b>\$3,973,923</b>	<b>\$1,344,401</b>	<b>\$1,791,160</b>	<b>\$1,402,794</b>
<b>Fund Balance, July 1.....</b>	<b>\$26,663,390</b>	<b>\$22,689,467</b>	<b>\$21,345,066</b>	<b>\$19,553,906</b>	<b>\$18,151,112</b>
<b>Fund Balance, June 30.....</b>	<b>\$28,359,187</b>	<b>\$26,663,390</b>	<b>\$22,689,467</b>	<b>\$21,345,066</b>	<b>\$19,553,906</b>

<sup>1</sup> Includes \$51,299 premium on notes and \$117,288 premium on bond issuance.

<sup>2</sup> Includes \$8,745,000 refunding bonds issued and \$1,195,675 premium on refunding bond issuance.

<sup>3</sup> Includes \$9,815,139 payment to refunded bond escrow agent.

<sup>4</sup> Includes \$13,050,000 refunding bonds issued and \$2,202,019 premium on refunding bond issuance.

<sup>5</sup> Includes \$15,109,225 payment to refunded bond escrow agent.

<sup>6</sup> Includes \$41,906 of bond proceeds and \$143,778 in premium on bond issuance

<sup>7</sup> Estimated/unaudited.

<sup>8</sup> Includes \$483,491 premium on bond issuance.

**ANALYSIS OF GENERAL FUND EQUITY**

**Town of Bloomfield**

(GAAP BASIS)

<b>FISCAL YEAR ENDED:</b>	<b>2021 <sup>1</sup></b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
Nonspendable.....	\$0	\$0	\$7,878	\$391,200	\$104,250
Assigned.....	7,318,474	4,156,461	3,925,697	2,596,815	2,064,444
Unassigned.....	21,040,713	22,506,929	18,755,892	18,357,051	17,385,212
<b>Total Fund Balance.....</b>	<b>\$28,359,187</b>	<b>\$26,663,390</b>	<b>\$22,689,467</b>	<b>\$21,345,066</b>	<b>\$19,553,906</b>
<b>Unassigned Fund Balance As % of Total Expenditures</b>	<b>20.91%</b>	<b>23.72%</b>	<b>20.21%</b>	<b>17.02%</b>	<b>17.16%</b>

<sup>1</sup> Estimated/unaudited.

Source: Audit Reports 2017-2021.

**COMPARATIVE GENERAL FUND OPERATING STATEMENT**  
**Town of East Hartford**  
 Budget and Actual  
 (Budgetary Basis)

	Fiscal Year 2020-21			Fiscal Year	Fiscal Year
	Final Budget	Actual Operations	Variance Favorable (Unfavorable)	2021-22 Adopted Budget	2022-23 Adopted Budget
<b>REVENUES</b>					
General Property Taxes.....	\$139,692,000	\$139,364,000	\$ (328,000)	\$140,152,141	\$141,424,696
Licenses and Fees.....	2,057,000	1,777,000	(280,000)	1,464,650	1,402,310
Intergovernmental Revenues.....	51,382,000	53,065,000	1,683,000	55,082,543	56,685,720
Charges for Services.....	2,098,000	1,866,000	(232,000)	3,085,000	3,769,698
Interest from Investments.....	425,000	20,000	(405,000)	425,000	50,000
Fines and Forfeits.....	70,000	47,000	(23,000)	50,000	57,500
Other Revenues.....	1,052,000	1,193,000	141,000	881,772	1,059,839
Transfers In.....	386,000	257,000	(129,000)	10,000	10,000
<b>TOTAL REVENUES .....</b>	<b>\$197,162,000</b>	<b>\$197,589,000</b>	<b>\$ 427,000</b>	<b>\$201,151,106</b>	<b>\$204,459,763</b>
<b>EXPENDITURES</b>					
General Government .....	46,519,000	46,253,000	266,000	\$41,609,593	\$42,467,970
Public Safety.....	31,522,000	31,107,000	415,000	31,051,830	32,063,566
Inspection and Permits.....	694,000	689,000	5,000	865,464	909,926
Public Works.....	10,203,000	10,136,000	67,000	16,860,334	17,195,446
Parks and Recreation.....	3,154,000	3,033,000	121,000	3,522,258	3,587,421
Health and Social Services.....	1,330,000	1,288,000	42,000	1,491,553	1,570,636
Education.....	92,679,000	92,429,000	250,000	94,179,245	95,993,863
Contingency.....				724,050	430,088
Capital Improvements.....				2,129,890	2,135,667
Debt Service.....	11,061,000	11,061,000	-	8,716,889	8,105,180
<b>TOTAL EXPENDITURES .....</b>	<b>\$197,162,000</b>	<b>\$195,996,000</b>	<b>\$ 1,166,000</b>	<b>\$201,151,106</b>	<b>\$204,459,763</b>
Excess (deficiency) of revenues over expenditures .....	\$ -	\$ 1,593,000	\$ 1,593,000	\$ -	\$ -

Source: Audit Report 2021; Budgets 2022 and 2023.

**GENERAL FUND BALANCE SHEET**  
**Town of East Hartford**  
Summary of Audited Assets and Liabilities  
**(GAAP Basis)**

FISCAL YEAR ENDED:	2021	2020	2019	2018	2017
<b>ASSETS</b>					
Cash and cash equivalents .....	\$27,818,000	\$18,014,000	\$33,707,000	\$27,198,000	\$31,600,000
Investments.....	282,000	271,000	266,000	247,000	247,000
Receivables, net.....	7,348,000	6,819,000	5,499,000	5,121,000	6,393,000
Due from other funds.....	20,447,000	9,508,000	1,392,000	8,620,000	4,081,000
Other Assets.....	1,558,000	2,023,000	1,910,000	3,588,000	3,803,000
<b>TOTAL ASSETS.....</b>	<b>\$57,453,000</b>	<b>\$36,635,000</b>	<b>\$42,774,000</b>	<b>\$44,774,000</b>	<b>\$46,124,000</b>
<b>LIABILITIES</b>					
Accounts Payable .....	\$ 8,116,000	\$ 5,725,000	\$ 4,089,000	\$ 4,181,000	\$ 5,154,000
Due to other funds.....	14,139,000	1,730,000	4,579,000	5,038,000	7,422,000
Unearned Revenue.....	-	-	25,000	50,000	1,554,000
<b>Total Liabilities .....</b>	<b>22,255,000</b>	<b>7,455,000</b>	<b>8,693,000</b>	<b>9,269,000</b>	<b>14,130,000</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Advance property tax collections.....	5,690,000	1,005,000	6,209,000	7,578,000	7,523,000
Unavailable Revenue - property taxes.....	4,673,000	4,660,000	3,286,000	3,145,000	3,575,000
Unavailable Revenue - other receivables.....	332,000	325,000	176,000	183,000	113,000
<b>TOTAL DEFERRED INFLOWS.....</b>	<b>10,695,000</b>	<b>5,990,000</b>	<b>9,671,000</b>	<b>10,906,000</b>	<b>11,211,000</b>
<b>FUND BALANCE</b>					
Nonspendable .....	1,408,000	1,873,000	1,760,000	3,437,000	3,652,000
Restricted .....	-	-	-	-	-
Committed .....	-	-	-	-	-
Assigned .....	1,211,000	1,484,000	703,000	1,051,000	549,000
Unassigned .....	21,884,000	19,833,000	21,947,000	20,111,000	16,582,000
<b>TOTAL FUND BALANCE.....</b>	<b>24,503,000</b>	<b>23,190,000</b>	<b>24,410,000</b>	<b>24,599,000</b>	<b>20,783,000</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES.....</b>	<b>\$57,453,000</b>	<b>\$36,635,000</b>	<b>\$42,774,000</b>	<b>\$44,774,000</b>	<b>\$46,124,000</b>

Source: Audit Reports 2017-2021.

**GENERAL FUND REVENUES AND EXPENDITURES**

**Town of East Hartford**

Summary of Audited Revenues and Expenditures

(GAAP BASIS)

<b>FISCAL YEAR ENDED:</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
<b>REVENUES:</b>					
Property Taxes.....	\$139,364,000	\$134,810,000	\$135,079,000	\$128,413,000	\$124,038,000
Licenses and permits.....	\$1,776,000	\$1,531,000	\$2,515,000	2,948,000	3,111,000
Intergovernmental.....	72,016,000	73,509,000	61,193,000	77,839,000	77,850,000
Charges for services.....	11,427,000	13,473,000	10,362,000	9,977,000	9,043,000
Investment income (loss).....	20,000	409,000	670,000	364,000	163,000
Other local revenues.....	631,000	985,000	768,000	1,880,000	486,000
Transfers In.....	852,000	2,772,000	1,270,000	497,000	1,110,000
<b>Total Revenues and Transfers In.....</b>	<b>\$226,086,000</b>	<b>\$227,489,000</b>	<b>\$211,857,000</b>	<b>\$221,918,000</b>	<b>\$215,801,000</b>
<b>EXPENDITURES:</b>					
General Government.....	\$45,775,000	\$47,600,000	\$45,037,000	\$39,923,000	\$38,651,000
Public Safety.....	31,085,000	30,132,000	29,701,000	28,862,000	28,594,000
Inspection/Permits.....	689,000	694,000	718,000	691,000	674,000
Public Works.....	10,876,000	10,677,000	10,325,000	9,175,000	8,839,000
Parks and Recreation.....	3,066,000	3,012,000	3,427,000	3,254,000	3,323,000
Health and Social Services.....	3,966,000	4,101,000	4,357,000	4,550,000	4,690,000
Debt Service.....	11,070,000	10,912,000	10,516,000	10,133,000	9,101,000
Education.....	116,451,000	120,280,000	106,944,000	119,545,000	115,962,000
Transfers Out.....	1,795,000	1,301,000	1,021,000	1,969,000	2,457,000
<b>Total Expenditures and Transfers Out.....</b>	<b>\$224,773,000</b>	<b>\$228,709,000</b>	<b>\$212,046,000</b>	<b>\$218,102,000</b>	<b>\$212,291,000</b>
<b>Results from Operations.....</b>	<b>\$1,313,000</b>	<b>(\$1,220,000)</b>	<b>(\$189,000)</b>	<b>\$3,816,000</b>	<b>\$3,510,000</b>
<b>Fund Balance, July 1.....</b>	<b>\$23,190,000</b>	<b>\$24,410,000</b>	<b>\$24,599,000</b>	<b>\$20,783,000</b>	<b>\$17,273,000</b>
<b>Fund Balance, June 30.....</b>	<b>\$24,503,000</b>	<b>\$23,190,000</b>	<b>\$24,410,000</b>	<b>\$24,599,000</b>	<b>\$20,783,000</b>

**ANALYSIS OF GENERAL FUND EQUITY**

**Town of East Hartford**

(GAAP BASIS)

<b>FISCAL YEAR ENDED:</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
Nonspendable.....	\$1,408,000	\$1,873,000	\$1,760,000	\$3,437,000	\$3,652,000
Assigned.....	1,211,000	1,484,000	703,000	1,051,000	549,000
Unassigned.....	21,884,000	19,833,000	21,947,000	20,111,000	16,582,000
<b>Total Fund Balance .....</b>	<b>\$24,503,000</b>	<b>\$23,190,000</b>	<b>\$24,410,000</b>	<b>\$24,599,000</b>	<b>\$20,783,000</b>
<b>Unassigned Fund Balance As % of Total Expenditures</b>	<b>9.74%</b>	<b>8.67%</b>	<b>10.35%</b>	<b>9.22%</b>	<b>7.81%</b>

Source: Audit Reports 2017-2021.

**COMPARATIVE GENERAL FUND OPERATING STATEMENT**

**Town of Hartford  
Budget and Actual  
(Budgetary Basis)**

	Fiscal Year 2020-21			Fiscal Year	Fiscal Year
	Final Budget	Actual Operations	Variance Favorable (Unfavorable)	2021-22 Adopted Budget	2022-23 Recommended Budget
<b>REVENUES</b>					
General Property Taxes.....	\$287,357,000	\$297,194,000	\$ 9,837,000	\$279,792,169	\$285,792,269
Other Local Taxes.....	1,241,000	2,023,000	782,000	8,930,000	8,955,000
Licenses, Permits and Fees.....	6,162,000	8,298,000	2,136,000	6,166,426	6,119,012
Fines, Forfeits and Penalties.....	194,000	161,000	(33,000)	147,282	154,100
Income from Investments.....	1,402,000	240,000	(1,162,000)	248,000	362,000
Use of Money and Property.....	1,076,000	693,000	(383,000)	974,188	809,054
Intergovernmental Revenues.....	258,570,000	255,199,000	(3,371,000)	269,161,247	288,532,177
Charges for Services.....	1,846,000	2,267,000	421,000	3,061,155	3,150,266
Reimbursements.....	121,000	105,000	(16,000)	91,869	89,653
Other Revenues.....	236,000	192,000	(44,000)	193,822	55,200
Transfers In.....	14,941,000	10,052,000	(4,889,000)	15,193,000	5,556,000
<b>TOTAL REVENUES .....</b>	<b>\$573,146,000</b>	<b>\$576,424,000</b>	<b>\$ 3,278,000</b>	<b>\$583,959,158</b>	<b>\$599,574,731</b>
<b>EXPENDITURES</b>					
General Government .....	18,042,000	18,041,000	1,000	\$21,684,829	\$22,305,174
Public Safety.....	80,040,000	80,040,000	-	89,961,269	94,363,115
Public Works.....	14,998,000	14,998,000	-	17,933,864	19,124,731
Development Services.....	3,856,000	3,856,000	-	5,975,888	6,048,086
Health and Human Services.....	3,548,000	3,548,000	-	5,587,795	5,477,402
Education.....	278,325,000	275,665,000	2,660,000	284,013,274	284,013,274
Benefits and Insurance.....	85,730,000	85,728,000	2,000	97,663,761	98,671,066
Debt Service.....	54,040,000	53,979,000	61,000	11,299,875	15,284,900
Other Sundry Items.....	39,567,000	39,567,000	-	49,838,603	54,286,983
<b>TOTAL EXPENDITURES .....</b>	<b>\$578,146,000</b>	<b>\$575,422,000</b>	<b>\$ 2,724,000</b>	<b>\$583,959,158</b>	<b>\$599,574,731</b>
Excess (deficiency) of revenues over expenditures .....	\$ (5,000,000)	\$ 1,002,000	\$ 6,002,000	\$ -	\$ -

Source: Audit Report 2021; Budgets 2022 and 2023.



**GENERAL FUND BALANCE SHEET**  
**Town of Hartford**  
Summary of Audited Assets and Liabilities  
**(GAAP Basis)**

FISCAL YEAR ENDED:	2021	2020	2019	2018	2017
<b>ASSETS</b>					
Cash and cash equivalents .....	\$ 78,032,000	\$ 71,922,000	\$ 64,770,000	\$ 42,152,000	\$ 54,203,000
Receivables, net.....	100,741,000	99,061,000	92,578,000	89,960,000	81,462,000
Prepaid Items.....			1,199,000	-	-
Due from other funds.....	4,293,000	3,212,000	3,294,000	3,539,000	2,700,000
<b>TOTAL ASSETS.....</b>	<b>\$183,066,000</b>	<b>\$174,195,000</b>	<b>\$161,841,000</b>	<b>\$135,651,000</b>	<b>\$138,365,000</b>
<b>LIABILITIES</b>					
Accounts Payable and accrued liabilities.....	\$ 56,948,000	\$ 46,660,000	\$ 45,125,000	\$ 43,193,000	\$ 33,967,000
Tax Anticipation note payable.....	-	-	-	-	20,165,000
Due to other funds.....	-	-	12,474,000	-	-
Unearned Revenue.....	207,000	208,000	198,000	207,000	-
<b>Total Liabilities .....</b>	<b>57,155,000</b>	<b>46,868,000</b>	<b>57,797,000</b>	<b>43,400,000</b>	<b>54,132,000</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable Revenue - property taxes.....	89,151,000	93,167,000	88,525,000	87,367,000	79,140,000
Unavailable Revenue - other receivables.....	3,447,000	3,238,000	2,887,000	-	-
Advance property tax collections.....	1,467,000	1,100,000	47,000	-	-
<b>TOTAL DEFERRED INFLOWS.....</b>	<b>94,065,000</b>	<b>97,505,000</b>	<b>91,459,000</b>	<b>87,367,000</b>	<b>79,140,000</b>
<b>FUND BALANCE</b>					
Nonspendable .....	-	-	-	-	-
Restricted .....	-	-	-	-	-
Committed .....	5,680,000	5,680,000	2,933,000	-	-
Assigned .....	-	5,262,000	-	-	583,000
Unassigned .....	26,166,000	18,880,000	9,652,000	4,884,000	4,510,000
<b>TOTAL FUND BALANCE.....</b>	<b>31,846,000</b>	<b>29,822,000</b>	<b>12,585,000</b>	<b>4,884,000</b>	<b>5,093,000</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES.....</b>	<b>\$183,066,000</b>	<b>\$174,195,000</b>	<b>\$161,841,000</b>	<b>\$135,651,000</b>	<b>\$138,365,000</b>

Source: Audit Reports 2017-2021.

**GENERAL FUND REVENUES AND EXPENDITURES**

**City of Hartford**

Summary of Audited Revenues and Expenditures  
(GAAP BASIS)

<b>FISCAL YEAR ENDED:</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
<b>REVENUES:</b>					
Property Taxes.....	\$299,217,000	\$280,410,000	\$278,967,000	\$283,758,000	\$260,363,000
Licenses and Permits.....	8,459,000	6,579,000	6,630,000	6,218,000	5,376,000
Investment Income.....	240,000	2,418,000	327,441,000	1,403,000	442,000
Intergovernmental.....	350,660,000	349,114,000	2,255,000	360,400,000	327,341,000
Charges for Services.....	2,267,000	2,042,000	1,153,000	2,344,000	2,454,000
Use of Property.....	694,000	943,000	3,121,000	979,000	1,925,000
Other Revenues.....	9,740,000	11,081,000	10,380,000	1,447,000	2,013,000
Transfers In.....	6,719,000	6,393,000	6,949,000	13,644,000	5,372,000
<b>Total Revenues and Transfers In.....</b>	<b>\$677,996,000</b>	<b>\$658,980,000</b>	<b>\$636,896,000</b>	<b>\$670,193,000</b>	<b>\$605,286,000</b>
<b>EXPENDITURES:</b>					
General Government.....	\$14,114,000	\$12,916,000	\$12,991,000	\$13,334,000	\$14,508,000
Public Safety.....	80,040,000	77,805,000	75,775,000	81,237,000	80,688,000
Public Works.....	14,998,000	14,076,000	13,176,000	12,212,000	12,652,000
Development and Community ...	3,856,000	3,642,000	3,290,000	3,380,000	2,918,000
Human Services.....	3,338,000	4,453,000	2,645,000	3,800,000	4,789,000
Library.....	0	0	0	0	0
Education.....	313,407,000	324,546,000	301,665,000	351,430,000	344,877,000
Recreation and Culture.....	9,245,000	9,519,000	9,360,000	9,199,000	7,854,000
Benefits and Insurance.....	88,895,000	81,326,000	87,260,000	93,366,000	78,172,000
Debt Service.....	123,000	95,000	401,000	398,000	0 <sup>1</sup>
Other.....	33,294,000	30,668,000	33,525,000	31,286,000	33,121,000
Transfers Out.....	114,662,000	82,697,000	89,107,000	70,177,000	34,745,000
<b>Total Expenditures and Transfers Out.....</b>	<b>\$675,972,000</b>	<b>\$641,743,000</b>	<b>\$629,195,000</b>	<b>\$669,819,000</b>	<b>\$614,324,000</b>
<b>Results from Operations.....</b>	<b>\$2,024,000</b>	<b>\$17,237,000</b>	<b>\$7,701,000</b>	<b>\$374,000</b>	<b>(\$9,038,000)</b>
<b>Fund Balance, July 1.....</b>	<b>\$29,822,000</b>	<b>\$12,585,000</b>	<b>\$4,884,000</b>	<b>\$4,510,000<sup>2</sup></b>	<b>\$14,131,000</b>
<b>Fund Balance, June 30.....</b>	<b>\$31,846,000</b>	<b>\$29,822,000</b>	<b>\$12,585,000</b>	<b>\$4,884,000</b>	<b>\$5,093,000</b>

<sup>1</sup>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  
<sup>2</sup>Restated

**ANALYSIS OF GENERAL FUND EQUITY**

**City of Hartford**

(GAAP BASIS)

	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
Assigned.....	\$0	\$5,262,000	\$0	\$0	\$583,000
Committed.....	5,680,000	5,680,000	2,933,000	0	0
Unassigned.....	26,166,000	18,880,000	9,652,000	4,884,000	4,510,000
<b>Total Fund Balance .....</b>	<b>\$31,846,000</b>	<b>\$29,822,000</b>	<b>\$12,585,000</b>	<b>\$4,884,000</b>	<b>\$5,093,000</b>
<b>Unassigned Fund Balance As % of Total Expenditures</b>	<b>3.87%</b>	<b>2.94%</b>	<b>1.53%</b>	<b>0.73%</b>	<b>0.73%</b>

Source: Audit Reports 2017-2021.

## ***THE CITY OF HARTFORD***

The State of Connecticut took steps to address the City of 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 assumed 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. To date, the City has not received or budgeted for any additional municipal restructuring funds.

Separately, the State Treasurer and the Secretary of Connecticut's Office of Policy and Management, on behalf of the State of Connecticut, 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 each 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. For fiscal year ended June 30, 2018, the City received \$11,888,917 in contract assistance for its general obligation debt service. In fiscal year ended June 30, 2019, the City received \$48,566,231 in contract assistance and in fiscal year ended June 30, 2021, \$45,666,626.

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.

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**COMPARATIVE GENERAL FUND OPERATING STATEMENT**

**Town of Newington  
Budget and Actual  
(Budgetary Basis)**

	Fiscal Year 2020-21			Fiscal Year	Fiscal Year
	Final Budget	Actual Operations	Variance Favorable (Unfavorable)	2021-22 Adopted Budget	2022-23 Proposed Budget
<b>REVENUES</b>					
Property Taxes.....	\$104,024,000	\$104,875,000	\$ 851,000	\$107,356,400	\$107,307,322
Interest and Liens.....	195,000	378,000	183,000	350,000	350,000
Payments in lieu of taxes.....	2,000,000	1,999,000	(1,000)	1,984,600	5,486,292
Licenses and permits.....	284,000	446,000	162,000	359,500	359,500
Rentals.....	97,000	97,000	-	100,000	100,000
Investment Income.....	300,000	299,000	(1,000)	100,000	100,000
Fines.....	22,000	19,000	(3,000)	22,000	22,000
Charges for services.....	544,000	850,000	306,000	533,875	651,600
Intergovernmental.....	15,495,000	16,439,000	944,000	15,815,895	16,384,535
Miscellaneous Revenues.....	95,000	1,573,000	1,478,000	111,020	103,268
Transfers In.....	160,000	160,000	-	2,671,618	3,158,894
<b>TOTAL REVENUES .....</b>	<b>\$123,216,000</b>	<b>\$127,135,000</b>	<b>\$ 3,919,000</b>	<b>\$129,404,908</b>	<b>\$134,023,411</b>
<b>EXPENDITURES</b>					
General Government .....	5,322,000	4,931,000	391,000	\$5,915,128	\$6,431,049
Public Safety.....	9,201,000	8,901,000	300,000	9,351,655	9,789,718
Public Works.....	5,444,000	5,171,000	273,000	5,272,281	5,563,359
Community Planning and Development..	557,000	551,000	6,000	539,396	662,161
Health and Community Services.....	1,246,000	1,067,000	179,000	1,274,808	1,323,279
Library.....	1,700,000	1,609,000	91,000	1,739,762	1,782,256
Parks and Recreation.....	1,849,000	1,849,000	-	1,873,932	1,899,432
Education.....	76,767,000	75,048,000	1,719,000	76,768,011	78,630,124
Miscellaneous.....	17,065,000	16,205,000	860,000	17,760,951	17,836,548
Debt Service.....	2,793,000	2,751,000	42,000	2,222,932	2,528,070
Transfers Out.....	4,519,000	3,899,000	620,000	6,686,052	7,577,415
<b>TOTAL EXPENDITURES .....</b>	<b>\$126,463,000</b>	<b>\$121,982,000</b>	<b>\$ 4,481,000</b>	<b>\$129,404,908</b>	<b>\$134,023,411</b>
Excess (deficiency) of revenues over expenditures .....	\$ (3,247,000)	\$ 5,153,000	\$ 8,400,000	\$ -	\$ -

Source: Audit Report 2021; Budgets 2022 and 2023.

**GENERAL FUND BALANCE SHEET**  
**Town of Newington**  
Summary of Audited Assets and Liabilities  
**(GAAP Basis)**

<b>FISCAL YEAR ENDED:</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
<b>ASSETS</b>					
Cash and cash equivalents .....	\$38,007,000	\$34,841,000	\$30,392,000	\$26,282,000	\$30,294,000
Investments.....	2,605,000	2,335,000	-	-	-
Receivables, net.....	1,211,000	1,057,000	1,633,000	1,616,000	1,372,000
Due from other funds.....	-	8,000	194,000	826,000	665,000
Prepays.....	-	-	-	-	-
<b>TOTAL ASSETS.....</b>	<b>\$41,823,000</b>	<b>\$38,241,000</b>	<b>\$32,219,000</b>	<b>\$28,724,000</b>	<b>\$32,331,000</b>
<b>LIABILITIES</b>					
Accounts Payable .....	\$ 4,711,000	\$ 5,533,000	\$ 5,049,000	\$ 5,572,000	\$ 5,491,000
Due to other funds.....	-	-	-	-	-
Unearned Revenue.....	-	-	-	18,000	15,000
<b>Total Liabilities .....</b>	<b>4,711,000</b>	<b>5,533,000</b>	<b>5,049,000</b>	<b>5,590,000</b>	<b>5,506,000</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable Revenue - property taxes.....	706,000	719,000	1,046,000	1,152,000	949,000
Advance property tax collections.....	243,000	33,000	555,000	437,000	4,632,000
<b>TOTAL DEFERRED INFLOWS.....</b>	<b>949,000</b>	<b>752,000</b>	<b>1,601,000</b>	<b>1,589,000</b>	<b>5,581,000</b>
<b>FUND BALANCE</b>					
Nonspendable .....	-	-	-	-	-
Restricted .....	-	-	-	-	-
Committed .....	2,361,000	2,361,000	1,025,000	297,000	1,217,000
Assigned .....	6,674,000	7,620,000	5,286,000	5,970,000	5,406,000
Unassigned .....	27,128,000	21,975,000	19,258,000	15,278,000	14,621,000
<b>TOTAL FUND BALANCE.....</b>	<b>36,163,000</b>	<b>31,956,000</b>	<b>25,569,000</b>	<b>21,545,000</b>	<b>21,244,000</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES.....</b>	<b>\$41,823,000</b>	<b>\$38,241,000</b>	<b>\$32,219,000</b>	<b>\$28,724,000</b>	<b>\$32,331,000</b>

Source: Audit Reports 2017-2021.

**GENERAL FUND REVENUES AND EXPENDITURES**

**Town of Newington**

Summary of Audited Revenues and Expenditures  
(GAAP BASIS)

<b>FISCAL YEAR ENDED:</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
<b>REVENUES:</b>					
Property Taxes.....	\$105,253,000	\$106,053,000	\$102,616,000	\$95,968,000	\$93,725,000
Payment in Lieu of Taxes.....	1,999,000	2,000,000	2,002,000	968,000	2,409,000
Licenses, Fees and Permits.....	446,000	307,000	296,000	289,000	319,000
Intergovernmental.....	26,660,000	26,775,000	19,825,000	27,920,000	29,005,000
Rental.....	97,000	101,000	102,000	107,000	107,000
Income on Investments.....	299,000	566,000	791,000	378,000	78,000
Fines.....	19,000	26,000	27,000	29,000	23,000
Charges for Services.....	850,000	640,000	566,000	627,000	703,000
Refunds and Reimbursements.....	0	0	0	0	0
Other.....	343,000	103,000	61,000	200,000	98,000
Transfers In <sup>2</sup> .....	160,000	159,000	149,000	124,000	119,000
<b>Total Revenues and Transfers In.....</b>	<b>\$136,126,000</b>	<b>\$136,730,000</b>	<b>\$126,435,000</b>	<b>\$126,610,000</b>	<b>\$126,586,000</b>
<b>EXPENDITURES:</b>					
General Government.....	\$5,190,000	\$5,047,000	\$5,066,000	\$4,709,000	\$4,858,000
Public Safety.....	8,935,000	8,407,000	8,729,000	8,345,000	8,372,000
Public Works.....	5,212,000	5,018,000	4,965,000	4,732,000	4,702,000
Community Planning & Develop..	555,000	536,000	547,000	551,000	542,000
Health and Human Services.....	1,060,000	1,243,000	1,221,000	1,163,000	1,179,000
Library.....	1,612,000	1,721,000	1,770,000	1,726,000	1,704,000
Parks and Recreation.....	1,888,000	1,700,000	1,668,000	1,614,000	1,571,000
Education.....	84,606,000	83,358,000	77,976,000	84,487,000	82,546,000
Miscellaneous.....	16,205,000	16,204,000	15,829,000	14,791,000	14,201,000
Debt Service.....	2,751,000	1,686,000	786,000	1,151,000	1,192,000
Transfers Out.....	3,905,000	5,423,000	3,854,000	3,040,000	6,431,000
<b>Total Expenditures and Transfers Out.....</b>	<b>\$131,919,000</b>	<b>\$130,343,000</b>	<b>\$122,411,000</b>	<b>\$126,309,000</b>	<b>\$127,298,000</b>
<b>Results from Operations.....</b>	<b>\$4,207,000</b>	<b>\$6,387,000</b>	<b>\$4,024,000</b>	<b>\$301,000</b>	<b>(\$712,000)</b>
<b>Fund Balance, July 1.....</b>	<b>\$31,956,000</b>	<b>\$25,569,000</b>	<b>\$21,545,000</b>	<b>\$21,244,000</b>	<b>\$21,956,000</b>
<b>Fund Balance, June 30.....</b>	<b>\$36,163,000</b>	<b>\$31,956,000</b>	<b>\$25,569,000</b>	<b>\$21,545,000</b>	<b>\$21,244,000</b>

**ANALYSIS OF GENERAL FUND EQUITY**

**Town of Newington**

(GAAP BASIS)

<b>FISCAL YEAR ENDED:</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
Committed.....	\$2,361,000	\$2,361,000	\$1,025,000	\$297,000	\$1,217,000
Assigned.....	6,674,000	7,620,000	5,286,000	5,970,000	5,406,000
Unassigned.....	27,128,000	21,975,000	19,258,000	15,278,000	14,621,000
<b>Total Fund Balance</b>	<b>\$36,163,000</b>	<b>\$31,956,000</b>	<b>\$25,569,000</b>	<b>\$21,545,000</b>	<b>\$21,244,000</b>
<b>Unassigned Fund Balance As % of Total Expenditures</b>	<b>20.56%</b>	<b>16.86%</b>	<b>15.73%</b>	<b>12.10%</b>	<b>11.49%</b>

Source: Audit Reports 2017-2021.

**COMPARATIVE GENERAL FUND OPERATING STATEMENT**  
**Town of Rocky Hill**  
**Budget and Actual**  
**(Budgetary Basis)**

	Fiscal Year 2020-21			Fiscal Year	Fiscal Year
	Final Budget	Actual Operations	Variance Favorable (Unfavorable)	2021-22 Adopted Budget	2022-23 Adopted Budget
<b>REVENUES</b>					
Property Taxes .....	\$ 75,631,218	\$ 74,898,728	\$ (732,490)	\$ 77,060,906	\$ 79,225,432
Intergovernmental .....	6,934,078	6,831,898	(102,180)	7,410,604	8,246,262
Licenses and Permits.....	616,200	542,005	(74,195)	566,200	566,200
Interest of Investments .....	280,000	33,733	(246,267)	122,000	25,000
Charges for Services .....	397,000	569,176	172,176	514,755	514,755
Parking Fines.....	3,000	1,150	(1,850)	3,000	2,000
Other.....	511,424	840,052	328,628	440,000	444,000
Transfers In.....	480,841	-	(480,841)	1,407,416	2,776,749
Use of Fund Balance.....	941,477	-	(941,477)	1,132,021	450,000
<b>TOTAL REVENUES .....</b>	<b>85,795,238</b>	<b>83,716,742</b>	<b>(2,078,496)</b>	<b>88,656,902</b>	<b>92,250,398</b>
<b>EXPENDITURES</b>					
General Government .....	2,860,238	2,666,300	193,938	3,778,876	3,883,017
Public Safety .....	7,447,281	7,210,852	236,429	7,865,095	8,128,879
Public Works.....	7,769,370	7,758,904	10,466	7,921,388	8,493,560
Health and Human Services.....	675,214	634,115	41,099	694,870	829,014
Park, Recreation and Facilities.....	4,004,866	3,722,265	282,601	3,387,209	3,625,055
Library Services.....	1,057,186	1,057,674	(488)	1,067,523	1,121,466
Miscellaneous.....	6,460,758	6,284,336	176,422	6,144,528	7,045,542
Capital Outlays.....	1,011,002	680,805	330,197	1,550,227	1,145,783
Debt Service.....	7,927,301	7,927,301	-	8,041,425	8,202,185
Education.....	45,484,414	45,260,339	224,075	48,205,761	49,775,897
Transfers Out.....	1,228,557	1,228,557	-	-	-
<b>TOTAL EXPENDITURES .....</b>	<b>85,926,187</b>	<b>84,431,448</b>	<b>1,494,739</b>	<b>88,656,902</b>	<b>92,250,398</b>
Excess (deficiency) of revenues over expenditures .....	(130,949)	(714,706)	(583,757)	-	-

Source: Audit Report 2021; Budgets 2022 and 2023.

**GENERAL FUND BALANCE SHEET**  
**Town of Rocky Hill**  
Summary of Audited Assets and Liabilities  
**(GAAP Basis)**

<b>FISCAL YEAR ENDED:</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
<b>ASSETS</b>					
Cash and cash equivalents .....	\$ 15,682,587	\$ 22,405,042	\$ 25,141,025	\$ 20,842,748	\$ 25,976,936
Receivables, net.....	1,684,481	955,923	772,206	1,507,858	1,284,419
Due from Other Funds.....	784,332	392,384	571,175	1,192,901	594,351
Inventory.....	-	-	-	-	-
<b>TOTAL ASSETS.....</b>	<b>\$18,151,400</b>	<b>\$23,753,349</b>	<b>\$26,484,406</b>	<b>\$23,543,507</b>	<b>\$27,855,706</b>
<b>LIABILITIES</b>					
Accounts and Contracts Payable.....	\$ 1,493,917	\$ 1,079,567	\$ 958,814	\$ 1,374,567	\$ 959,136
Due to Other Funds.....	7,733,483	7,766,314	11,290,392	9,035,415	11,103,821
Unearned Revenue .....	-	-	-	1,722	-
Deposit Payable.....	331,871	413,846	-	-	-
<b>Total Liabilities .....</b>	<b>9,559,271</b>	<b>9,259,727</b>	<b>12,249,206</b>	<b>10,411,704</b>	<b>12,062,957</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable Revenue - Property Taxes .....	748,896	733,990	569,868	998,068	728,949
Advance Property Tax Collections.....	766,023	6,123,376	7,879,223	5,999,728	8,879,145
<b>TOTAL DEFERRED INFLOWS.....</b>	<b>1,514,919</b>	<b>6,857,366</b>	<b>8,449,091</b>	<b>6,997,796</b>	<b>9,608,094</b>
<b>FUND BALANCE</b>					
Restricted .....	-	-	-	-	-
Committed .....	-	-	-	-	-
Assigned .....	2,153,281	2,287,918	668,386	1,567,594	542,330
Unassigned .....	4,923,929	5,348,338	5,117,723	4,566,413	5,642,325
<b>TOTAL FUND BALANCE.....</b>	<b>7,077,210</b>	<b>7,636,256</b>	<b>5,786,109</b>	<b>6,134,007</b>	<b>6,184,655</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES.....</b>	<b>\$18,151,400</b>	<b>\$23,753,349</b>	<b>\$26,484,406</b>	<b>\$23,543,507</b>	<b>\$27,855,706</b>

Source: Audit Reports 2017-2021.



**GENERAL FUND REVENUES AND EXPENDITURES**

**Town of Rocky Hill**

Summary of Audited Revenues and Expenditures  
(GAAP BASIS)

<b>FISCAL YEAR ENDED:</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
<b>REVENUES:</b>					
Taxes and Assessments.....	74,898,728	72,368,801	68,994,399	65,847,448	\$63,824,640
Intergovernmental.....	13,817,243	12,844,727	8,868,613	13,901,560	14,250,686
Charges for Services.....	1,112,331	1,003,548	990,903	1,353,501	1,310,171
Income on Investments.....	33,733	317,076	433,539	163,106	102,915
Miscellaneous.....	1,247,785	1,147,639	1,205,323	921,984	1,132,793
Transfers In.....	0	0	0	0	0
<b>Total Revenues and Transfers In.....</b>	<b>\$91,109,820</b>	<b>\$87,681,791</b>	<b>\$80,492,777</b>	<b>\$82,187,599</b>	<b>\$80,621,205</b>
<b>EXPENDITURES:</b>					
General Government.....	\$2,660,238	\$2,585,465	\$2,664,972	\$2,492,107	\$2,618,786
Public Safety.....	7,242,712	7,230,537	6,969,341	6,574,134	6,198,790
Public Works.....	7,758,904	7,264,026	7,083,253	6,587,320	6,121,363
Health and Human Services.....	634,115	632,080	656,842	585,186	575,603
Parks, Recreation and Facilities.....	3,773,819	3,719,938	3,880,725	3,686,552	3,582,333
Library Services.....	1,057,674	1,025,198	1,023,351	1,009,221	1,002,004
Education.....	51,806,612	50,302,127	44,999,956	48,763,436	46,278,174
Miscellaneous.....	6,909,299	7,377,960	7,547,315	6,812,816	6,437,077
Capital Outlay.....	669,633	968,524	1,332,786	1,819,749	1,830,361
Debt Service.....	7,927,303	4,504,622	4,182,491	3,232,311	3,260,660
Transfers Out.....	1,228,557	221,167	499,643	675,415	2,533,987
<b>Total Expenditures and Transfers Out.....</b>	<b>\$91,668,866</b>	<b>\$85,831,644</b>	<b>\$80,840,675</b>	<b>\$82,238,247</b>	<b>\$80,439,138</b>
<b>Results from Operations..</b>	<b>(\$559,046)</b>	<b>\$1,850,147</b>	<b>(\$347,898)</b>	<b>(\$50,648)</b>	<b>\$182,067</b>
<b>Fund Balance, July 1.....</b>	<b>\$7,636,256</b>	<b>\$5,786,109</b>	<b>\$6,134,007</b>	<b>\$6,184,655</b>	<b>\$6,002,588</b>
<b>Fund Balance, June 30.....</b>	<b>\$7,077,210</b>	<b>\$7,636,256</b>	<b>\$5,786,109</b>	<b>\$6,134,007</b>	<b>\$6,184,655</b>

**ANALYSIS OF GENERAL FUND EQUITY**

**Town of Rocky Hill**

(GAAP BASIS)

<b>FISCAL YEAR ENDED:</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
Assigned.....	\$2,153,281	\$2,287,918	\$668,386	\$1,567,594	\$542,330
Unassigned.....	4,923,929	5,348,338	5,117,723	4,566,413	5,642,325
<b>Total Fund Balance</b>	<b>\$7,077,210</b>	<b>\$7,636,256</b>	<b>\$5,786,109</b>	<b>\$6,134,007</b>	<b>\$6,184,655</b>
<b>Unassigned Fund Balance As % of Total Expenditures</b>	<b>5.37%</b>	<b>6.23%</b>	<b>6.33%</b>	<b>5.55%</b>	<b>7.01%</b>

Source: Audit Reports 2017-2021.

**COMPARATIVE GENERAL FUND OPERATING STATEMENT**  
**Town of West Hartford**  
 Budget and Actual  
 (Budgetary Basis)

	Fiscal Year 2020-21			Fiscal Year	Fiscal Year
	Final Budget	Actual Operations	Variance Favorable (Unfavorable)	2021-22 Adopted Budget	2022-23 Adopted Budget
<b>REVENUES</b>					
Property Taxes .....	\$267,209,000	\$267,506,000	\$ 297,000	\$271,251,380	\$283,062,250
Intergovernmental .....	26,612,000	26,545,000	(67,000)	29,885,704	25,783,244
Charges for Services .....	5,657,000	6,330,000	673,000	5,837,898	6,786,357
Interest and Investment Income.....	850,000	188,000	(662,000)	430,000	275,000
Miscellaneous Revenues.....	1,262,000	820,000	(442,000)	474,300	574,300
Transfers In.....	898,000	898,000	-	562,746	601,000
Use of Fund Balance.....	1,500,000	-	(1,500,000)	-	-
<b>TOTAL REVENUES .....</b>	<b>303,988,000</b>	<b>302,287,000</b>	<b>(1,701,000)</b>	<b>308,442,028</b>	<b>317,082,151</b>
<b>EXPENDITURES</b>					
General Government .....	6,832,000	6,575,000	257,000	6,742,072	7,641,094
Public Safety .....	31,522,000	31,522,000	-	30,224,915	31,384,039
Community Development.....	2,532,000	2,438,000	94,000	2,285,120	2,877,957
Public Works.....	11,422,000	11,422,000	-	12,365,930	12,883,927
Plant and Facility Services.....	1,955,000	1,955,000	-	2,249,306	2,536,291
Library.....	2,389,000	2,389,000	-	3,211,110	3,491,934
Leisure and Social Services.....	2,887,000	2,820,000	67,000	3,302,469	3,395,877
Education.....	169,774,000	169,712,000	62,000	175,556,055	181,187,018
Debt and Sundry.....	54,534,000	53,772,000	762,000	70,632,112	69,662,431
Transfers Out.....	20,141,000	19,133,000	1,008,000	1,872,939	2,021,583
<b>TOTAL EXPENDITURES .....</b>	<b>303,988,000</b>	<b>301,738,000</b>	<b>2,250,000</b>	<b>308,442,028</b>	<b>317,082,151</b>
Excess (deficiency) of revenues over expenditures .....	-	549,000	549,000	-	-

Source: Audit Report 2021; Budgets 2022 and 2023.

**GENERAL FUND BALANCE SHEET**  
**Town of West Hartford**  
Summary of Audited Assets and Liabilities  
**(GAAP Basis)**

FISCAL YEAR ENDED:	2021	2020	2019	2018	2017
<b>ASSETS</b>					
Cash and cash equivalents .....	\$46,130,000	\$42,431,000	\$38,718,000	\$41,047,000	\$34,059,000
Investments.....	-	1,252,000	5,729,000	8,900,000	10,211,000
Receivables, net.....	3,783,000	3,154,000	3,065,000	3,336,000	3,444,000
Due from Other Funds.....	7,932,000	12,374,000	9,102,000	2,494,000	2,457,000
Inventories.....	242,000	298,000	263,000	289,000	193,000
<b>TOTAL ASSETS.....</b>	<b>\$58,087,000</b>	<b>\$59,509,000</b>	<b>\$56,877,000</b>	<b>\$56,066,000</b>	<b>\$50,364,000</b>
<b>LIABILITIES</b>					
Accounts and Other Payables.....	\$ 3,328,000	\$ 2,170,000	\$ 3,322,000	\$ 2,640,000	\$ 2,847,000
Payroll Liabilities.....	9,929,000	6,543,000	6,193,000	8,142,000	6,503,000
Due to Other Funds.....	-	-	-	-	-
Other Liabilities.....	1,179,000	1,049,000	874,000	888,000	792,000
Unearned Revenue.....	1,500,000	1,740,000	3,051,000	2,478,000	1,347,000
<b>Total Liabilities .....</b>	<b>15,936,000</b>	<b>11,502,000</b>	<b>13,440,000</b>	<b>14,148,000</b>	<b>11,489,000</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable Revenue - Property Taxes .....	2,037,000	2,289,000	2,153,000	2,006,000	2,174,000
Unavailable Revenue - School Building Grants ....					253,000
Advance Property Tax Collections.....	10,764,000	15,585,000	14,257,000	13,685,000	13,903,000
<b>TOTAL DEFERRED INFLOWS.....</b>	<b>12,801,000</b>	<b>17,874,000</b>	<b>16,410,000</b>	<b>15,691,000</b>	<b>16,330,000</b>
<b>FUND BALANCE</b>					
Nonspendable .....	242,000	298,000	263,000	289,000	193,000
Restricted .....	-	-	-	-	-
Committed .....	-	-	-	-	-
Assigned .....	1,898,000	4,647,000	389,000	500,000	541,000
Unassigned .....	27,210,000	25,188,000	26,375,000	25,438,000	21,811,000
<b>TOTAL FUND BALANCE.....</b>	<b>29,350,000</b>	<b>30,133,000</b>	<b>27,027,000</b>	<b>26,227,000</b>	<b>22,545,000</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES.....</b>	<b>\$58,087,000</b>	<b>\$59,509,000</b>	<b>\$56,877,000</b>	<b>\$56,066,000</b>	<b>\$50,364,000</b>

Source: Audit Reports 2017-2021.

**GENERAL FUND REVENUES AND EXPENDITURES**

**Town of West Hartford**

Summary of Audited Revenues and Expenditures  
(GAAP BASIS)

<b>FISCAL YEAR ENDED:</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
<b>REVENUES:</b>					
Property Taxes.....	\$267,506,000	\$265,957,000	\$258,047,000	\$253,000,000	\$236,916,000
Intergovernmental.....	54,513,000	53,272,000	39,827,000	57,711,000	59,758,000
Charges for Services.....	6,330,000	5,807,000	5,768,000	5,579,000	5,374,000
Income on Investments.....	188,000	1,287,000	1,714,000	987,000	377,000
Miscellaneous.....	715,000	1,161,000	930,000	1,154,000	1,227,000
Transfers In.....	24,066,000 <sup>1</sup>	44,756,000	396,000	3,577,000	593,000
<b>Total Revenues.....</b>	<b>\$353,318,000</b>	<b>\$372,240,000</b>	<b>\$306,682,000</b>	<b>\$322,008,000</b>	<b>\$304,245,000</b>
<b>EXPENDITURES:</b>					
Current:					
General Governemt.....	\$6,570,000	\$6,316,000	\$6,236,000	\$5,954,000	\$6,300,000
Public Safety.....	31,522,000	30,251,000	28,971,000	26,530,000	26,445,000
Community Maintenance..	15,661,000	14,396,000	15,464,000	15,198,000	15,591,000
Human and Cultural.....	5,210,000	6,001,000	6,256,000	6,324,000	6,309,000
Education.....	198,867,000	194,575,000	178,489,000	194,291,000	185,537,000
Debt and Sundry.....	54,170,000	53,010,000	47,679,000	46,427,000	42,094,000
Capital Outlay.....	-	-	-	34,000	62,000
Transfers Out.....	42,101,000 <sup>2</sup>	64,585,000	22,787,000	23,568,000	21,154,000
<b>Total Expenditures and Transfers Out.....</b>	<b>\$354,101,000</b>	<b>\$369,134,000</b>	<b>\$305,882,000</b>	<b>\$318,326,000</b>	<b>\$303,492,000</b>
<b>Results from Operations..</b>	<b>(\$783,000)</b>	<b>\$3,106,000</b>	<b>\$800,000</b>	<b>\$3,682,000</b>	<b>\$753,000</b>
<b>Fund Balance, July 1.....</b>	<b>\$30,133,000</b>	<b>\$27,027,000</b>	<b>\$26,227,000</b>	<b>\$22,545,000</b>	<b>\$21,792,000</b>
<b>Fund Balance, June 30.....</b>	<b>\$29,350,000</b>	<b>\$30,133,000</b>	<b>\$27,027,000</b>	<b>\$26,227,000</b>	<b>\$22,545,000</b>

<sup>1</sup> Includes \$21,620,000 refunding bonds issued and \$1,548,000 premium on refunding bond issuance.

<sup>2</sup> Includes \$22,968,000 payment to refunded bond escrow agent.

**ANALYSIS OF GENERAL FUND EQUITY**

**Town of West Hartford**

(GAAP BASIS)

<b>FISCAL YEAR ENDED:</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
Nonspendable.....	\$242,000	\$298,000	\$263,000	\$289,000	\$193,000
Assigned.....	1,898,000	4,647,000	389,000	500,000	541,000
Unassigned.....	27,210,000	25,188,000	26,375,000	25,438,000	21,811,000
<b>Total Fund Balance</b>	<b>\$29,350,000</b>	<b>\$30,133,000</b>	<b>\$27,027,000</b>	<b>\$26,227,000</b>	<b>\$22,545,000</b>
<b>Unassigned Fund Balance As % of Total Expenditure</b>	<b>7.68%</b>	<b>6.82%</b>	<b>8.62%</b>	<b>7.99%</b>	<b>7.19%</b>

Source: Audit Reports 2017-2021.

**COMPARATIVE GENERAL FUND OPERATING STATEMENT**  
**Town of Wethersfield**  
 Budget and Actual  
 (Budgetary Basis)

	Fiscal Year 2020-21			Fiscal Year	Fiscal Year
	Final Budget	Actual Operations	Variance Favorable (Unfavorable)	2021-22 Adopted Budget	2022-23 Adopted Budget
<b>REVENUES</b>					
Property Taxes .....	\$ 93,315,495	\$ 93,974,398	\$ 658,903	\$ 94,294,101	\$ 95,811,317
Intergovernmental .....	11,419,606	11,895,266	475,660	12,183,017	14,726,437
Licenses and Permits.....	464,500	653,754	189,254	468,700	481,632
Charges for Services .....	1,032,275	1,199,743	167,468	917,300	1,003,507
Fines and Penalties.....	19,100	17,787	(1,313)	14,000	23,735
Interest on Investments.....	345,000	33,837	(311,163)	100,000	50,000
Other Revenues.....	29,000	89,761	60,761	27,000	15,000
Transfers In.....	100,000	100,000	-	150,000	150,000
Use of Fund Balance.....	2,005,000	-	(2,005,000)	1,580,000	1,218,000
<b>TOTAL REVENUES .....</b>	<b>108,729,976</b>	<b>107,964,546</b>	<b>(765,430)</b>	<b>109,734,118</b>	<b>113,479,628</b>
<b>EXPENDITURES</b>					
General Government .....	4,360,158	4,260,247	99,911	4,483,365	4,869,532
Public Safety .....	11,619,213	11,564,359	54,854	12,220,683	13,250,917
Public Works.....	14,275,897	14,198,821	77,076	14,871,927	15,417,595
Social Services.....	876,429	794,207	82,222	710,896	906,507
Library .....	2,011,421	1,959,384	52,037	2,057,555	2,136,887
Recreation and Parks.....	1,787,740	1,764,638	23,102	1,895,480	2,054,397
Contingency.....	50,170	-	50,170	340,000	340,000
Insurance.....	675,670	661,480	14,190	696,464	733,858
Metropolitan District Commission.....	4,418,218	4,418,218	-	4,246,750	4,331,700
Debt Service.....	5,859,653	5,859,652	1	5,918,649	4,985,922
Education.....	56,902,759	56,902,759	-	57,205,259	59,869,601
Transfers Out.....	5,892,648	5,754,034	138,614	5,087,090	4,582,712
<b>TOTAL EXPENDITURES .....</b>	<b>108,729,976</b>	<b>108,137,799</b>	<b>592,177</b>	<b>109,734,118</b>	<b>113,479,628</b>
Excess (deficiency) of revenues over expenditures .....	-	(173,253)	(173,253)	-	-

Source: Audit Report 2021; Budgets 2022 and 2023.

**GENERAL FUND BALANCE SHEET**  
**Town of Wethersfield**  
Summary of Audited Assets and Liabilities  
**(GAAP Basis)**

FISCAL YEAR ENDED:	2021	2020	2019	2018	2017
<b>ASSETS</b>					
Cash and cash equivalents .....	\$12,861,555	\$12,765,810	\$12,460,024	\$14,323,981	\$15,463,992
Receivables, net.....	1,754,758	1,965,370	1,799,783	2,147,982	2,147,694
Due from Other Governements.....	406,135	-	-	-	-
Due from Other Funds.....	4,688,715	4,293,416	3,631,257	994,362	19,570
Prepaid Items.....	111,018	111,018	-	-	-
Other Assets.....	-	-	-	-	-
<b>TOTAL ASSETS.....</b>	<b>\$19,822,181</b>	<b>\$19,135,614</b>	<b>\$17,891,064</b>	<b>\$17,466,325</b>	<b>\$17,631,256</b>
<b>LIABILITIES</b>					
Accounts Payable and Accrued Items.....	\$ 3,200,473	\$ 2,304,500	\$ 2,340,510	\$ 2,850,229	\$ 2,868,671
Due to Other Funds.....	-	-	-	-	-
Due to Other Governments.....	1,563	5,694	1,925	4,889	4,779
Unearned Revenue .....	8,364	10,308	11,934	13,066	13,458
<b>Total Liabilities .....</b>	<b>3,210,400</b>	<b>2,320,502</b>	<b>2,354,369</b>	<b>2,868,184</b>	<b>2,886,908</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable Revenue - Property Taxes .....	1,502,557	1,608,889	1,431,978	1,626,938	1,662,781
Advance Property Tax Collections.....	-	36,934	36,934	512,106	967,050
<b>TOTAL DEFERRED INFLOWS.....</b>	<b>1,502,557</b>	<b>1,645,823</b>	<b>1,468,912</b>	<b>2,139,044</b>	<b>2,629,831</b>
<b>FUND BALANCE</b>					
Nonspendable .....	111,018	111,018	-	-	-
Restricted .....	-	-	-	-	-
Committed .....	329,846	304,404	482,836	368,143	291,386
Assigned .....	1,854,873	2,192,306	512,123	624,718	524,665
Unassigned .....	12,813,487	12,561,561	13,072,824	11,466,236	11,298,466
<b>TOTAL FUND BALANCE.....</b>	<b>15,109,224</b>	<b>15,169,289</b>	<b>14,067,783</b>	<b>12,459,097</b>	<b>12,114,517</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES.....</b>	<b>\$19,822,181</b>	<b>\$19,135,614</b>	<b>\$17,891,064</b>	<b>\$17,466,325</b>	<b>\$17,631,256</b>

Source: Audit Reports 2017-2021.

**GENERAL FUND REVENUES AND EXPENDITURES**

**Town of Wethersfield**

Summary of Audited Revenues and Expenditures  
(GAAP BASIS)

<b>FISCAL YEAR ENDED:</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
<b>REVENUES:</b>					
Property Taxes.....	\$93,974,398	\$93,162,133	\$90,686,860	\$88,070,347	\$84,449,288
Intergovernmental.....	22,003,456	21,562,522	16,431,692	22,351,655	23,205,961
Licenses, fees and permits..	655,866	626,137	859,311	583,031	498,791
Charges for services.....	1,673,934	1,596,400	1,444,249	1,492,541	1,547,672
Investment gain.....	34,450	381,260	557,779	226,117	110,518
Other Local Revenues.....	170,935	202,280	173,255	161,656	219,758
Transfers In.....	100,000	200,000	200,000	200,000	140,000
<b>Total Revenues and Transfers In.....</b>	<b>\$118,613,039</b>	<b>\$117,730,732</b>	<b>\$110,353,146</b>	<b>\$113,085,347</b>	<b>\$110,171,988</b>
<b>EXPENDITURES:</b>					
Public Safety.....	\$11,533,181	\$11,164,846	\$10,883,230	\$10,295,709	\$10,064,024
Public Works.....	14,157,707	13,592,161	8,629,434	8,527,994	8,464,314
Recreation and Parks.....	1,764,042	1,614,651	1,772,779	1,643,792	1,732,231
Social Services.....	745,430	865,939	858,907	818,233	841,281
Library.....	1,959,384	2,003,566	1,916,795	1,818,065	1,833,535
General Government.....	12,328,809	12,016,913	11,104,409	10,536,538	10,060,875
Education.....	67,494,357	66,932,619	65,191,599	70,731,557	69,060,782
Debt Service.....	5,859,652	5,610,933	5,927,955	5,616,873	5,185,048
Transfers Out.....	2,830,542	2,827,598	2,459,352	2,752,006	2,648,262
<b>Total Expenditures and Transfers Out.....</b>	<b>\$118,673,104</b>	<b>\$116,629,226</b>	<b>\$108,744,460</b>	<b>\$112,740,767</b>	<b>\$109,890,352</b>
<b>Results from Operations..</b>	<b>(\$60,065)</b>	<b>\$1,101,506</b>	<b>\$1,608,686</b>	<b>\$344,580</b>	<b>\$281,636</b>
<b>Fund Balance, July 1.....</b>	<b>\$15,169,289</b>	<b>\$14,067,783</b>	<b>\$12,459,097</b>	<b>\$12,114,517</b>	<b>\$11,832,881</b>
<b>Fund Balance, June 30.....</b>	<b>\$15,109,224</b>	<b>\$15,169,289</b>	<b>\$14,067,783</b>	<b>\$12,459,097</b>	<b>\$12,114,517</b>

**ANALYSIS OF GENERAL FUND EQUITY**

**Town of Wethersfield**

(GAAP BASIS)

<b>FISCAL YEAR ENDED:</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
Nonspendable.....	\$111,018	\$111,018	\$0	\$0	\$0
Committed.....	329,846	304,404	482,836	368,143	291,386
Assigned.....	1,854,873	2,192,306	512,123	624,718	524,665
Unassigned.....	12,813,487	12,561,561	13,072,824	11,466,236	11,298,466
<b>Total Fund Balance</b>	<b>15,109,224</b>	<b>15,169,289</b>	<b>14,067,783</b>	<b>12,459,097</b>	<b>12,114,517</b>
<b>Unassigned Fund Balance As % of Total Expenditures</b>	<b>10.80%</b>	<b>10.77%</b>	<b>12.02%</b>	<b>10.17%</b>	<b>10.28%</b>

Source: Audit Reports 2017-2021.

**COMPARATIVE GENERAL FUND OPERATING STATEMENT**

**Town of Windsor  
Budget and Actual  
(Budgetary Basis)**

	Fiscal Year 2020-21			2021-22	2022-23
	Final Budget	Actual Operations	Variance Favorable (Unfavorable)	Adopted Actuals	Adopted Budget
<b>Revenues</b>					
Property Taxes.....	\$103,986,430	\$105,227,339	\$ 1,240,909	\$106,536,200	\$109,827,320
Licenses and Permits.....	730,710	2,949,565	2,218,855	732,450	747,850
Fines, Forfeitures and Penalties.....	34,000	17,854	(16,146)	34,000	24,000
Other Agencies.....	118,370	163,698	45,328	126,370	138,370
Intergovernmental.....	15,024,400	15,341,071	316,671	15,153,900	15,517,260
Revenues from Use of Assets.....	610,000	454,783	(155,217)	420,000	993,000
Charges for Services.....	744,900	1,160,078	415,178	764,200	826,500
Other Revenues.....				20,500	20,000
Transfers In.....	177,854	148,474	(29,380)	-	-
Use of Fund Balance.....	-	-	-	2,000,000	1,800,000
<b>Total Revenues.....</b>	<b>121,426,664</b>	<b>125,462,862</b>	<b>4,036,198</b>	<b>125,787,620</b>	<b>129,894,300</b>
<b>Expenditures</b>					
Current:					
General Government.....	1,072,220	1,060,348	11,872	1,098,590	1,219,070
Safety Services.....	10,990,950	10,418,499	572,451	11,542,090	12,064,540
Public Works.....	6,594,210	6,324,729	269,481	6,822,340	7,106,290
Health Services.....	534,710	393,137	141,573	558,930	581,980
Human Services.....	442,160	438,704	3,456	456,550	516,110
Recreation and Leisure Services.....	1,833,390	1,681,795	151,595	2,181,900	2,297,220
Education.....	75,530,230	74,960,661	569,569	79,851,670	82,299,420
Library Services.....	1,765,470	1,673,613	91,857	1,801,510	1,849,810
Development Services.....	1,402,520	1,343,938	58,582	1,437,150	1,502,270
Information Services.....	563,930	559,240	4,690	581,530	620,440
Administrative Services.....	2,478,960	2,474,771	4,189	2,634,640	2,795,110
Community Development.....	102,980	102,980	-	103,840	104,820
General Services.....	8,035,370	7,828,149	207,221	16,716,880	16,937,220
Transfers out.....	10,880,160	10,981,720	(101,560)	-	-
Use of Fund Balance.....	736,000	736,000	-	-	-
<b>Total Expenditures.....</b>	<b>122,963,260</b>	<b>120,978,284</b>	<b>1,984,976</b>	<b>125,787,620</b>	<b>129,894,300</b>
Excess (deficiency) of revenues over expenditures.....	(1,536,596)	4,484,578	6,021,174	-	-

Source: Audit Report 2021; Budgets 2022 and 2023.



**GENERAL FUND BALANCE SHEET**  
**Town of Windsor**  
Summary of Audited Assets and Liabilities  
**(GAAP Basis)**

<b>FISCAL YEAR ENDED:</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
<b>ASSETS</b>					
Cash and cash equivalents.....	\$39,271,014	\$30,410,887	\$28,764,698	\$25,613,878	\$23,846,184
Investments.....	5,182,656	7,437,232	7,928,317	8,760,498	8,432,046
Receivables:					
Property taxes.....	1,137,590	1,280,826	962,832	1,122,036	1,150,539
Accounts receivable.....	254,839	124,185	137,445	316,822	394,222
Due from other funds.....	3,127,733	2,043,688	3,156,747	2,538,894	475,536
Prepays.....	-	-	-	9,830	628,000
Inventory.....	25,587	19,854	26,697	29,194	33,842
<b>Total Assets.....</b>	<b>\$48,999,419</b>	<b>\$41,316,672</b>	<b>\$40,976,736</b>	<b>\$38,391,152</b>	<b>\$34,960,369</b>
<b>LIABILITIES</b>					
Accounts payable and accrued liabilities.....	\$ 6,421,953	\$ 3,717,499	\$ 4,718,744	\$ 4,321,471	\$ 3,543,895
Due to other funds.....	100,000	350,000	-	-	55,196
<b>Total Liabilities.....</b>	<b>6,521,953</b>	<b>4,067,499</b>	<b>4,718,744</b>	<b>4,321,471</b>	<b>3,599,091</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Advance tax collections.....	4,863,572	4,129,334	4,706,108	5,343,654	5,107,301
Unavailable resources.....	917,110	1,060,815	788,936	960,447	1,087,015
<b>Total Deferred Inflows of Resources</b>	<b>5,780,682</b>	<b>5,190,149</b>	<b>5,495,044</b>	<b>6,304,101</b>	<b>6,194,316</b>
<b>Fund Balances</b>					
Nonspendable.....	25,587	19,854	26,697	39,024	661,842
Assigned.....	5,254,990	4,001,808	4,835,637	4,858,090	4,174,638
Unassigned.....	31,416,207	28,037,362	25,900,614	22,868,466	20,330,482
<b>Total Fund Balances.....</b>	<b>36,696,784</b>	<b>32,059,024</b>	<b>30,762,948</b>	<b>27,765,580</b>	<b>25,166,962</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances.....</b>	<b>\$48,999,419</b>	<b>\$41,316,672</b>	<b>\$40,976,736</b>	<b>\$38,391,152</b>	<b>\$34,960,369</b>

Source: Audit Reports 2017-2021.

**GENERAL FUND REVENUES AND EXPENDITURES**

**Town of Windsor**

Summary of Audited Revenues and Expenditures  
(GAAP BASIS)

<b>FISCAL YEAR ENDED:</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
<b>REVENUES:</b>					
Property Taxes.....	\$105,227,339	\$101,117,016	\$99,113,331	\$94,339,805	\$93,636,439
State & Federal Government	24,948,952	29,923,509	19,229,990	27,626,039	27,038,627
Charges for Services.....	5,751,241	3,904,610	4,581,911	3,678,117	4,344,703
Investment Income.....	131,351	1,105,344	1,253,851	670,091	270,296
Transfers In.....	148,474	42,000	71,680	586,902	70,090
<b>Total Revenues and Transfers In.....</b>	<b>\$136,207,357</b>	<b>\$136,092,479</b>	<b>\$124,250,763</b>	<b>\$126,900,954</b>	<b>\$125,360,155</b>
<b>EXPENDITURES:</b>					
Education.....	\$80,671,475	\$85,617,316	\$73,321,557	\$79,713,749	\$79,509,544
General Government.....	15,545,300	14,456,066	13,891,463	12,972,718	13,040,132
Culture & Recreation.....	4,512,472	4,493,386	4,456,257	4,135,125	3,998,067
Human Services.....	1,035,374	1,439,270	1,473,415	1,487,679	1,419,877
Public Safety.....	11,570,431	11,236,341	10,836,755	10,399,750	10,251,732
Public Works.....	7,346,035	6,800,614	6,663,418	6,398,515	5,977,374
Transfers Out.....	10,888,510	10,753,410	10,610,530	9,194,800	10,388,898
<b>Total Expenditures and Transfers Out.....</b>	<b>\$131,569,597</b>	<b>\$134,796,403</b>	<b>\$121,253,395</b>	<b>\$124,302,336</b>	<b>\$124,585,624</b>
<b>Results from Operations..</b>	<b>\$4,637,760</b>	<b>\$1,296,076</b>	<b>\$2,997,368</b>	<b>\$2,598,618</b>	<b>\$774,531</b>
<b>Fund Balance, July 1.....</b>	<b>\$32,059,024</b>	<b>\$30,762,948</b>	<b>\$27,765,580</b>	<b>\$25,166,962</b>	<b>\$24,392,431</b>
<b>Fund Balance, June 30.....</b>	<b>\$36,696,784</b>	<b>\$32,059,024</b>	<b>\$30,762,948</b>	<b>\$27,765,580</b>	<b>\$25,166,962</b>

**ANALYSIS OF GENERAL FUND EQUITY**

**Town of Windsor**

(GAAP BASIS)

<b>FISCAL YEAR ENDED:</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
Nonspendable.....	\$25,587	\$19,854	\$26,697	\$39,024	\$661,842
Assigned.....	5,254,990	4,001,808	4,835,637	4,858,090	4,174,638
Unassigned.....	31,416,207	28,037,362	25,900,614	22,868,466	20,330,482
<b>Total Fund Balance</b>	<b>\$36,696,784</b>	<b>\$32,059,024</b>	<b>\$30,762,948</b>	<b>\$27,765,580</b>	<b>\$25,166,962</b>
<b>Unassigned Fund Balance As % of Total Expenditures</b>	<b>23.88%</b>	<b>20.80%</b>	<b>21.36%</b>	<b>18.40%</b>	<b>16.32%</b>

Source: Audit Reports 2017-2021.

## VIII. DEBT SUMMARY

### PRINCIPAL AMOUNT OF INDEBTEDNESS – THE DISTRICT<sup>1</sup>

As of August 30, 2022 (Pro Forma)

Long-Term Debt				Debt	Date of
Date	Purpose	Rate %	Original Issue	Outstanding As of 08/30/2022	Fiscal Year Maturity
06/30/03	CWF (494C).....	2.00	2,029,367	\$42,279	2022
12/31/03	Drinking Water (200105C).....	2.10	2,343,735	117,187	2023
12/31/04	CWF (451C).....	2.00	3,987,009	367,086	2024
10/31/08	CWF (508C).....	2.00	1,232,078	323,421	2027
12/30/08	CWF (160C).....	2.00	1,888,557	464,270	2027
12/31/08	CWF (578C).....	2.00	2,042,741	515,746	2027
02/28/09	CSL (142).....	2.00	6,200,000	1,730,833	2028
09/30/09	CWF (521C).....	2.00	4,240,340	1,201,429	2028
09/30/09	CWF (520C).....	2.00	4,547,580	1,383,222	2028
09/30/09	CSL (149).....	2.00	12,710,000	3,865,958	2028
01/31/11	CWF (578CD1).....	2.00	2,619,264	1,102,274	2030
08/31/11	Drinking Water (DWSRF 2010-8008).....	2.06	2,579,412	1,042,512	2030
02/28/12	Drinking Water (DWSRF 2010-8009).....	2.06	772,079	312,048	2030
03/31/12	CSL (166).....	2.00	21,907,709	9,670,971	2030
03/31/12	CWF (619D1).....	2.00	12,600,000	5,562,162	2030
01/31/13	CWF (626C).....	2.00	22,160,848	10,526,402	2032
01/31/13	Drinking Water (DWSRF 2010-8009-1).....	2.06	193,644	89,022	2030
07/15/14	Drinking Water (DWSRF 2013-7012).....	2.00	2,780,620	1,529,341	2033
08/06/14	General Obligation Series A 2014.....	3.00-5.00	47,735,000	28,620,000	2034
08/06/14	General Obligation Refunding Bonds, Series B 2014.....	2.00-5.00	14,845,000	1,345,000	2024
09/30/14	Drinking Water (DWSRF 2013-7018).....	2.00	398,083	222,262	2033
03/19/15	General Obligation, Issue of 2015.....	3.00-5.00	66,740,000	43,490,000	2035
03/31/15	Drinking Water (DWSRF 2014-7026).....	2.00	1,691,379	1,028,922	2035
06/01/15	Drinking Water (DWSRF 2013-7013).....	2.00	2,713,243	1,578,203	2034
06/30/15	Drinking Water (DWSRF 2013-7017).....	2.00	2,013,468	1,216,470	2034
06/30/15	Drinking Water (DWSRF 2013-7019).....	2.00	1,539,774	917,449	2034
09/30/15	Drinking Water (DWSRF 2013-7014).....	2.00	4,691,464	2,971,260	2035
11/03/15	General Obligation, Series B 2015.....	2.00-5.00	36,215,000	25,340,000	2035
12/30/15	CSL (214).....	2.00	14,198,442	9,169,827	2035
01/31/16	CWF (652-C).....	2.00	25,528,771	17,231,921	2036
02/18/16	General Obligation, Series A 2016.....	2.00-5.00	33,025,000	23,100,000	2036
03/31/16	Drinking Water (DWSRF 2014-7029).....	2.00	3,173,899	1,957,721	2035
04/28/16	General Obligation Refunding Bonds, Series B 2016.....	2.00-5.00	48,035,000	22,785,000	2028
04/29/16	Drinking Water (DWSRF 2014-7021).....	2.00	3,809,525	2,333,334	2034
05/31/16	Drinking Water (DWSRF 2014-7031).....	2.00	3,626,881	2,266,005	2035
05/31/16	Drinking Water (DWSRF 2014-7015).....	2.00	5,635,824	3,521,154	2035
07/31/16	Drinking Water (DWSRF 2014-7030).....	2.00	1,892,813	1,230,329	2035
07/31/16	CWF (657-C).....	2.00	33,352,916	23,347,041	2036
09/01/16	Drinking Water (DWSRF 2014-7033).....	2.00	1,501,320	1,033,803	2035
09/01/16	Drinking Water (DWSRF 2016-7035).....	2.00	2,203,262	1,517,158	2035
09/01/16	Drinking Water (DWSRF 2016-7042).....	2.00	825,335	568,323	2035
12/01/16	General Obligation, Series C 2016.....	4.00-5.00	108,315,000	82,815,000	2034
12/31/16	Drinking Water (DWSRF 2014-7032).....	2.00	3,162,716	2,257,152	2036
01/31/17	CWF (652-C1).....	2.00	27,234,976	19,745,358	2037
02/28/17	Drinking Water (DWSRF 2016-7043).....	2.00	1,129,379	812,191	2036
02/28/17	Drinking Water (DWSRF 2016-7047).....	2.00	3,004,951	2,161,007	2036
04/30/17	Drinking Water (DWSRF 2016-7044).....	2.00	2,754,227	1,962,387	2036
07/31/17	CWF (657-C1).....	2.00	40,852,370	30,639,278	2037
07/31/17	Drinking Water (DWSRF 2016-7045).....	2.00	2,445,859	1,773,247	2037
01/31/18	CWF (692-C).....	2.00	46,785,354	36,258,650	2038
06/29/18	Drinking Water (DWSRF 2016-7046).....	2.00	3,051,182	2,351,953	2037
07/31/18	General Obligation, Series 2018.....	3.25-5.00	110,770,000	88,615,000	2038
07/31/18	CWF (657-C2).....	2.00	52,655,657	42,124,525	2038
12/03/18	CWF (215-C).....	2.00	10,306,693	8,417,132	2039
01/31/19	CWF (692-C1).....	2.00	31,761,844	26,203,522	2039
03/29/19	Drinking Water (DWSRF 2018-7061).....	2.00	1,892,634	1,569,107	2039
04/30/19	CWF (652-C).....	2.00	21,862,088	17,968,840	2037
04/30/19	Drinking Water (DWSRF 2017-7055).....	2.00	1,691,022	1,409,185	2039
06/30/19	CWF (657-C1).....	2.00	17,782,244	14,596,258	2038
07/31/19	Drinking Water (DWSRF 2018-7062).....	2.00	1,814,906	1,535,689	2039
08/08/19	General Obligation, Series A 2019.....	4.00-5.00	76,500,000	65,025,000	2039
08/08/19	General Obligation Refunding Bonds, Series B 2019.....	2.375-5.00	49,305,000	39,900,000	2035
08/08/19	General Obligation Refunding Bonds, Series C 2019.....	4.00-5.00	32,070,000	29,130,000	2040
02/28/20	CWF (697DC).....	2.00	15,019,750	12,391,293	2039
04/30/20	CWF (692-C2).....	2.00	33,394,334	29,256,983	2039
05/31/20	CWF (691-C).....	2.00	190,810	169,609	2039
07/31/20	CWF (221-CSL).....	2.00	2,091,106	1,876,634	2040
08/08/20	Clean Water Projects Revenue Bonds, 2020A.....	5.00	55,010,000	50,000,000	2045
08/08/20	Clean Water Projects Revenue Ref. Bonds Taxable, 2020B.....	0.361-2.562	76,065,000	71,910,000	2039
08/31/20	Drinking Water (DWSRF 2019-7074).....	2.00	2,046,805	1,845,623	2040
01/31/21	CWF 692-C3.....	2.00	17,875,420	16,534,762	2041
01/31/21	Drinking Water (DWSRF 2020-7086).....	2.00	1,334,309	1,233,395	2039
06/30/21	CWF 657-C4.....	2.00	5,408,501	4,675,111	2040
06/30/21	CWF 219-CSL.....	2.00	27,333,273	25,814,758	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	13,905,000	2033
11/03/21	Clean Water Projects Revenue Bonds, 2021A.....	4.00-5.00	66,030,000	60,850,000	2041
11/03/21	Clean Water Projects Revenue Ref. Bonds Taxable, 2021B.....	0.415-2.786	135,410,000	135,410,000	2042
01/31/22	Drinking Water (DWSRF 2020-7088).....	2.00	2,274,924	2,216,593	2042
05/31/22	CWF 692-C4.....	2.00	24,949,781	24,741,866	2042
08/30/22	General Obligation, Issue of 2022.....	5.00	74,380,000	74,380,000	2042
<b>Total Long-Term Debt.....</b>			<b>\$1,794,233,495</b>	<b>\$1,431,929,458</b>	

<sup>1</sup>Totals may not add due to rounding.

### **Short-Term Debt:**

The District has entered into multiple Interim Funding Obligations (“IFOs”) with the State of Connecticut through the Clean Water Fund Program and the Drinking Water State Revolving Fund Program. See “Clean Water Fund Program” herein. The District anticipates that as of August 30, 2022, the aggregate amount of its IFOs will total \$69,834,525, of which the District will have drawn \$28,594,219.

### **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.

### **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**  
As of August 30, 2022  
(Pro Forma)

**Schedule A – General Obligation Bonds**<sup>1</sup>

Fiscal Year Ending	Outstanding Principal	Interest	This Issue of Bonds		Total	Cumulative Percent Retired
			Principal	Interest		
2022	\$12,400,000	\$6,504,591	\$0	\$0	\$18,904,591	1.85%
2023	39,145,000	25,060,750	2,520,000	3,419,414	70,145,164	8.08%
2024	39,145,000	23,187,531	2,355,000	3,593,000	68,280,531	14.28%
2025	40,230,000	21,439,625	2,470,000	3,475,250	67,614,875	20.66%
2026	40,555,000	19,560,275	2,595,000	3,351,750	66,062,025	27.11%
2027	40,705,000	17,789,450	2,725,000	3,222,000	64,441,450	33.60%
2028	40,870,000	16,061,350	2,860,000	3,085,750	62,877,100	40.13%
2029	37,555,000	14,327,644	3,005,000	2,942,750	57,830,394	46.19%
2030	37,805,000	12,734,706	3,155,000	2,792,500	56,487,206	52.31%
2031	35,760,000	11,014,094	3,310,000	2,634,750	52,718,844	58.15%
2032	36,060,000	9,387,578	3,475,000	2,469,250	51,391,828	64.06%
2033	36,500,000	7,819,344	3,650,000	2,295,500	50,264,844	70.05%
2034	35,495,000	6,310,644	3,835,000	2,113,000	47,753,644	75.93%
2035	27,080,000	4,838,456	4,025,000	1,921,250	37,864,706	80.58%
2036	20,720,000	3,809,425	4,225,000	1,720,000	30,474,425	84.31%
2037	19,455,000	2,966,525	4,435,000	1,508,750	28,365,275	87.88%
2038	19,860,000	2,188,325	4,660,000	1,287,000	27,995,325	91.54%
2039	14,745,000	1,421,600	4,890,000	1,054,000	22,110,600	94.47%
2040	11,360,000	831,800	5,135,000	809,500	18,136,300	96.94%
2041	9,435,000	377,400	5,395,000	552,750	15,760,150	99.15%
2042	\$0	\$0	5,660,000	283,000	5,943,000	100.00%
<b>Totals</b>	<b>\$594,880,000</b>	<b>\$207,631,113</b>	<b>\$74,380,000</b>	<b>\$44,531,164</b>	<b>\$921,422,277</b>	

<sup>1</sup>Totals may not add due to rounding.  
Source: District Officials.

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**Schedule B – Clean Water Project Revenue Bonds**<sup>1,2</sup>

<b>Fiscal Year Ending 12/31</b>	<b>Outstanding Principal</b>	<b>Interest</b>	<b>Total</b>	<b>Cumulative Percent Retired</b>
2022	8,715,000	3,558,669	12,273,669	2.74%
2023	12,700,000	9,801,913	22,501,913	6.73%
2024	12,855,000	9,408,470	22,263,470	10.77%
2025	13,045,000	8,987,633	22,032,633	14.87%
2026	15,850,000	8,533,212	24,383,212	19.85%
2027	16,145,000	8,009,731	24,154,731	24.93%
2028	16,465,000	7,459,799	23,924,799	30.10%
2029	16,985,000	6,880,556	23,865,556	35.44%
2030	17,475,000	6,268,704	23,743,704	40.93%
2031	19,990,000	5,613,567	25,603,567	47.22%
2032	21,240,000	4,903,027	26,143,027	53.89%
2033	13,655,000	4,255,341	17,910,341	58.18%
2034	18,325,000	3,771,376	22,096,376	63.94%
2035	17,280,000	3,290,017	20,570,017	69.37%
2036	17,205,000	2,829,823	20,034,823	74.78%
2037	16,275,000	2,362,463	18,637,463	79.90%
2038	16,410,000	1,892,107	18,302,107	85.05%
2039	16,560,000	1,416,097	17,976,097	90.26%
2040	9,320,000	1,028,978	10,348,978	93.19%
2041	9,620,000	728,541	10,348,541	96.21%
2042	9,095,000	434,814	9,529,814	99.07%
2043	940,000	148,000	1,088,000	99.37%
2044	985,000	101,000	1,086,000	99.67%
2045	1,035,000	51,750	1,086,750	100.00%
<b>Totals</b>	<b>\$318,170,000</b>	<b>\$101,735,588</b>	<b>\$419,905,588</b>	

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

<sup>2</sup>Totals may not add due to rounding.

Source: District Officials.

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**Schedule C- Clean Water Fund and Drinking Water State Revolving Fund Debt** <sup>1</sup>

<b>Fiscal Year Ending 12/31</b>	<b>Outstanding Principal</b>	<b>Interest</b>	<b>Total</b>	<b>Cumulative Percent Retired</b>
2022	\$12,954,176	\$3,649,979	\$16,604,155	2.91%
2023	31,139,435	8,345,514	39,484,948	9.92%
2024	30,954,275	7,724,289	38,678,565	16.88%
2025	30,870,847	7,106,547	37,977,394	23.83%
2026	30,870,847	6,489,222	37,360,069	30.77%
2027	30,760,916	5,872,321	36,633,237	37.69%
2028	29,976,852	5,262,520	35,239,371	44.44%
2029	29,225,022	4,672,412	33,897,434	51.01%
2030	28,699,172	4,088,934	32,788,106	57.47%
2031	27,050,189	3,534,133	30,584,322	63.56%
2032	26,034,484	3,001,793	29,036,276	69.41%
2033	25,879,240	2,483,192	28,362,432	75.23%
2034	25,550,567	1,967,369	27,517,936	80.98%
2035	24,123,299	1,465,468	25,588,767	86.41%
2036	21,268,307	1,007,149	22,275,456	91.19%
2037	17,141,949	616,692	17,758,641	95.05%
2038	11,652,420	324,302	11,976,722	97.67%
2039	4,559,453	161,934	4,721,387	98.70%
2040	3,878,197	79,279	3,957,476	99.57%
2041	1,390,023	24,488	1,414,511	99.88%
2042	519,787	2,599	522,386	100.00%
<b>Totals</b>	<b>\$444,499,457</b>	<b>\$67,880,137</b>	<b>\$512,379,593</b>	

<sup>1</sup>Totals may not add due to rounding.  
Source: District Officials.

**Combined Schedules A, B and C Outstanding Debt** <sup>1</sup>

<b>Total Outstanding Principal</b>	<b>Total Interest</b>	<b>Total</b>
<b>\$1,431,929,458</b>	<b>\$421,778,002</b>	<b>\$1,853,707,459</b>

<sup>1</sup> Totals may not add due to rounding.  
Source: District Officials.

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**OVERLAPPING AND UNDERLYING NET DEBT  
THE DISTRICT AND MEMBER MUNICIPALITIES<sup>5</sup>**

As of August 30, 2022  
(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:

<b>Member Municipalities</b>	<b>Share of Net District Debt<sup>1</sup></b>	<b>Net Direct District Debt Applicable to Member Municipalities</b>		<b>Underlying Debt Issued Since 6/30/2021</b>	<b>Underlying Net Debt Applicable to District</b>
		<b>Municipalities as of 8/30/2022<sup>2</sup></b>	<b>Net Direct Debt of Member Municipalities</b>		
Bloomfield.....	7.29	\$59,877,988	\$62,530,000	\$0	\$62,530,000
East Hartford.....	11.80	96,921,845	34,045,000	20,000,000	54,045,000
Hartford.....	26.50	217,663,466	429,349,754 <sup>3,4</sup>	0	429,349,754
Newington.....	9.04	74,251,990	24,485,000	0	24,485,000
Rocky Hill.....	6.04	49,610,843	88,450,000	12,890,000	101,340,000
West Hartford.....	22.47	184,562,192	118,966,000	339,275,000	458,241,000
Wethersfield.....	8.01	65,791,863	40,130,000	0	40,130,000
Windsor.....	8.85	72,691,384	69,860,000	6,725,000	76,585,000
<b>Totals.....</b>	<b>100.0%</b>	<b>\$821,371,571</b>	<b>\$867,815,754</b>	<b>\$378,890,000</b>	<b>\$1,246,705,754</b>

<sup>1</sup> 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 2021-22.

<sup>2</sup> Includes approximately \$570,900,394 of Interim Funding Obligations (IFO's), Project 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.

<sup>3</sup> 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.

<sup>4</sup> 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".

<sup>5</sup> 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.

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**DEBT STATEMENT - THE DISTRICT**

As of August 30, 2022  
(Pro Forma)

**LONG TERM DEBT**

Water (Self-Supporting).....	\$232,583,531
Sewer.....	238,503,424
Combined Projects <sup>1</sup> .....	165,704,329
Clean Water Project <sup>2</sup> .....	720,758,173
New Money Bonds ( <i>This Issue</i> ).....	74,380,000
<b>TOTAL LONG TERM DEBT</b> .....	<b>\$1,431,929,458</b>

**SHORT TERM DEBT**

CWF/DWSRF - IFO's <sup>3</sup> .....	69,834,525
<b>TOTAL DIRECT DEBT</b> .....	<b>\$1,501,763,983</b>

Less:

Debt Not Subject to Debt Limitation <sup>4</sup> .....	680,392,411
<b>TOTAL DIRECT NET DEBT</b> .....	<b>\$821,371,571</b>
<b>NET UNDERLYING DEBT</b> - Member Municipalities <sup>5</sup> ...	1,246,705,754
<b>DIRECT NET DEBT PLUS NET UNDERLYING</b> ...	<b>\$2,068,077,325</b>

<sup>1</sup> Represents bonds funded by 51% water and 49% sewer sources.

<sup>2</sup> 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.

<sup>3</sup> Interim Funding Obligations ("IFO's") issued under the Clean Water Fund and Drinking Water State Revolving Fund programs total \$69,834,525; funds drawn to date total \$28,594,219.

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

<sup>5</sup> Represents net direct debt of each Member Municipality.

Note: Does not include authorized but unissued debt.

**CURRENT DEBT RATIOS – THE DISTRICT**

As of August 30, 2022  
(Pro Forma)

Population <sup>1</sup>	361,856
Net Taxable Grand List - 10/1/21 @ 70% of full value <sup>2</sup>	\$28,545,845,594
Estimated Full Value <sup>3</sup>	\$40,779,779,420
Equalized Net Taxable Grand List - 2020 <sup>4</sup>	\$45,119,894,193

	<b>Total Direct Debt</b>	<b>Total Net Direct Debt</b>	<b>Total Overall Net Debt</b>
	<b>\$1,501,763,983</b>	<b>\$821,371,571</b>	<b>\$2,068,077,325</b>
Per Capita.....	\$4,150.17	\$2,269.89	\$5,715.19
Ratio to Net Taxable Grand List.....	5.26%	2.88%	7.24%
Ratio to Estimated Full Value.....	3.68%	2.01%	5.07%
Ratio to Equalized Grand List.....	3.33%	1.82%	4.58%

<sup>1</sup> U.S. Census Bureau, 2016-2020 American Community Survey, for Towns of Bloomfield, East Hartford, Newington, Rocky Hill, West Hartford, Wethersfield, Windsor and the City of Hartford.

<sup>2</sup> Represents 2021 Net Taxable Grand Lists for the Towns of Bloomfield, East Hartford, Newington, Rocky Hill, West Hartford, Wethersfield, Windsor and the City of Hartford.

<sup>3</sup> Represents estimated full values of 2021 Net Taxable Grand Lists of the Towns of Bloomfield, East Hartford, Newington, Rocky Hill, West Hartford, Wethersfield, Windsor and the City of Hartford.

<sup>4</sup> Office of Policy and Management, State of Connecticut.

**DEBT STATEMENT – TOWN OF BLOOMFIELD <sup>2</sup>**

As of June 30, 2021

<b>LONG TERM DEBT</b> .....	\$62,530,000
<b>SHORT TERM DEBT</b> .....	<u>0</u>
<b>TOTAL DIRECT DEBT</b> .....	<b>\$62,530,000</b>
<b>TOTAL NET DIRECT INDEBTEDNESS</b> .....	<b>\$62,530,000</b>
<b>NET OVERLAPPING DEBT - MDC 8/30/2022 <sup>1</sup></b> .....	<u>59,877,988</u>
<b>TOTAL OVERALL DIRECT NET DEBT</b> .....	<b>\$122,407,988</b>

<sup>1</sup> 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

<sup>2</sup>Estimated unaudited.

Note: Does not include authorized but unissued debt.

**CURRENT DEBT RATIOS – TOWN OF BLOOMFIELD**

As of June 30, 2021

Population <sup>1</sup>	21,128
Net Taxable Grand List - 10/1/21 @ 70% of full value	\$2,423,050,587
Estimated Full Value	\$3,461,500,839
Equalized Net Taxable Grand List - 2020 <sup>2</sup>	\$3,856,242,814
Money Income per Capita - 2020 <sup>3</sup>	\$43,959

	<b>Total Direct Debt</b>	<b>Total Net Direct Debt</b>	<b>Total Overall Net Debt</b>
	<b>\$62,530,000</b>	<b>\$62,530,000</b>	<b>\$122,407,988</b>
Per Capita.....	\$2,959.58	\$2,959.58	\$5,793.64
Ratio to Net Taxable Grand List.....	2.58%	2.58%	5.05%
Ratio to Estimated Full Value.....	1.81%	1.81%	3.54%
Ratio to Equalized Grand List.....	1.62%	1.62%	3.17%
Debt per Capita to Money Income per Capita...	6.73%	6.73%	13.18%

<sup>1</sup> U.S. Census Bureau, 2016-2020 American Community Survey, for Town of Bloomfield.

<sup>2</sup> Office of Policy and Management, State of Connecticut.

<sup>3</sup> U.S. Census Bureau, 2016-2020 American Community Survey, for Town of Bloomfield.

**DEBT STATEMENT – TOWN OF EAST HARTFORD <sup>2, 3, 4</sup>**

As of June 30, 2021

<b>LONG TERM DEBT</b> .....	\$34,045,000
<b>SHORT TERM DEBT</b> .....	<u>0</u>
<b>TOTAL DIRECT DEBT</b> .....	<b>\$34,045,000</b>
<b>TOTAL NET DIRECT INDEBTEDNESS</b> .....	<b>\$34,045,000</b>
<b>NET OVERLAPPING DEBT - MDC 8/30/2022 <sup>1</sup></b> .....	<u>96,921,845</u>
<b>TOTAL OVERALL DIRECT NET DEBT</b> .....	<b>\$130,966,845</b>

<sup>1</sup> 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.

<sup>2</sup> **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, 2021 was \$10.668 million.

<sup>3</sup> Estimated unaudited.

<sup>4</sup> The Town of East Hartford issued \$20,000,000 in General Obligation Bonds on August 11, 2021 with a final maturity of August 1, 2031.

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

**CURRENT DEBT RATIOS – TOWN OF EAST HARTFORD**

As of June 30, 2021

Population <sup>1</sup>	50,036
Net Taxable Grand List - 10/1/21 @ 70% of full value	\$3,493,134,813
Estimated Full Value	\$4,990,192,590
Equalized Net Taxable Grand List - 2020 <sup>2</sup>	\$5,269,862,528
Money Income per Capita - 2020 <sup>3</sup>	\$29,789

	<b>Total Direct Debt</b>	<b>Total Net Direct Debt</b>	<b>Total Overall Net Debt</b>
	<b>\$34,045,000</b>	<b>\$34,045,000</b>	<b>\$130,966,845</b>
Per Capita.....	\$680.41	\$680.41	\$2,617.45
Ratio to Net Taxable Grand List.....	0.97%	0.97%	3.75%
Ratio to Estimated Full Value.....	0.68%	0.68%	2.62%
Ratio to Equalized Grand List.....	0.65%	0.65%	2.49%
Debt per Capita to Money Income per Capita...	2.28%	2.28%	8.79%

<sup>1</sup> U.S. Census Bureau, 2016-2020 American Community Survey, for Town of East Hartford.

<sup>2</sup> Office of Policy and Management, State of Connecticut.

<sup>3</sup> U.S. Census Bureau, 2016-2020 American Community Survey, for Town of East Hartford.

**DEBT STATEMENT – CITY OF HARTFORD** <sup>3, 4, 5</sup>

As of June 30, 2021

<b>LONG TERM DEBT</b> .....	\$467,400,000
<b>CWF - PLO</b> .....	653,000
<b>SHORT TERM DEBT</b> .....	0
<b>TOTAL DIRECT DEBT</b> .....	<b>\$468,053,000</b>
Less:	
School Construction Grants - State of Conn. <sup>1</sup> ...	38,703,246
<b>TOTAL NET DIRECT INDEBTEDNESS</b> .....	<b>\$429,349,754</b>
<b>NET OVERLAPPING DEBT - MDC 8/30/2022</b> <sup>1</sup> .....	217,663,466
<b>TOTAL OVERALL DIRECT NET DEBT</b> .....	<b>\$647,013,220</b>

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

<sup>2</sup> 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.

<sup>3</sup> **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, 2021 totaled \$61.155 million. (Source: 2021 City of Hartford Audit).

<sup>4</sup> 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".

<sup>5</sup> Estimated unaudited.

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

## CURRENT DEBT RATIOS – CITY OF HARTFORD

As of June 30, 2021

Population <sup>1</sup>	122,549
Net Taxable Grand List - 10/1/21 @ 70% of full value	\$4,786,119,941
Estimated Full Value	\$6,837,314,201
Equalized Net Taxable Grand List - 2020 <sup>2</sup>	\$8,062,393,752
Money Income per Capita - 2020 <sup>3</sup>	\$22,055

	Total Direct Debt	Total Net Direct Debt	Total Overall Net Debt
	\$468,053,000	\$429,349,754	\$647,013,220
Per Capita.....	\$3,819.31	\$3,503.49	\$5,279.63
Ratio to Net Taxable Grand List.....	9.78%	8.97%	13.52%
Ratio to Estimated Full Value.....	6.85%	6.28%	9.46%
Ratio to Equalized Grand List.....	5.81%	5.33%	8.03%
Debt per Capita to Money Income per Capita...	17.32%	15.89%	23.94%

<sup>1</sup> U.S. Census Bureau, 2016-2020 American Community Survey, for the City of Hartford.

<sup>2</sup> Office of Policy and Management, State of Connecticut.

<sup>3</sup> U.S. Census Bureau, 2016-2020 American Community Survey, for City of Hartford.

## DEBT STATEMENT – TOWN OF NEWINGTON <sup>2</sup>

As of June 30, 2021

LONG TERM DEBT.....	\$24,485,000
SHORT TERM DEBT .....	0
<b>TOTAL DIRECT DEBT .....</b>	<b>\$24,485,000</b>
<b>TOTAL NET DIRECT INDEBTEDNESS.....</b>	<b>\$24,485,000</b>
<b>NET OVERLAPPING DEBT - MDC 8/30/2022 <sup>1</sup>.....</b>	<b>74,251,990</b>
<b>TOTAL OVERALL DIRECT NET DEBT.....</b>	<b>\$98,736,990</b>

<sup>1</sup> 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.

<sup>2</sup> Estimated unaudited.

Note: Does not include authorized but unissued debt.

## CURRENT DEBT RATIOS – TOWN OF NEWINGTON

As of June 30, 2021

Population <sup>1</sup>	30,114
Net Taxable Grand List - 10/1/21 @ 70% of full value	\$2,844,090,904
Estimated Full Value	\$4,062,987,006
Equalized Net Taxable Grand List - 2020 <sup>2</sup>	\$3,951,453,309
Money Income per Capita - 2020 <sup>3</sup>	\$40,507

	Total Direct Debt	Total Net Direct Debt	Total Overall Net Debt
	\$24,485,000	\$24,485,000	\$98,736,990
Per Capita.....	\$813.08	\$813.08	\$3,278.77
Ratio to Net Taxable Grand List.....	0.86%	0.86%	3.47%
Ratio to Estimated Full Value.....	0.60%	0.60%	2.43%
Ratio to Equalized Grand List.....	0.62%	0.62%	2.50%
Debt per Capita to Money Income per Capita...	2.01%	2.01%	8.09%

<sup>1</sup> U.S. Census Bureau, 2016-2020 American Community Survey, for Town of Newington.

<sup>2</sup> Office of Policy and Management, State of Connecticut.

<sup>3</sup> U.S. Census Bureau, 2016-2020 American Community Survey, for Town of Newington.

**DEBT STATEMENT – TOWN OF ROCKY HILL <sup>2,3</sup>**

As of June 30, 2021

<b>LONG TERM DEBT</b> .....	\$77,100,000
<b>SHORT TERM DEBT</b> .....	11,350,000
<b>TOTAL DIRECT DEBT</b> .....	<b>\$88,450,000</b>
<b>TOTAL NET DIRECT INDEBTEDNESS</b> .....	<b>\$88,450,000</b>
<b>NET OVERLAPPING DEBT - MDC 8/30/2022 <sup>1</sup></b> .....	49,610,843
<b>TOTAL OVERALL DIRECT NET DEBT</b> .....	<b>\$138,060,843</b>

<sup>1</sup> 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.

<sup>2</sup> Estimated unaudited.

<sup>3</sup> The Town of Rocky Hill issued \$10,640,000 in General Obligation Bonds on July 28, 2021 with a final maturity of January 15, 2041 and \$4,250,000 in Bond Anticipation Notes on July 27, 2022 maturing July 27, 2023.

Note: Does not include authorized but unissued debt.

**CURRENT DEBT RATIOS – TOWN OF ROCKY HILL**

As of June 30, 2021

Population <sup>1</sup>	20,147
Net Taxable Grand List - 10/1/21 @ 70% of full value	\$2,286,850,170
Estimated Full Value	\$3,266,928,814
Equalized Net Taxable Grand List - 2020 <sup>2</sup>	\$3,766,723,871
Money Income per Capita - 2020 <sup>3</sup>	\$47,749

	<b>Total Direct Debt</b>	<b>Total Net Direct Debt</b>	<b>Total Overall Net Debt</b>
	<b>\$88,450,000</b>	<b>\$88,450,000</b>	<b>\$138,060,843</b>
Per Capita.....	\$4,390.23	\$4,390.23	\$6,852.67
Ratio to Net Taxable Grand List.....	3.87%	3.87%	6.04%
Ratio to Estimated Full Value.....	2.71%	2.71%	4.23%
Ratio to Equalized Grand List.....	2.35%	2.35%	3.67%
Debt per Capita to Money Income per Capita...	9.19%	9.19%	14.35%

<sup>1</sup> U.S. Census Bureau, 2016-2020 American Community Survey, for Town of Rocky Hill.

<sup>2</sup> Office of Policy and Management, State of Connecticut.

<sup>3</sup> U.S. Census Bureau, 2016-2020 American Community Survey, for Town of Rocky Hill.

**DEBT STATEMENT – TOWN OF WEST HARTFORD <sup>3,4</sup>**

As of June 30, 2021

<b>LONG TERM DEBT</b> .....	\$134,160,000
<b>SHORT TERM DEBT</b> .....	<u>0</u>
<b>TOTAL DIRECT DEBT</b> .....	<b>\$134,160,000</b>
Less:	
School Construction Grants - State of Conn. <sup>1</sup> ...	<u>15,194,000</u>
<b>TOTAL NET DIRECT INDEBTEDNESS</b> .....	<b>\$118,966,000</b>
<b>NET OVERLAPPING DEBT - MDC 8/30/2022 <sup>2</sup></b> .....	<u>184,562,192</u>
<b>TOTAL OVERALL DIRECT NET DEBT</b> .....	<b>\$303,528,192</b>

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

<sup>2</sup> 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.

<sup>3</sup> Estimated unaudited.

<sup>4</sup> The Town of West Hartford issued \$324,275,000 Series 2021B General Obligation Bonds on July 8, 2021 with a final maturity of July 1, 2046 and \$15,000,000 Series 2022A General Obligation Bonds on February 15, 2022 with a final maturity of January 15, 2037.

Note: Does not include authorized but unissued debt.

**CURRENT DEBT RATIOS – TOWN OF WEST HARTFORD**

As of June 30, 2021

Population <sup>1</sup>	63,023
Net Taxable Grand List - 10/1/21 @ 70% of full value	\$6,975,273,047
Estimated Full Value	\$9,964,675,781
Equalized Net Taxable Grand List - 2020 <sup>2</sup>	\$10,870,763,470
Money Income per Capita - 2020 <sup>3</sup>	\$58,140

	<b>Total Direct Debt</b>	<b>Total Net Direct Debt</b>	<b>Total Overall Net Debt</b>
	<u><b>\$134,160,000</b></u>	<u><b>\$118,966,000</b></u>	<u><b>\$303,528,192</b></u>
Per Capita.....	\$2,128.75	\$1,887.66	\$4,816.15
Ratio to Net Taxable Grand List.....	1.92%	1.71%	4.35%
Ratio to Estimated Full Value.....	1.35%	1.19%	3.05%
Ratio to Equalized Grand List.....	1.23%	1.09%	2.79%
Debt per Capita to Money Income per Capita...	3.66%	3.25%	8.28%

<sup>1</sup> U.S. Census Bureau, 2016-2020 American Community Survey, for Town of West Hartford.

<sup>2</sup> Office of Policy and Management, State of Connecticut.

<sup>3</sup> U.S. Census Bureau, 2016-2020 American Community Survey, for Town of West Hartford.

**DEBT STATEMENT – TOWN OF WETHERSFIELD <sup>2</sup>**

As of June 30, 2021

<b>LONG TERM DEBT</b> .....	\$40,040,000
<b>SERIAL NOTE</b> .....	<u>90,000</u>
<b>TOTAL DIRECT DEBT</b> .....	<b>\$40,130,000</b>
<b>TOTAL NET DIRECT INDEBTEDNESS</b> .....	<b>\$40,130,000</b>
<b>NET OVERLAPPING DEBT - MDC 8/30/2022 <sup>1</sup></b> .....	<u>65,791,863</u>
<b>TOTAL OVERALL DIRECT NET DEBT</b> .....	<b>\$105,921,863</b>

<sup>1</sup> 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.

<sup>2</sup> Estimated unaudited.

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

**CURRENT DEBT RATIOS – TOWN OF WETHERSFIELD**

As of June 30, 2021

Population <sup>1</sup>	26,068
Net Taxable Grand List - 10/1/21 @ 70% of full value	\$2,425,972,323
Estimated Full Value	\$3,465,674,747
Equalized Net Taxable Grand List - 2020 <sup>2</sup>	\$4,060,971,655
Money Income per Capita - 2020 <sup>3</sup>	\$46,967

	<b>Total Direct Debt</b>	<b>Total Net Direct Debt</b>	<b>Total Overall Net Debt</b>
	<b>\$40,130,000</b>	<b>\$40,130,000</b>	<b>\$105,921,863</b>
Per Capita.....	\$1,539.44	\$1,539.44	\$4,063.29
Ratio to Net Taxable Grand List.....	1.65%	1.65%	4.37%
Ratio to Estimated Full Value.....	1.16%	1.16%	3.06%
Ratio to Equalized Grand List.....	0.99%	0.99%	2.61%
Debt per Capita to Money Income per Capita...	3.28%	3.28%	8.65%

<sup>1</sup> U.S. Census Bureau, 2016-2020 American Community Survey, for Town of Wethersfield.

<sup>2</sup> Office of Policy and Management, State of Connecticut.

<sup>3</sup> U.S. Census Bureau, 2016-2020 American Community Survey, for Town of Wethersfield.

**DEBT STATEMENT – TOWN OF WINDSOR <sup>2</sup>**

As of June 30, 2021

<b>LONG TERM DEBT.....</b>	\$67,250,000
<b>SHORT TERM DEBT .....</b>	2,610,000
<b>TOTAL DIRECT DEBT.....</b>	<b>\$69,860,000</b>
<b>TOTAL NET DIRECT INDEBTEDNESS.....</b>	<b>\$69,860,000</b>
<b>NET OVERLAPPING DEBT - MDC 8/30/2022 <sup>1</sup>.....</b>	72,691,384
<b>TOTAL OVERALL DIRECT NET DEBT.....</b>	<b>\$142,551,384</b>

<sup>1</sup> 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.

<sup>2</sup> Estimated unaudited.

<sup>3</sup> The Town of Windsor issued \$6,725,000 in General Obligation Bonds on June 23, 2022 with a final maturity of June 15, 2037.

Note: Does not include authorized but unissued debt.

**CURRENT DEBT RATIOS – TOWN OF WINDSOR**

As of June 30, 2021

Population <sup>1</sup>	28,791
Net Taxable Grand List - 10/1/21 @ 70% of full value	\$3,311,353,809
Estimated Full Value	\$4,730,505,441
Equalized Net Taxable Grand List - 2020 <sup>2</sup>	\$5,281,482,794
Money Income per Capita - 2020 <sup>3</sup>	\$41,596

	<b>Total Direct Debt</b>	<b>Total Net Direct Debt</b>	<b>Total Overall Net Debt</b>
	<b>\$69,860,000</b>	<b>\$69,860,000</b>	<b>\$142,551,384</b>
Per Capita.....	\$2,426.45	\$2,426.45	\$4,951.25
Ratio to Net Taxable Grand List.....	2.11%	2.11%	4.30%
Ratio to Estimated Full Value.....	1.48%	1.48%	3.01%
Ratio to Equalized Grand List.....	1.32%	1.32%	2.70%
Debt per Capita to Money Income per Capita...	5.83%	5.83%	11.90%

<sup>1</sup> U.S. Census Bureau, 2016-2020 American Community Survey, Town of Windsor.

<sup>2</sup> Office of Policy and Management, State of Connecticut.

<sup>3</sup> U.S. Census Bureau, 2016-2020 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 of Connecticut, 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, 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.

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**STATEMENT OF STATUTORY DEBT LIMITATION <sup>4</sup>**  
**THE DISTRICT**  
As of August 30, 2022 (Pro Forma)

<b>COMBINED 2021 NET TAXABLE GRAND LISTS</b>	
<b>OF MEMBER MUNICIPALITIES.....</b>	<b>\$28,545,845,594</b>
<b>DEBT LIMIT - 5% of combined Grand Lists <sup>1</sup>.....</b>	<b><u>\$1,427,292,280</u></b>
<b>INDEBTEDNESS:</b>	
Water General Obligation Bonds.....	\$186,003,495
DWSRF Project Loan Obligations.....	46,580,036
Sewer General Obligation Bonds.....	214,042,176
CWF Project Loan Obligations.....	24,461,248
Clean Water Project General Obligation Bonds <sup>2</sup> .....	29,130,000
Clean Water Project Revenue Bonds <sup>2</sup> .....	318,170,000
Clean Water Project CWF Project Loan Obligations <sup>2</sup> .....	373,458,173
Combined General Obligation Bonds <sup>3</sup> .....	165,704,329
New Money Bonds ( <i>This Issue</i> ).....	<u>74,380,000</u>
<b>TOTAL DIRECT LONG-TERM INDEBTEDNESS.....</b>	<b>\$1,431,929,458</b>
CWF Interim Funding Obligations.....	\$60,934,041
DWSRF Interim Funding Obligations.....	<u>8,900,483</u>
<b>TOTAL DIRECT SHORT-TERM INDEBTEDNESS.....</b>	<b>\$69,834,524</b>
<b>TOTAL DIRECT INDEBTEDNESS.....</b>	<b>\$1,501,763,982</b>
Less Outstanding Debt Not Subject to Debt Limitation	
Water General Obligation Bonds.....	\$186,003,495
DWSRF Project Loan Obligations.....	46,580,036
DWSRF Interim Funding Obligations.....	8,900,483
Clean Water Project Revenue Bonds <sup>2</sup> .....	318,170,000
Water's Share of Combined General Obligation Bonds.....	84,509,208
New Money Bonds ( <i>This Issue</i> ).....	<u>36,229,190</u>
<b>TOTAL DEBT NOT SUBJECT TO DEBT LIMITATION.....</b>	<b>\$680,392,411</b>
<b>TOTAL NET DIRECT INDEBTEDNESS.....</b>	<b>\$821,371,570</b>
<b>DEBT LIMITATION IN EXCESS OF OUTSTANDING INDEBTEDNESS..</b>	<b><u>\$605,920,709</u></b>

<sup>1</sup> 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.

<sup>2</sup> 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.

<sup>3</sup> Represents bonds funded by 51% water and 49% sewer sources.

<sup>4</sup>Totals may not add due to rounding.

Note: **The District has issued \$332.515 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 DISTRICT <sup>1</sup>**

As of August 30, 2022

(Pro Forma)

Project	Authorized	Previously Funded	Bonds of This Issue	Debt Authorized but Unissued				
				General Purpose	Water	Sewers	Hydroelectric	Total
Water Capital Improvements.....	\$256,333,903	\$107,479,861	\$23,903,000 *		\$124,951,042			\$124,951,042 <sup>2</sup>
Sewer Capital Improvements.....	2,038,491,000	1,534,556,195	38,128,000 *			465,806,805		465,806,805 <sup>1,2</sup>
Combined Funding Capital Improvements....	55,050,000	24,147,000	24,169,000 *	6,734,000				6,734,000
Hydroelectric Capital Improvements.....	500,000						500,000	500,000
<b>Total.....</b>	<b>\$2,350,374,903</b>	<b>\$1,666,183,056</b>	<b>\$86,200,000 *</b>	<b>\$6,734,000</b>	<b>\$124,951,042</b>	<b>\$465,806,805</b>	<b>\$500,000</b>	<b>\$597,991,847</b>

<sup>1</sup> 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.

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

\*Reflects application of premium.

**PRINCIPAL AMOUNT OF OUTSTANDING DEBT – THE DISTRICT<sup>1</sup>**

Long-Term Debt	2021	2020	2019	2018	2017
Bonds.....	\$1,383,397,474	\$1,267,296,079	\$1,283,094,137	\$1,224,500,400	\$1,063,323,965
<b>Short-Term Debt</b>					
Bond Anticipation Notes.....	0	0	0	0	120,000,000
<b>Total.....</b>	<b>\$1,383,397,474 <sup>2</sup></b>	<b>\$1,267,296,079 <sup>2</sup></b>	<b>\$1,283,094,137 <sup>2</sup></b>	<b>\$1,224,500,400 <sup>2</sup></b>	<b>\$1,183,323,965 <sup>2</sup></b>

<sup>1</sup> Does not include underlying debt and capital lease obligations.

<sup>2</sup> Excludes Clean Water Fund and Drinking Water State Revolving Fund, IFOs.

Source: Annual Audited Financial Statements 2017-2021.

**PRINCIPAL AMOUNT OF OUTSTANDING DEBT – TOWN OF BLOOMFIELD<sup>1</sup>**

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

Aa2/AA+ <sup>2</sup>

Long-Term Debt	2022 Est.	2021	2020	2019	2018	2017
Bonds.....	\$56,765,000	\$62,530,000	\$58,395,000	\$50,900,000	\$42,830,000	\$48,230,000
<b>Short-Term Debt</b>						
BANs/State DECD Note	0	0	9,730,000	7,000,000	0	0
<b>Total.....</b>	<b>\$56,765,000</b>	<b>\$62,530,000</b>	<b>\$68,125,000</b>	<b>\$57,900,000</b>	<b>\$42,830,000</b>	<b>\$48,230,000</b>

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

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

Source: Annual Audited Financial Statements 2017-2021, Estimate 2022.

**PRINCIPAL AMOUNT OF OUTSTANDING DEBT – TOWN OF EAST HARTFORD<sup>1</sup>**

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

Aa3 /AA<sup>2</sup>

Long-Term Debt	2022 Est.	2021	2020	2019	2018	2017
Bonds.....	\$46,385,000	\$34,045,000	\$41,695,000	\$48,740,000	\$41,125,000	\$47,395,000
<b>Short-Term Debt</b>						
Bond Anticipation Notes.....	0	0	0	0	0	0
<b>Total.....</b>	<b>\$46,385,000</b>	<b>\$34,045,000</b>	<b>\$41,695,000</b>	<b>\$48,740,000</b>	<b>\$41,125,000</b>	<b>\$47,395,000</b>

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

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

Source: Annual Audited Financial Statements 2017-2021, Estimate 2022.

**PRINCIPAL AMOUNT OF OUTSTANDING DEBT – CITY OF HARTFORD<sup>1,4</sup>**

**Issuer Rating (Moody's/S&P)**

Ba2/BBB<sup>2,3</sup>

<b>Long-Term Debt</b>	<b>2022 Est.</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
Bonds/CWF.....	\$433,190,000	\$468,053,000	\$495,227,000	\$536,889,000	\$570,537,000	\$602,463,000
<b>Short-Term Debt</b>						
Bond Anticipation Notes.....	0	0	0	0	0	20,165,000
<b>Total</b> .....	\$433,190,000	\$468,053,000	\$495,227,000	\$536,889,000	\$570,537,000	\$622,628,000

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

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

<sup>3</sup> The Ba2 Moody's rating and the BBB S&P rating above reflect the City of Hartford's issuer ratings. Hartford's general obligation debt is rated Aa3 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"

<sup>4</sup> 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 2017-2021, Estimate 2022.

**PRINCIPAL AMOUNT OF OUTSTANDING DEBT – TOWN OF NEWINGTON<sup>1</sup>**

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

Not Rated/AA+<sup>2</sup>

<b>Long-Term Debt</b>	<b>2022 Est.</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
Bonds.....	\$22,620,000	\$24,485,000	\$26,360,000	\$12,500,000	\$4,195,000	\$5,220,000
<b>Short-Term Debt</b>						
Bond Anticipation Notes.....	0	0	0	6,000,000	0	0
<b>Total</b> .....	\$22,620,000	\$24,485,000	\$26,360,000	\$18,500,000	\$4,195,000	\$5,220,000

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

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

Source: Annual Audited Financial Statements 2017-2021, Estimate 2022.

**PRINCIPAL AMOUNT OF OUTSTANDING DEBT – TOWN OF ROCKY HILL<sup>1</sup>**

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

Not Rated/AA+<sup>2</sup>

<b>Long-Term Debt</b>	<b>2022 Est.</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
Bonds.....	\$81,260,000	\$77,100,000	\$82,160,000	\$47,345,000	\$50,515,000	\$52,625,000
<b>Short-Term Debt</b>						
Bond Anticipation Notes.....	2,250,000	11,350,000	2,250,000	33,000,000	8,000,000	0
<b>Total</b> .....	\$83,510,000	\$88,450,000	\$84,410,000	\$80,345,000	\$58,515,000	\$52,625,000

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

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

Source: Annual Audited Financial Statements 2017-2021, Estimate 2022.

**PRINCIPAL AMOUNT OF OUTSTANDING DEBT – TOWN OF WEST HARTFORD<sup>1</sup>**

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

Aaa/AAA<sup>2</sup>

<b>Long-Term Debt</b>	<b>2022 Est.</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
Bonds.....	\$456,585,000	\$134,160,000	\$135,210,000	\$139,675,000	\$147,085,000	\$150,455,000
<b>Short-Term Debt</b>						
Bond Anticipation Notes.....	0	0	0	0	0	0
<b>Total</b> .....	\$456,585,000	\$134,160,000	\$135,210,000	\$139,675,000	\$147,085,000	\$150,455,000

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

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

Source: Annual Audited Financial Statements 2017-2021, Estimate 2022.

**PRINCIPAL AMOUNT OF OUTSTANDING DEBT – TOWN OF WETHERSFIELD<sup>1</sup>**

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

Aa2/AA+<sup>2</sup>

<b>Long-Term Debt</b>	<b>2022 Est.</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
Bonds.....	\$35,640,000	\$40,040,000	\$44,445,000	\$46,255,000	\$50,465,000	\$54,835,000
<b>Short-Term Debt</b>						
Serial Notes.....	0	90,000	175,000	260,000	345,000	425,000
<b>Total</b> .....	<b>\$35,640,000</b>	<b>\$40,130,000</b>	<b>\$44,620,000</b>	<b>\$46,515,000</b>	<b>\$50,810,000</b>	<b>\$55,260,000</b>

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

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

Source: Annual Audited Financial Statements 2017-2021, Estimate 2022.

**PRINCIPAL AMOUNT OF OUTSTANDING DEBT – TOWN OF WINDSOR<sup>1</sup>**

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

Not Rated/AAA<sup>2</sup>

<b>Long-Term Debt</b>	<b>2022 Est.</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
Bonds.....	\$67,235,000	\$67,250,000	\$52,140,000	\$43,090,000	\$39,105,000	\$38,340,000
<b>Short-Term Debt</b>						
Bond Anticipation Notes.....	0	2,610,000	12,500,000	11,970,000	0	0
<b>Total</b> .....	<b>\$67,235,000</b>	<b>\$69,860,000</b>	<b>\$64,640,000</b>	<b>\$55,060,000</b>	<b>\$39,105,000</b>	<b>\$38,340,000</b>

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

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

Source: Annual Audited Financial Statements 2017-2021, Estimate 2022.

**RATIO OF DIRECT DEBT TO VALUATION AND POPULATION - THE DISTRICT**

<b>Fiscal Year Ended 12/31</b>	<b>Net Assessed Value<sup>1</sup></b>	<b>Estimated Full Value<sup>2</sup></b>	<b>Direct Debt<sup>3</sup></b>	<b>Ratio of Direct Debt to Net Assessed Value (%)</b>	<b>Ratio of Direct Debt to Estimated Full Value (%)</b>	<b>Population<sup>4</sup></b>	<b>Direct Debt per Capita</b>
2021	\$25,953,854,115	\$37,076,934,450	\$1,383,397,474	5.33%	3.73%	361,856	\$3,823.06
2020	25,556,229,750	36,508,899,643	1,267,296,079	4.96%	3.47%	361,856	3,502.21
2019	25,204,865,874	36,006,951,249	1,283,094,137	5.09%	3.56%	362,877	3,535.89
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%	365,460	3,237.90

<sup>1</sup> Represents the Net Taxable Grand Lists of the Member Municipalities.

<sup>2</sup> Represents the estimated full value of the Member Municipalities' Net Taxable Grand Lists.

<sup>3</sup> Does not include underlying debt and capital lease obligations.

<sup>4</sup> Represents the total population of the Member Municipalities.

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

<b>Fiscal Year Ended 6/30</b>	<b>Net Assessed Value</b>	<b>Estimated Full Value</b>	<b>Direct Debt<sup>1</sup></b>	<b>Ratio of Direct Debt to Net Assessed Value (%)</b>	<b>Ratio of Direct Debt to Estimated Full Value (%)</b>	<b>Population<sup>2</sup></b>	<b>Direct Debt per Capita</b>	<b>Ratio of Direct Debt per Capita to Per Capita Income (%)<sup>3</sup></b>
2022 Est.	\$2,402,488,570	\$3,432,126,529	\$56,765,000	2.36%	1.65%	21,128	\$2,686.72	6.11%
2021	2,377,731,476	3,396,759,251	62,530,000	2.63%	1.84%	21,128	2,959.58	6.73%
2020	2,155,023,283	3,078,604,690	68,125,000	3.16%	2.21%	21,128	3,224.39	7.34%
2019	2,116,863,202	3,024,090,289	57,900,000	2.74%	1.91%	21,022	2,754.26	6.27%
2018	2,018,358,356	2,883,369,080	42,830,000	2.12%	1.49%	20,952	2,044.20	4.65%
2017	2,038,195,880	2,911,708,400	48,230,000	2.37%	1.66%	20,848	2,313.41	5.26%

<sup>1</sup> Does not include overlapping debt and capital lease obligations.

<sup>2</sup> U.S. Census Bureau, 2016-2020 American Community Surveys.

<sup>3</sup> Income per Capita: \$43,959 U.S. Census Bureau, 2016-2020 American Community Survey.

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

<b>Fiscal Year Ended 6/30</b>	<b>Net Assessed Value</b>	<b>Estimated Full Value</b>	<b>Direct Debt<sup>1</sup></b>	<b>Ratio of Direct Debt to Net Assessed Value (%)</b>	<b>Ratio of Direct Debt to Estimated Full Value (%)</b>	<b>Population<sup>2</sup></b>	<b>Direct Debt per Capita</b>	<b>Ratio of Direct Debt per Capita to Per Capita Income (%)<sup>3</sup></b>
2022 Est.	\$2,807,364,070	\$4,010,520,100	\$46,385,000	1.65%	1.16%	50,036	\$927.03	3.11%
2021	2,794,244,994	3,991,778,563	34,045,000	1.22%	0.85%	50,036	680.41	2.28%
2020	2,783,862,372	3,976,946,246	41,695,000	1.50%	1.05%	50,036	833.30	2.80%
2019	2,811,967,294	4,017,096,134	48,740,000	1.73%	1.21%	50,272	969.53	3.25%
2018	2,757,568,984	3,939,384,263	41,125,000	1.49%	1.04%	50,453	815.12	2.74%
2017	2,736,032,759	3,908,618,227	47,395,000	1.73%	1.21%	50,812	932.75	3.13%

<sup>1</sup> Does not include overlapping debt and capital lease obligations.

<sup>2</sup> U.S. Census Bureau, 2016-2020 American Community Surveys.

<sup>3</sup> Income per Capita: \$29,789 U.S. Census Bureau, 2016-2020 American Community Survey.

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

<b>Fiscal Year Ended 6/30</b>	<b>Net Assessed Value</b>	<b>Estimated Full Value</b>	<b>Direct Debt<sup>1</sup></b>	<b>Ratio of Direct Debt to Net Assessed Value (%)</b>	<b>Ratio of Direct Debt to Estimated Full Value (%)</b>	<b>Population<sup>2</sup></b>	<b>Direct Debt per Capita</b>	<b>Ratio of Direct Debt per Capita to Per Capita Income (%)<sup>3</sup></b>
2022 Est.	\$4,115,886,472	\$5,879,837,817	\$433,190,000	10.52%	7.37%	122,549	\$3,534.83	16.03%
2021	4,036,000,866	5,765,715,523	468,053,000	11.60%	8.12%	122,549	3,819.31	17.32%
2020	4,025,919,645	5,751,313,779	495,227,000	12.30%	8.61%	122,549	4,041.05	18.32%
2019	4,061,916,449	5,802,737,784	536,889,000	13.22%	9.25%	123,088	4,361.83	19.78%
2018	4,068,017,222	5,811,453,174	570,537,000	14.02%	9.82%	122,591	4,653.99	21.10%
2017	3,701,904,978	5,288,435,683	622,628,000	16.82%	11.77%	124,390	5,005.45	22.70%

<sup>1</sup> Does not include overlapping debt and capital lease obligations.

<sup>2</sup> U.S. Census Bureau, 2016-2020 American Community Surveys.

<sup>3</sup> Income per Capita: \$22,055 U.S. Census Bureau, 2016-2020 American Community Survey.

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

<b>Fiscal Year Ended 6/30</b>	<b>Net Assessed Value</b>	<b>Estimated Full Value</b>	<b>Direct Debt<sup>1</sup></b>	<b>Ratio of Direct Debt to Net Assessed Value (%)</b>	<b>Ratio of Direct Debt to Estimated Full Value (%)</b>	<b>Population<sup>2</sup></b>	<b>Direct Debt per Capita</b>	<b>Ratio of Direct Debt per Capita to Per Capita Income (%)<sup>3</sup></b>
2022 Est.	\$2,765,341,316	\$3,950,487,594	\$22,620,000	0.82%	0.57%	30,114	\$751.15	1.85%
2021	2,656,844,617	3,795,492,310	24,485,000	0.92%	0.65%	30,114	813.08	2.01%
2020	2,640,307,103	3,771,867,290	26,360,000	1.00%	0.70%	30,114	875.34	2.16%
2019	2,623,718,787	3,748,169,696	18,500,000	0.71%	0.49%	30,234	611.89	1.51%
2018	2,609,986,139	3,728,551,627	4,195,000	0.16%	0.11%	30,323	138.34	0.34%
2017	2,615,695,201	3,736,707,430	5,220,000	0.20%	0.14%	30,603	170.57	0.42%

<sup>1</sup> Does not include overlapping debt and capital lease obligations.

<sup>2</sup> U.S. Census Bureau, 2016-2020 American Community Surveys.

<sup>3</sup> Income per Capita: \$40,507 U.S. Census Bureau, 2016-2020 American Community Survey.

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

<b>Fiscal Year Ended 6/30</b>	<b>Net Assessed Value</b>	<b>Estimated Full Value</b>	<b>Direct Debt<sup>1</sup></b>	<b>Ratio of Direct Debt to Net Assessed Value (%)</b>	<b>Ratio of Direct Debt to Estimated Full Value (%)</b>	<b>Population<sup>2</sup></b>	<b>Direct Debt per Capita</b>	<b>Ratio of Direct Debt per Capita to Per Capita Income (%)<sup>3</sup></b>
2022 Est.	\$2,243,544,929	\$3,205,064,184	\$83,510,000	3.72%	2.61%	20,147	\$4,145.03	8.68%
2021	2,235,057,168	3,192,938,811	88,450,000	3.96%	2.77%	20,147	4,390.23	9.19%
2020	2,208,948,420	3,155,640,600	84,410,000	3.82%	2.67%	20,147	4,189.71	8.77%
2019	2,094,054,395	2,991,506,279	80,345,000	3.84%	2.69%	20,168	3,983.79	8.34%
2018	2,061,636,790	2,945,195,414	58,515,000	2.84%	1.99%	20,137	2,905.84	6.09%
2017	2,033,673,437	2,905,247,767	52,625,000	2.59%	1.81%	20,015	2,629.28	5.51%

<sup>1</sup> Does not include overlapping debt and capital lease obligations.

<sup>2</sup> U.S. Census Bureau, 2016-2020 American Community Surveys.

<sup>3</sup> Income per Capita: \$47,749 U.S. Census Bureau, 2016-2020 American Community Survey.

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

<b>Fiscal Year Ended 6/30</b>	<b>Net Assessed Value</b>	<b>Estimated Full Value</b>	<b>Direct Debt<sup>1</sup></b>	<b>Ratio of Direct Debt to Net Assessed Value (%)</b>	<b>Ratio of Direct Debt to Estimated Full Value (%)</b>	<b>Population<sup>2</sup></b>	<b>Direct Debt per Capita</b>	<b>Ratio of Direct Debt per Capita to Per Capita Income (%)<sup>3</sup></b>
2022 Est.	\$6,394,578,261	\$9,135,111,801	\$456,585,000	7.14%	5.00%	63,023	\$7,244.74	12.46%
2021	6,363,394,009	9,090,562,870	134,160,000	2.11%	1.48%	63,023	2,128.75	3.66%
2020	6,314,734,062	9,021,048,660	135,210,000	2.14%	1.50%	63,023	2,145.41	3.69%
2019	6,285,118,569	8,978,740,813	139,675,000	2.22%	1.56%	63,063	2,214.85	3.81%
2018	6,232,711,742	8,903,873,917	147,085,000	2.36%	1.65%	63,127	2,329.99	4.01%
2017	5,981,347,789	8,544,782,556	150,455,000	2.52%	1.76%	63,360	2,374.61	4.08%

<sup>1</sup> Does not include overlapping debt and capital lease obligations.

<sup>2</sup> U.S. Census Bureau, 2016-2020 American Community Surveys.

<sup>3</sup> Income per Capita: \$58,140 U.S. Census Bureau, 2016-2020 American Community Survey.

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

<b>Fiscal Year Ended 6/30</b>	<b>Net Assessed Value</b>	<b>Estimated Full Value</b>	<b>Direct Debt<sup>1</sup></b>	<b>Ratio of Direct Debt to Net Assessed Value (%)</b>	<b>Ratio of Direct Debt to Estimated Full Value (%)</b>	<b>Population<sup>2</sup></b>	<b>Direct Debt per Capita</b>	<b>Ratio of Direct Debt per Capita to Per Capita Income (%)<sup>3</sup></b>
2022 Est.	\$2,365,265,780	\$3,378,951,114	\$35,640,000	1.51%	1.05%	26,068	\$1,367.19	2.91%
2021	2,336,707,216	3,338,153,166	40,130,000	1.72%	1.20%	26,068	1,539.44	3.28%
2020	2,321,469,775	3,316,385,393	44,620,000	1.92%	1.35%	26,068	1,711.68	3.64%
2019	2,251,449,143	3,216,355,919	46,515,000	2.07%	1.45%	26,171	1,777.35	3.78%
2018	2,242,958,976	3,204,227,109	50,810,000	2.27%	1.59%	26,267	1,934.37	4.12%
2017	2,214,180,160	3,163,114,514	55,260,000	2.50%	1.75%	26,395	2,093.58	4.46%

<sup>1</sup> Does not include overlapping debt and capital lease obligations.

<sup>2</sup> U.S. Census Bureau, 2016-2020 American Community Survey.

<sup>3</sup> Income per Capita: \$46,967 U.S. Census Bureau, 2016-2020 American Community Survey.

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

<b>Fiscal Year Ended 6/30</b>	<b>Net Assessed Value</b>	<b>Estimated Full Value</b>	<b>Direct Debt<sup>1</sup></b>	<b>Ratio Of Direct Debt to Net Assessed Value (%)</b>	<b>Ratio of Direct Debt to Estimated Full Value (%)</b>	<b>Population<sup>2</sup></b>	<b>Direct Debt per Capita</b>	<b>Ratio Of Direct Debt per Capita to Per Capita Income (%)<sup>3</sup></b>
2022 Est.	\$3,212,190,082	\$4,588,842,974	\$67,235,000	2.09%	1.47%	28,791	\$2,335.28	5.61%
2021	3,153,873,769	4,505,533,956	69,860,000	2.22%	1.55%	28,791	2,426.45	5.83%
2020	3,105,965,090	4,437,092,986	64,640,000	2.08%	1.46%	28,791	2,245.15	5.40%
2019	2,959,778,035	4,228,254,336	55,060,000	1.86%	1.30%	28,859	1,907.90	4.59%
2018	2,886,742,186	4,123,917,409	39,105,000	1.35%	0.95%	28,917	1,352.32	3.25%
2017	2,924,503,409	4,177,862,013	38,340,000	1.31%	0.92%	29,037	1,320.38	3.17%

<sup>1</sup> Does not include overlapping debt and capital lease obligations.

<sup>2</sup> U.S. Census Bureau, 2016-2020 American Community Survey.

<sup>3</sup> Income per Capita: \$41,596 U.S. Census Bureau, 2016-2020 American Community Survey.

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

<b>Fiscal Year Ended 6/30</b>	<b>Annual Debt Service</b>	<b>Total General Fund Expenditures</b>	<b>Ratio of General Fund Debt Service to Total General Fund Expenditures %</b>
2022 Est.	\$7,042,632	\$96,688,299	7.28%
2021	9,446,816	100,628,195	9.39%
2020	6,586,187	94,905,576	6.94%
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%

Source: Annual Audited Financial Statements 2017-2020, Estimated/Unaudited 2021, Estimate 2022.

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

<b>Fiscal Year Ended 6/30</b>	<b>Annual Debt Service</b>	<b>Total General Fund Expenditures</b>	<b>Ratio of General Fund Debt Service to Total General Fund Expenditures %</b>
2022 Est.	\$8,716,889	\$201,151,106	4.33%
2021	11,070,000	224,773,000	4.92%
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%

Source: Annual Audited Financial Statements 2017-2021, Estimate 2022.



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

<b>Fiscal Year Ended 6/30</b>	<b>Annual Debt Service</b>	<b>Total General Fund Expenditures</b>	<b>Ratio of General Fund Debt Service to Total General Fund Expenditures %</b>
2022 Est.	\$15,284,900	\$599,574,731	2.55%
2021	58,364,000	675,972,000	8.63%
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%

Source: Annual Audited Financial Statements 2017-2021, Estimate 2022.

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

<b>Fiscal Year Ended 6/30</b>	<b>Annual Debt Service</b>	<b>Total General Fund Expenditures</b>	<b>Ratio of General Fund Debt Service to Total General Fund Expenditures %</b>
2022 Est.	\$2,222,932	\$129,404,908	1.72%
2021	2,751,000	131,919,000	2.09%
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%

Source: Annual Audited Financial Statements 2017-2021, Estimate 2022.

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

<b>Fiscal Year Ended 6/30</b>	<b>Annual Debt Service</b>	<b>Total General Fund Expenditures</b>	<b>Ratio of General Fund Debt Service to Total General Fund Expenditures %</b>
2022 Est.	\$8,041,425	\$88,656,902	9.07%
2021	7,927,303	91,668,866	8.65%
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%

Source: Annual Audited Financial Statements 2017-2021, estimate 2022.

**RATIO OF ANNUAL BONDED DEBT SERVICE  
TO TOTAL GOVERNMENTAL EXPENDITURES - TOWN OF WEST HARTFORD<sup>1</sup>**

<b>Fiscal Year Ended 6/30</b>	<b>Annual Debt Service</b>	<b>Total General Fund Expenditures</b>	<b>Ratio of General Fund Debt Service to Total General Fund Expenditures %</b>
2022 Est.	\$15,643,560	\$306,569,089	5.10%
2021	22,101,000	312,000,000	7.08%
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%

<sup>1</sup> Includes All Governmental Funds, excluding capital outlay. Data is reflected on a modified accrual basis.  
Source: Annual Audited Financial Statement 2017-2021, Estimate 2022.

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

<b>Fiscal Year Ended 6/30</b>	<b>Annual Debt Service</b>	<b>Total General Fund Expenditures</b>	<b>Ratio of General Fund Debt Service to Total General Fund Expenditures %</b>
2022 Est.	\$5,918,649	\$109,734,118	5.39%
2021	5,859,652	118,673,104	4.94%
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%

Source: Annual Audited Financial Statements 2017-2021, Estimate 2022.

**RATIO OF ANNUAL DEBT SERVICE EXPENDITURES  
TO TOTAL GOVERNMENTAL EXPENDITURES - TOWN OF WINDSOR<sup>1</sup>**

<b>Fiscal Year Ended 6/30</b>	<b>Annual Debt Service</b>	<b>Total General Fund Expenditures</b>	<b>Ratio of General Fund Debt Service to Total General Fund Expenditures %</b>
2022 Est.	\$5,779,260	\$125,787,620	4.59%
2021	8,295,344	120,681,087	6.87%
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%

<sup>1</sup> Includes all Governmental Funds, excluding Capital Expenditures.  
Source: Annual Audited Financial Statements 2017-2021, Estimate 2022.

**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 2022, the CIP continues to focus on implementing a comprehensive asset management program for wastewater, water and combined programs.

**FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM**

	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>Total</b>
Sewer	\$ 31,100,000	\$ 17,800,000	\$ 19,000,000	\$ 13,500,000	\$ 12,500,000	\$ 93,900,000
Water	46,650,000	10,450,000	9,200,000	11,200,000	9,700,000	87,200,000
Combined	16,850,000	17,800,000	13,800,000	17,800,000	13,800,000	80,050,000
	<b>\$ 94,600,000</b>	<b>\$ 46,050,000</b>	<b>\$ 42,000,000</b>	<b>\$ 42,500,000</b>	<b>\$ 36,000,000</b>	<b>\$ 261,150,000</b>

The adopted 2022 CIP Budget is \$94.6M. The CIP Budget is expected to be funded with approximately \$94.6M 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.**

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**APPENDIX A - AUDITED FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2021**

*Appendix A - Audited Financial Statements* - is taken from the Annual Report of the Metropolitan District, Hartford County for the Fiscal Year ended December 31, 2021 as presented by the Auditors and does not include all of the schedules or management letter made in such report. A copy of the complete report is available upon request to the Chief Financial Officer, Metropolitan District, Hartford County, Connecticut.

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## INDEPENDENT AUDITORS' REPORT

Board of Finance  
The Metropolitan District  
Hartford, Connecticut

### Report on the Audit of the Financial Statements

#### **Opinions**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of The Metropolitan District, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise The Metropolitan District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of The Metropolitan District, as of December 31, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Emphasis of Matter**

The Metropolitan District reported a restatement in the general and clean water project funds for revenue recognition under the modified accrual basis of accounting on sewer use receivables and grant receivables (see Note 7). Our opinion is not modified with respect to this matter.

#### **Basis for Opinions**

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

#### **Responsibilities of Management for the Financial Statements**

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

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

***Auditors' Responsibilities for the Audit of the Financial Statements***

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

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

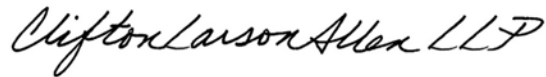
- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining,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

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



***Required Supplementary Information***

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



**CliftonLarsonAllen LLP**

West Hartford, Connecticut  
June 20, 2022

## **Management's Discussion and Analysis Fiscal Year Ended December 31, 2021**

This discussion and analysis of the Metropolitan District's financial performance provides an overview of the District's financial activities for the year ended December 31, 2021. Please read it in conjunction with the transmittal letter (beginning on page i-vii), basic financial statements (beginning on page 17), and notes to the financial statements (beginning on page 28).

### **FINANCIAL HIGHLIGHTS**

#### *Government-wide financials*

- Total net position of the District at the close of fiscal year 2021 is \$1.061 billion. Of this amount, negative \$136.0 million is unrestricted. The negative unrestricted balance is due to long-term liabilities related to pension and other post-employment benefits (OPEB).
- Total net position increased \$117.4 million or 12.4% over the prior fiscal year, \$69.0 million in governmental activities and \$48.4 million in business-type activities.
  - Capital assets increased \$97.6 million overall, \$66.4 million in governmental activities and \$31.2 million in business-type activities. These increases are due primarily to construction work in progress for Clean Water projects (\$60.4M) in governmental activities and Webster Hill Area Water Main Replacement (\$10.6M), Assessable Water Main Replacements (\$5.8M) and Farmington Avenue West Hartford Water Main Replacement (\$4.5M) in business-type activities.
  - Cash, receivables and other assets increased by \$11.1 million
  - Net deferrals decreased liabilities by \$19.0 million, driven primarily by OPEB, as follows:
    - ▲ OPEB net deferral decreased \$34.0 million to \$105.8 million comprised of a \$28.8 million deferred outflows and a \$134.6 million deferred inflows. The discount rate changed from 2.74% based on the 20-year index of yields on high-grade municipal bonds to 6.875% based on the expected long-term real rate of return after the establishment of an OPEB trust,. The overall net OPEB liability is \$177.8 million after \$19.0 million of net OPEB expense was recognized in 2021.
    - ▲ Pension net deferral increased by \$11.3 million to \$6.3 million comprised of a \$22.3 million deferred outflows a \$28.6 million deferred inflows. The assumed discount rate change from 6.875% to 6.75% increasing liabilities which were offset by a 13.72% money-weighted rate of return achieved on investments. The overall net pension liability is \$42.7 million after \$5.8 million of net pension expense was recognized in 2021.
    - ▲ Charge on refunding net deferral increased by \$3.7 million.
  - Current and non-current liabilities increased by \$10.3 million overall.
    - ▲ Governmental activities increased its long-term liabilities by a net \$69.3 million. There were \$314.1 million in General Obligation and Revenue bond issues and \$39.9 million of Clean Water Loans added to the long-term liabilities offset by \$199.7 million of bond and \$80.9 million in Clean Water payments refunded debt and a net decrease of \$4.1 million of compensated absences and net pension and opeb liability subtracted from the long-term liabilities.

- ▲ Business-type activities increased its long-term liabilities by net \$39.4 million. There were \$80.5 million in General Obligation bond issues and \$10.4 million of Drinking Water Loans added to the long-term liabilities offset by \$36.2 million of bond and \$3.5 million in Drinking Water payments and refunded debt and a net decrease of \$11.8 million of compensated absences, claims, settlements and net pension and opeb liability subtracted from the long-term liabilities.
- ▲ Bond anticipation notes were refunded in 2021 reducing liabilities by \$95.0 million.
- ▲ Accounts payable, accrued items, and customer advances for construction reduced liabilities by a net \$3.4 million.

*Fund financials*

- The fund balance for the total Governmental Funds at the close of fiscal year 2021 is \$137.5 million. Of this amount, \$102.6 million is committed for Clean Water and Capital projects, \$25.6 is unassigned in the General Fund, \$5.2 million is restricted for Debt Service and \$4.1 million is non-spendable inventory and pre-paid items in the General Fund.
- The \$25.6 million unassigned fund balance in the General fund is 31.3% of the \$81.7 million total General fund revenues. The District's fund balance policy targets a range of 30-35% for this ratio.

**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 major components along with other supplementary information.

**Government-Wide Financial Statements** (pages 17-18). The government-wide financial statements present the financial picture of the District from the economic resources measurement focus, using the accrual basis of accounting, which is similar to that used by private-sector companies.

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).

These two statements report the District's net position and the change in net position. Net position is the residual of assets and deferred outflows less liabilities and deferred inflows. Net position is one way to measure the District's financial health, or financial position. Over time, increases or decreases in the District's net position are one indicator of whether its financial health is improving or deteriorating. These statements separate District activities as follows:

*Governmental activities* - Include general government, operations, plants and maintenance, and Interest on long-term debt, and in particular include its wastewater operations which are principally supported by taxes, charges for services, operating grants and contributions, capital grants and contributions.

*Business-type activities* - Include Water and Hydroelectricity facilities and are intended to recover all or a significant portion of their costs through user fees and charges and capital grants and contributions.

**Fund Financial Statements** (pages 19-27). 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* -- The District maintains four individual governmental 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, which are designated major 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.

*Proprietary funds* -- The District maintains three proprietary type funds, major and non-major enterprise funds and an internal service fund. The District uses enterprise funds to account for its water and hydroelectricity operations. Proprietary funds provide the same type of information as business-type activities in 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.

*Fiduciary Funds* -- The District is the trustee, or fiduciary, for assets held on behalf of participants in its pension and other post-employment benefits plans. 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.

**Notes to the Financial Statements** (pages 28-67). The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

In addition to the basic financial statements, an Annual Comprehensive Financial Report requires inclusion of two other sections with specific requirements.

*Required supplementary information (RSI)* (pages 68-76). General Fund budget to actual schedules are not part of the basic financial statement. Information about the District's progress in funding its obligations to provide pension benefits and other post-employment benefits to its employees.

*Supplemental, Combining Statements and Schedules* (pages 77-80). This section includes information on the Assessable Sewer Construction capital projects fund along with combining statements of fiduciary net position for pension and OPEB trust funds.

*Statistical Section* (pages 81-92). This section includes financial trends; revenue and debt capacity analyses; demographic, economic and operating information.

## FINANCIAL ACTIVITIES OF THE DISTRICT AS A WHOLE Government-Wide Financial Analysis

The following paragraphs provide an analysis of the District's overall financial position and results of operations.

### Financial Position

Net position, over time, is a useful indicator of a government's financial position and an important determinant of its ability to provide services in the future. In 2021 the District's assets exceeded liabilities by a total \$1.061 billion, \$861.6 million from Governmental Activities and \$199.5 million from Business-Type Activities.

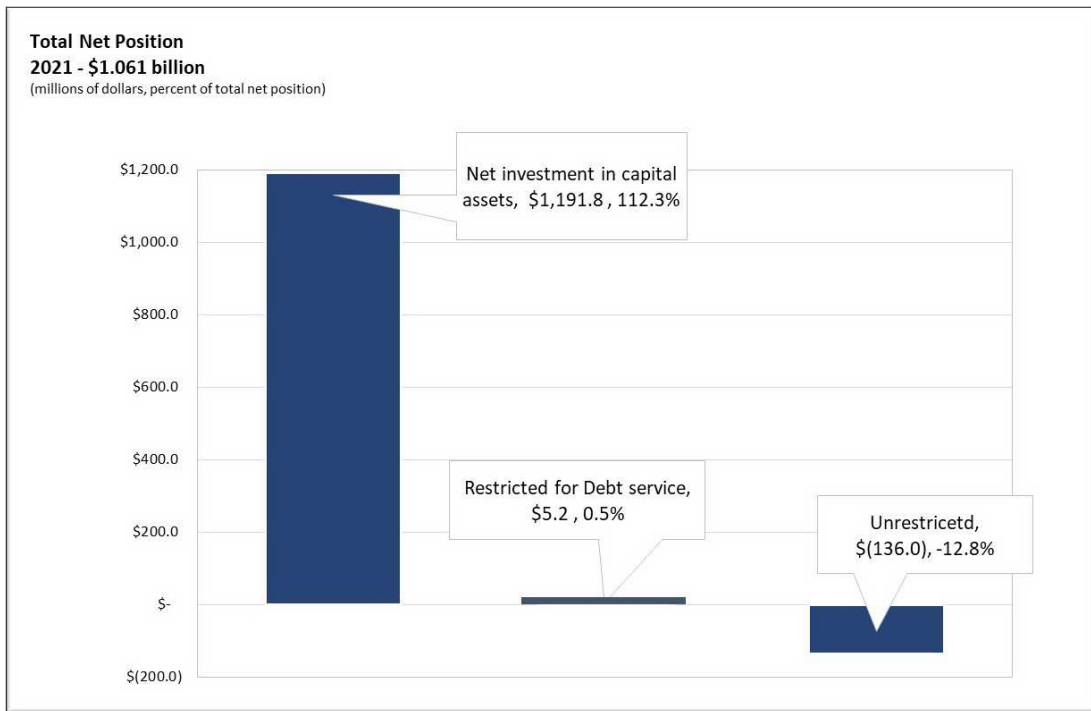
The following table shows a summary of the Statement of Net Position for the past two years. The District's net position increased by \$117.4 million overall during the fiscal year or 12.4%.

### Statement of Net Position as of December 31st

	2021			2020		
	Governmental Activities	Business- Type Activities	Total	Governmental Activities	Business- Type Activities	Total
Current and other assets	\$ 177,461,348	\$ 112,688,483	\$ 290,149,831	\$ 159,323,886	\$ 119,634,345	\$ 278,958,231
Capital assets, net of accumulated depreciation	2,037,295,563	680,083,154	2,717,378,717	1,970,906,638	648,901,852	2,619,808,490
Total assets	2,214,756,911	792,771,637	3,007,528,548	2,130,230,524	768,536,197	2,898,766,721
Deferred outflows of resources	23,040,774	30,101,961	53,142,735	32,229,940	42,579,595	74,809,535
Current liabilities	34,747,343	14,560,520	49,307,863	82,128,023	65,558,474	147,686,497
Long-term liabilities outstanding	1,267,981,027	512,978,513	1,780,959,540	1,198,647,030	473,590,183	1,672,237,213
Total liabilities	1,302,728,370	527,539,033	1,830,267,403	1,280,775,053	539,148,657	1,819,923,710
Deferred inflows of resources	73,496,973	95,870,745	169,367,718	89,068,803	120,922,256	209,991,059
Net Position:						
Net investment in capital assets	884,236,060	307,558,127	1,191,794,187	846,161,504	281,225,011	1,127,386,515
Restricted	5,200,545		5,200,545	2,744,874		2,744,874
Unrestricted	(27,864,263)	(108,094,307)	(135,958,570)	(56,289,770)	(130,180,132)	(186,469,902)
Total Net Position	\$ 861,572,342	\$ 199,463,820	\$ 1,061,036,162	\$ 792,616,608	\$ 151,044,879	\$ 943,661,487

See the Statement of Net Position (page 17) for more detailed information.

By far, the largest portion of the District's assets in 2021 is its \$2.7 billion investment in capital assets (land, infrastructure, plants, machinery and equipment). Resources required to repay debt must be provided from other than the District's investment in capital assets, since the capital assets themselves cannot be used to liquidate these liabilities.



**Governmental Activities.** The net position of governmental activities increased \$69.0 million or 8.7% from the prior year. The Statement of Net Position shows an increase of \$66.4 in capital assets, \$17.8 million in cash and receivables, a net \$0.4 million in other assets, and a \$6.4 million net decrease in pension, OPEB and refunding deferrals offset by a net increase of \$22.0 million in current and long-term liabilities.

**Business-Type Activities.** The net position of business-type activities increased \$48.4 million or 32.1% from the prior year. The Statement of Net Position shows an increase of \$31.2 in capital assets, a net \$0.3 million in other assets, an \$11.6 million decrease in current and long-term liabilities and a \$12.6 million net decrease of pension, OPEB and refunding deferrals offset by a net \$7.3 million reduction in cash and receivables.

**Unrestricted Net Position.** The unrestricted net position balance measures the well-being of the District and its governmental and business-type activities. It is the residual amount of the net position not included in the net investment in capital assets or the restricted net position.

### **Results of Operations**

In addition to the analysis of net position provided earlier, it is important to analyze the financial operations that took place during the year. The following table provides a summary of the Statement of Activities, which also presents the changes in net position.

## Statement of Activities as of December 31st

	2021			2020		
	Governmental Activities	Business- Type Activities	Total	Governmental Activities	Business- Type Activities	Total
Revenues:						
Program revenues:						
Charges for services	\$ 82,889,800	\$ 102,216,273	\$ 185,106,073	\$ 86,709,779	\$ 106,176,291	\$ 192,886,070
Operating grants and contributions	12,406,369		12,406,369	10,111,198		10,111,198
Capital grants and contributions	24,472,158	5,828,453	30,300,611	23,423,241	6,651,401	30,074,642
General revenues:						
Sewer taxation - member municipalities	51,475,700		51,475,700	51,475,700		51,475,700
Unrestricted investment earnings	125,549	66,139	191,688	1,029,927	77,698	1,107,625
Miscellaneous income		1,149,683	1,149,683		1,620,957	1,620,957
Total revenues	<u>171,369,576</u>	<u>109,260,548</u>	<u>280,630,124</u>	<u>172,749,845</u>	<u>114,526,347</u>	<u>287,276,192</u>
Expenses:						
General government	9,274,700		9,274,700	12,632,933		12,632,933
Operations	20,309,768		20,309,768	19,918,024		19,918,024
Plants and maintenance	49,002,317		49,002,317	49,634,121		49,634,121
Interest on long-term debt	23,827,057		23,827,057	30,987,059		30,987,059
Water		60,552,012	60,552,012		73,551,706	73,551,706
Hydroelectricity		289,595	289,595		2,037,099	2,037,099
Total expenses	<u>102,413,842</u>	<u>60,841,607</u>	<u>163,255,449</u>	<u>113,172,137</u>	<u>75,588,805</u>	<u>188,760,942</u>
Excess of Revenues over Expenditures before Transfers	68,955,734	48,418,941	117,374,675	59,577,708	38,937,542	98,515,250
Transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>(21,803,894)</u>	<u>21,803,894</u>	<u>-</u>
Net Change in Net Position	68,955,734	48,418,941	117,374,675	37,773,814	60,741,436	98,515,250
Net Position at Beginning 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>
Net Position at End of Year	<u>\$ 861,572,342</u>	<u>\$ 199,463,820</u>	<u>\$ 1,061,036,162</u>	<u>\$ 792,616,608</u>	<u>\$ 151,044,879</u>	<u>\$ 943,661,487</u>

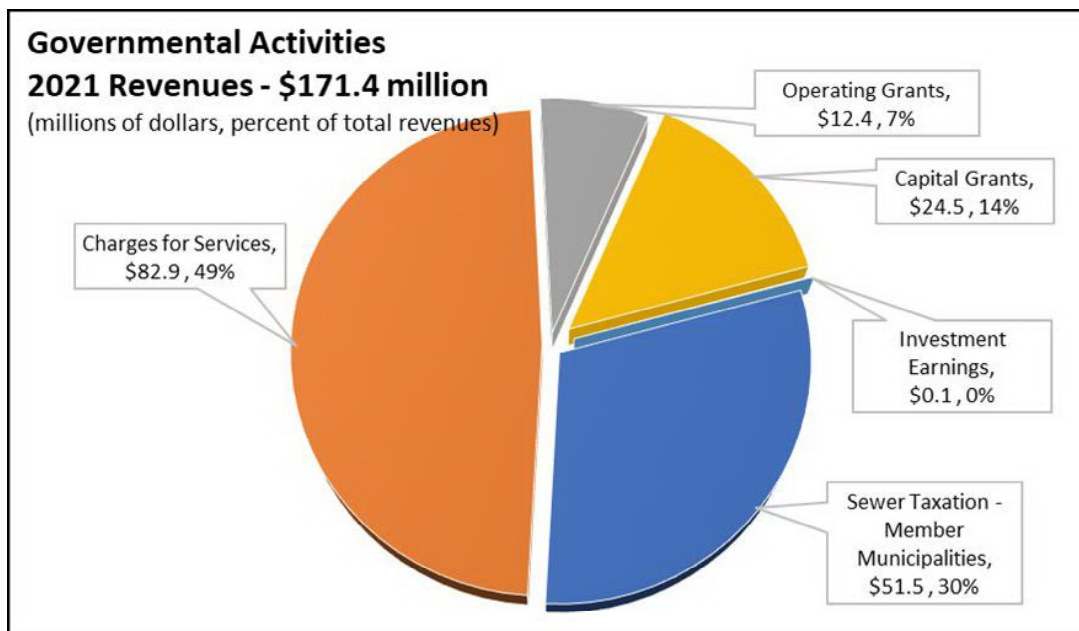
See the Statement of Activities (page 18) for more detailed information.

### Governmental Activities

*Revenues* - decreasing by \$1.3 million or 0.8% from \$172.7 million to \$171.4 million:

- Operating and capital grants increased by \$3.4 million, due to \$2.3 million of new grant receipts for the Hartford water pollution control facility (WPCF) and an additional \$1.1 million received for multiple Clean Water projects, offset by:
- A decrease of \$3.8 million for Charges for Services due primarily to a \$3.6 million or 5.7% decrease in the Clean Water Project (CWP) charge revenue. The CWP rate remained unchanged year-over-year and the water consumption decreased by 5.0%. The difference between the two percentage decreases are due refunds that reduce revenue but not the billed consumption numbers.
- A decrease of \$0.9 million for Unrestricted investment earnings due to lower average daily interest rates and average daily balances in 2021, as follows: in 2020 an average daily interest rate of 0.72% on an average daily balance of \$142.8 million versus a 2021 average daily interest rate of 0.10% on an average daily balance of \$130.8 million.

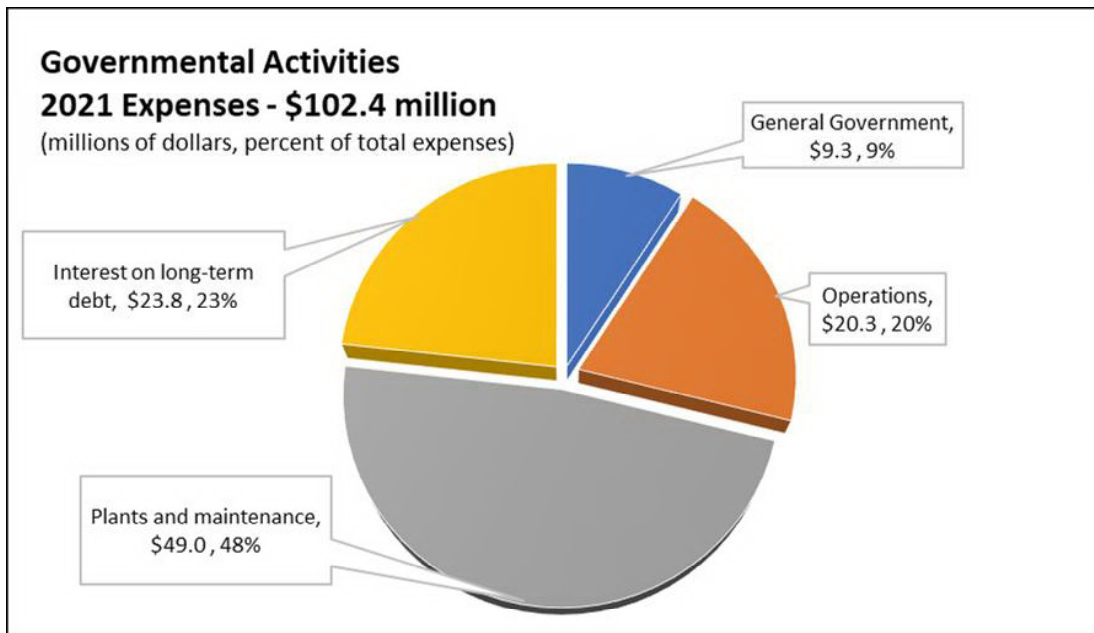
- Taxes levied on member towns represent 30.0% of the total governmental activity revenues. Those taxes were unchanged from the prior year.



*Expenses* – decreased \$10.8 million or 9.5% from \$113.2 million to \$102.4 million:

- Interest on long-term debt decreased by \$7.2 million in 2021, due primarily to the accounting change of amortizing bond discounts and premiums from the Straight-line to the Effective Interest method.
- General Government decreased \$3.3 million due to a \$3.7M decrease in Other Post-Employment Benefits obligations offset by a \$0.4M increase in net other expenses.
- Miscellaneous other expenditures decreased by \$0.3 million

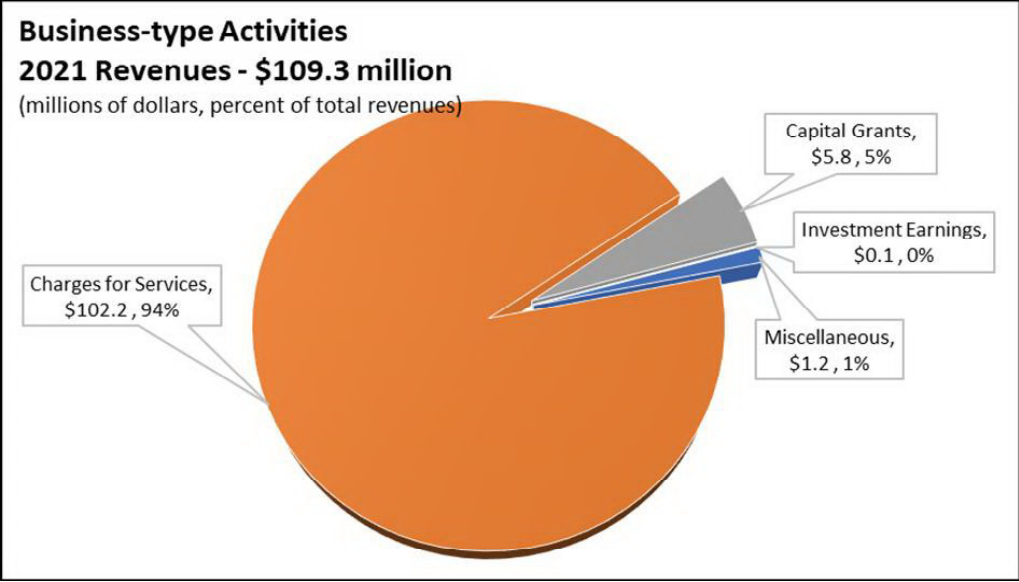




**Business-Type Activities**

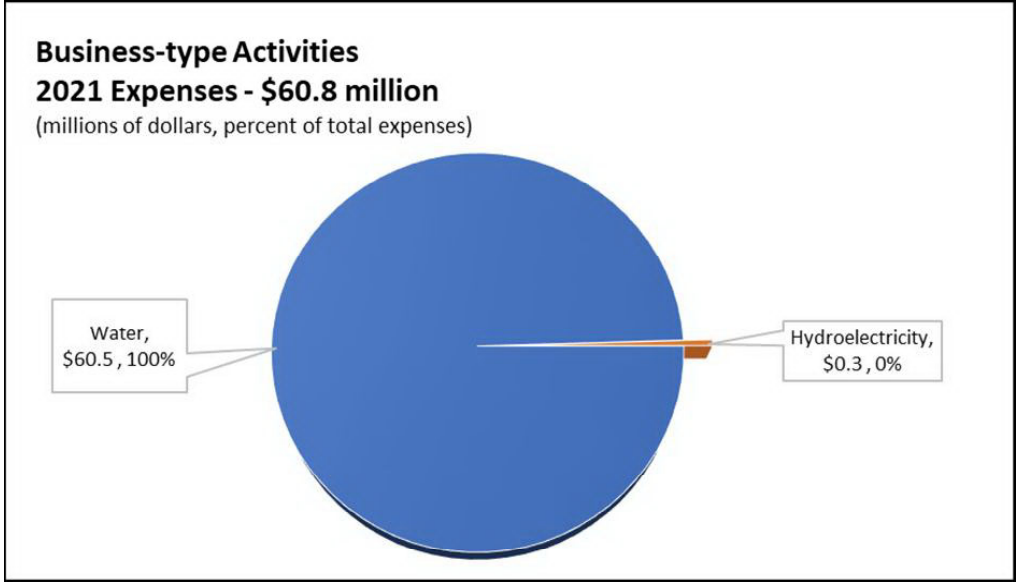
*Revenues* - decreased by \$5.3 million or 4.6% from \$114.6 million to \$109.3 million:

- Charges for services decreased \$4.0 million or 3.7% due to a \$4.1 million decrease in water sales which was offset by a \$0.1 million increase in net other revenues. Lower consumption drove the decrease even with a 2.0% water rate increase in 2021.
- Capital grants decreased \$0.8 million or 12.4% due to a \$1.5 million decrease in developers' installed capital assets offset by a \$0.7 million net increase of Department of Public Health - Drinking Water State Revolving Fund grants and water assessment revenue.
- Miscellaneous revenue decreased by \$0.5 million or 29.1% due to a \$0.7 million prior year one-time adjustment booked against net pension and OPEB liabilities and a \$0.2 million increase in net other revenue.
- Investment earnings remained flat.



Expenses – decreased \$14.7 million or 19.5% from \$75.5 million to \$60.8 million:

- Water expenses decreased by \$13.0 million or 17.7%, due to:
  - \$6.1 million total decrease due to a 2021 refinancing and change in accounting method of amortizing bond premiums and discounts,
  - \$5.6 million decrease to net Pension and Other Post-Employment Benefits obligations,
  - \$1.0 million decrease in labor litigations, and
  - \$0.3 million decrease in other expenses.
  
- Hydroelectricity expenses decreased by \$1.7 million or 85.8%, due to:
  - \$1.6 million decrease due to the decommissioning of the Colebrook Hydro facility, and
  - \$0.1 million decrease in miscellaneous other expenses.



## Fund Financial Statement Analysis

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The following is an analysis of the District's major governmental and proprietary funds. The financial statements of governmental funds show more detail than governmental activities in the government-wide statements, and focus on near-term inflows, outflows, and ending 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. The statements of proprietary funds show detail for each enterprise included in business-type activities, with the same focus used in government-wide reporting.

**Governmental Funds.** As of the end of 2021, the District's governmental funds reported a combined ending fund balance of \$137.5 million, an increase of \$68.6 million over the prior year. This combined fund balance is comprised of \$102.6 million *Committed* for future debt service expenditures in the Clean Water Project and Capital Project funds, \$25.6 million is *Unassigned* in the General Fund, \$5.2 million is *Restricted* in the Debt Service Fund and \$4.1 million is *Non-spendable* for inventory and prepaid items in the General Fund.

The General Fund is the wastewater (sewer) operating fund for the District. At the end of 2021, the General Fund total fund balance was \$29.7 million, of which \$25.6 million is unassigned and spendable and \$4.1 million is nonspendable supplies and prepaid assets. This represents a fund balance decrease of \$5.9 million or 16.5% over the prior year due primarily to a \$3.8 million recognition of deferred inflow of resources and a 2021 budgeted use of fund balance. The \$3.8 million is comprised of a 2020 \$3.4 million restatement detailed on page 67 of this report and a 2021 \$0.4 million recognition of deferred inflow of resources for unavailable sewer user fees.

The Debt Service Fund's restricted fund balance of \$5.2 million is due to budgeted transfers from other funds greater than actual debt service paid during the year. This balance will be eliminated in 2022 and 2023 as the budgeted transfers from other funds will be reduced to amounts less than anticipated debt service payments in those years.

The Clean Water Project Fund committed fund balance of \$70.7 million decreased by \$4.4 million or 5.9% over the prior year due primarily to a \$7.0 million recognition of deferred inflows of resources offset by a \$2.6 million reduction in accounts payable and advances liabilities. The \$7.0 million is comprised of a 2020 \$10.1 million restatement detailed on page 67 of this report and a 2021 reduction of \$3.1 million of deferred inflow of resources.

The Capital Project Fund committed fund balance of \$31.9 million represents a \$63.0 million increase over the prior year due primarily to the permanent financing of a 2020 bond anticipation note (BAN) in 2021.

**Proprietary Funds.** The total net position for the Water Utility and Hydroelectric Development funds Fund at the end of 2021 was \$199.5 million, a \$48.4 million or 32.1% increase over the prior year. This increase was driven by a \$16.4 million net increase in assets, an \$8.8 million adjustment to reflect the consolidation of Internal Service Fund activities related to Enterprise funds, and a net \$23.2 million in reduced liabilities.

The \$16.4 million increase in assets was due to a \$31.2 million increase in capital assets offset by a \$14.8 million decrease in current assets. The \$23.2 million net decrease in liabilities was due to a \$10.6 million net reduction in current and non-current liabilities due primarily to a reduction in net pension liability, and a net reduction of \$12.6 million in deferred liabilities due to OPEB reductions.

### **General Fund Budgetary Highlights**

During the 2021 budget year, expenditures exceeded revenues by \$1.1 million. Total revenues and other financing sources were below budget by \$7.1 million or 7.3% which were offset by expenditures being \$6.0 million or 6.2% less than budget.

The District's revenue budget included a \$3.8 million use of fund balance (surplus), comprised of:

- A transfers-in revenue item of \$2.0 million to cover the groundwater remediation receivable which was offset by a \$2.0 million contingency expenditure line item designed to have no budget impact. The receipt of this payment would have reduced the member town's ad valorem billing during 2021 for the amount received. However, no payment was received by the District for this receivable during the calendar year.
- An additional \$1.8 million was a budgeted use of fund balance, of which only \$1.1 million was required due to expenditures exceeding revenues by this amount in 2021.

## **CAPITAL ASSETS AND DEBT ADMINISTRATION**

### **Capital Assets**

At the end of 2021, the District had invested \$2.7 billion in capital assets, as summarized in the following table. This represents a net increase (including additions, deductions, and depreciation) of \$97.6 million or 3.7%, from the prior year. Governmental capital assets increased \$66.4 million, primarily for projects' construction-in-progress and the Business-type capital assets increased \$31.2 million due to a \$19.5 million increase in infrastructure, \$10.1 million increase in machinery and equipment, and a net \$1.6 million increase in miscellaneous other assets. This investment in capital assets includes land, buildings and system improvements, machinery and equipment, park facilities, and sewer and water pipes.

**Capital Assets (net of depreciation)  
As of December 31st**

	2021			2020		
	Governmental Activities	Business- Type Activities	Total	Governmental Activities	Business- Type Activities	Total
Land	\$ 10,326,860	\$ 10,847,885	\$ 21,174,745	\$ 10,326,860	\$ 10,181,885	\$ 20,508,745
Buildings	294,342,724	96,902,760	391,245,484	304,080,806	97,312,229	401,393,035
Machinery and equipment	47,208,059	29,292,977	76,501,036	39,801,499	19,233,613	59,035,112
Infrastructure	700,290,027	334,027,972	1,034,317,999	678,162,111	314,513,265	992,675,376
Construction in progress	985,127,893	209,011,560	1,194,139,453	938,535,362	207,660,860	1,146,196,222
Total	\$ <u>2,037,295,563</u>	\$ <u>680,083,154</u>	\$ <u>2,717,378,717</u>	\$ <u>1,970,906,638</u>	\$ <u>648,901,852</u>	\$ <u>2,619,808,490</u>

Additional information on the District's capital assets can be found in Note 3D on pages 39-42 of this report.

**Long-Term Debt**

At the end of 2021, the District had \$1.8 billion in outstanding debt driven primarily by \$1.1 billion in general obligation and revenue bonded debt. The general obligation bonds are backed by a full faith and credit pledge of the District's member towns and the revenue bonds are backed by a special sewer service surcharge (a.k.a. Clean Water Project Charge). An additional \$0.5 billion of Clean Water and Drinking Water loans and \$0.2 billion of other miscellaneous debt driven primarily by pension and OPEB net liability make up the balance of the outstanding debt.

**Outstanding Debt  
As of December 31st**

	2021			2020		
	Governmental Activities	Business- Type Activities	Total	Governmental Activities	Business- Type Activities	Total
General obligation/ Revenue bonds	\$ 736,192,628	\$ 319,358,871	\$ 1,055,551,499	\$ 621,770,522	\$ 275,046,438	\$ 896,816,960
Clean/drinking water loans	435,416,291	56,789,941	492,206,232	476,391,446	49,861,600	526,253,046
Compensated absences	2,734,721	3,600,622	6,335,343	2,857,592	3,592,441	6,450,033
Claims and judgments		6,391,325	6,391,325		6,283,811	6,283,811
Settlement liability					5,814,247	5,814,247
Net pension liability	18,129,351	24,557,350	42,686,701	24,280,899	33,076,313	57,357,212
OPEB obligation	75,508,036	102,280,404	177,788,440	73,346,571	99,915,333	173,261,904
Total	\$ <u>1,267,981,027</u>	\$ <u>512,978,513</u>	\$ <u>1,780,959,540</u>	\$ <u>1,198,647,030</u>	\$ <u>473,590,183</u>	\$ <u>1,672,237,213</u>

In October of 2021, in connection with its upcoming bond sale in November, the District affirmed both its rating and outlook with Moody's Investors Service and S&P Global Ratings. Those ratings are Aa2/Aa3 from Moody's and AA-/AA from S&P Global Ratings, for the MDC's revenue and general obligation bonds, respectively. Each with a stable outlook.

The District's Charter limits the amount of general obligation debt it may issue to 5% of the combined Grand List of its member towns. The current debt limitation for the District is \$1.4 billion of which the District has \$0.8 billion outstanding leaving an available balance of \$0.6 billion.

Additional information on the District's long-term debt can be found in Note 3F on pages 43-51 of this report.

## **Economic Factors**

- The District strives to minimize the increases in ad valorem taxes that it levies on its member municipalities by identifying structural efficiencies and pursuing cost reduction activities within its organization to minimize expenditures.
- Inflationary trends in the region have had a negative budgetary impact on General Fund expenditures, particularly in energy and supply expenditures.
- Water consumption continues to decline due to decreased use by both residential and commercial customers.

All of these factors were considered in preparing the District's 2022 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.

**THE METROPOLITAN DISTRICT  
STATEMENT OF NET POSITION  
DECEMBER 31, 2021**

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<b>Assets:</b>			
Cash and cash equivalents	\$ 133,626,032	\$ 90,491,703	\$ 224,117,735
Receivables, net of allowance for uncollectibles	39,696,839	17,324,189	57,021,028
Due to fiduciary funds	18,602	22,736	41,338
Supplies	3,457,138	3,684,274	7,141,412
Prepaid items	662,737	1,165,581	1,828,318
Capital assets, nondepreciable	995,454,753	219,859,445	1,215,314,198
Capital assets, net of accumulated depreciation	<u>1,041,840,810</u>	<u>460,223,709</u>	<u>1,502,064,519</u>
Total assets	<u>2,214,756,911</u>	<u>792,771,637</u>	<u>3,007,528,548</u>
<b>Deferred Outflows of Resources:</b>			
Deferred outflows - pension	9,461,798	12,816,604	22,278,402
Deferred outflows - OPEB	12,224,330	16,564,723	28,789,053
Deferred charge on refunding	<u>1,354,646</u>	<u>720,634</u>	<u>2,075,280</u>
Total deferred outflows of resources	<u>23,040,774</u>	<u>30,101,961</u>	<u>53,142,735</u>
<b>Liabilities:</b>			
Accounts payable and accrued items	34,056,993	13,828,265	47,885,258
Customer advances for construction	690,351	732,255	1,422,606
<b>Noncurrent liabilities:</b>			
Due within one year	88,385,713	28,578,116	116,963,829
Due in more than one year	<u>1,179,595,314</u>	<u>484,400,397</u>	<u>1,663,995,711</u>
Total liabilities	<u>1,302,728,370</u>	<u>527,539,033</u>	<u>1,830,267,403</u>
<b>Deferred Inflows of Resources:</b>			
Deferred inflows - pension	12,140,806	16,445,488	28,586,294
Deferred inflows - OPEB	57,176,446	77,455,203	134,631,649
Deferred charge on refunding	<u>4,179,721</u>	<u>1,970,054</u>	<u>6,149,775</u>
Total deferred inflows of resources	<u>73,496,973</u>	<u>95,870,745</u>	<u>169,367,718</u>
<b>Net Position:</b>			
Net investment in capital assets	884,236,060	307,558,127	1,191,794,187
<b>Restricted for:</b>			
Debt service	5,200,545		5,200,545
Unrestricted	<u>(27,864,263)</u>	<u>(108,094,307)</u>	<u>(135,958,570)</u>
Total Net Position	<u>\$ 861,572,342</u>	<u>\$ 199,463,820</u>	<u>\$ 1,061,036,162</u>

The accompanying notes are an integral part of the financial statements

**THE METROPOLITAN DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2021**

Function/Program Activities	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities
Governmental activities:						
General government	\$ 9,274,700	\$	\$ 10,178,011	\$	\$ 903,311	\$ 903,311
Operations	20,309,768	77,362,758		57,052,990		57,052,990
Plants and maintenance	49,002,317	5,527,042	2,228,358	24,472,158	(16,774,759)	(16,774,759)
Interest on long-term debt	23,827,057				(23,827,057)	(23,827,057)
Total governmental activities	<u>102,413,842</u>	<u>82,889,800</u>	<u>12,406,369</u>	<u>24,472,158</u>	<u>17,354,485</u>	<u>-</u>
Business-type activities:						
Water	60,552,012	101,274,782		5,828,453	46,551,223	46,551,223
Hydroelectricity	289,595	941,491			651,896	651,896
Total business-type activities	<u>60,841,607</u>	<u>102,216,273</u>	<u>-</u>	<u>5,828,453</u>	<u>-</u>	<u>47,203,119</u>
Total	<u>\$ 163,255,449</u>	<u>\$ 185,106,073</u>	<u>\$ 12,406,369</u>	<u>\$ 30,300,611</u>	<u>17,354,485</u>	<u>47,203,119</u>
General revenues:						
Sewer taxation - member municipalities				51,475,700		51,475,700
Miscellaneous					1,149,683	1,149,683
Unrestricted investment earnings				125,549	66,139	191,688
Total general revenues and transfers				<u>51,601,249</u>	<u>1,215,822</u>	<u>52,817,071</u>
Change in Net Position				68,955,734	48,418,941	117,374,675
Net Position at Beginning of Year				<u>792,616,608</u>	<u>151,044,879</u>	<u>943,661,487</u>
Net Position at End of Year				<u>\$ 861,572,342</u>	<u>\$ 199,463,820</u>	<u>\$ 1,061,036,162</u>

The accompanying notes are an integral part of the financial statements



**THE METROPOLITAN DISTRICT  
BALANCE SHEET - GOVERNMENTAL FUNDS  
DECEMBER 31, 2021**

	<u>General</u>	<u>Debt Service</u>	<u>Clean Water Project</u>	<u>Capital Project Fund</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>					
Cash and cash equivalents	\$ 26,945,085	\$ 5,200,545	\$ 71,677,608	\$ 29,802,794	\$ 133,626,032
Receivables, net of allowance for uncollectibles	5,443,211		21,043,708	13,209,920	39,696,839
Due from other funds	18,602				18,602
Supplies	3,457,138				3,457,138
Prepaid items	662,737				662,737
Total Assets	<u>\$ 36,526,773</u>	<u>\$ 5,200,545</u>	<u>\$ 92,721,316</u>	<u>\$ 43,012,714</u>	<u>\$ 177,461,348</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>					
Liabilities:					
Accounts payable and accrued items	\$ 2,299,046	\$	\$ 14,984,606	\$ 9,086,425	\$ 26,370,077
Customer advances for construction	690,351				690,351
Total liabilities	<u>2,989,397</u>	<u>-</u>	<u>14,984,606</u>	<u>9,086,425</u>	<u>27,060,428</u>
Deferred inflows of resources:					
Unavailable revenue - special assessments				2,064,885	2,064,885
Unavailable revenue - sewer user fees	3,827,551		6,741,200		10,568,751
Unavailable revenue - grants			249,692		249,692
Total deferred inflows of resources	<u>3,827,551</u>	<u>-</u>	<u>6,990,892</u>	<u>2,064,885</u>	<u>12,883,328</u>
Fund balances:					
Nonspendable	4,119,875				4,119,875
Restricted		5,200,545			5,200,545
Committed			70,745,818	31,861,404	102,607,222
Unassigned	25,589,950				25,589,950
Total fund balances	<u>29,709,825</u>	<u>5,200,545</u>	<u>70,745,818</u>	<u>31,861,404</u>	<u>137,517,592</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 36,526,773</u>	<u>\$ 5,200,545</u>	<u>\$ 92,721,316</u>	<u>\$ 43,012,714</u>	<u>\$ 177,461,348</u>

The accompanying notes are an integral part of the financial statements

**THE METROPOLITAN DISTRICT**  
**BALANCE SHEET - GOVERNMENTAL FUNDS (CONTINUED)**  
**DECEMBER 31, 2021**

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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 17) are  
different because of the following:

Fund balances - total governmental funds (page 19)	\$ 137,517,592
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Capital assets used in governmental activities are not financial  
resources and, therefore, are not reported in the funds:

Governmental capital assets	\$ 2,491,845,844	
Less accumulated depreciation	<u>(454,550,281)</u>	
Net capital assets		2,037,295,563

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	2,064,885
Sewer use receivables	10,568,751
Grant receivables	249,692
Deferred outflows related to refunding	1,354,646
Deferred outflows related to pension	9,461,798
Deferred outflows related to OPEB	12,224,330

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	(664,454,664)
Premiums	(71,737,964)
Notes payable	(435,416,291)
Interest payable on long-term debt	(7,686,915)
Compensated absences	(2,734,721)
Net pension liability	(18,129,351)
Deferred inflows related to pension	(12,140,806)
Deferred inflows related to OPEB	(57,176,446)
Deferred inflows related to refunding	(4,179,721)
Net OPEB liability	<u>(75,508,036)</u>

Net Position of Governmental Activities (page 17)	\$ <u>861,572,342</u>
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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, 2021**

	<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				3,257,067	3,257,067
Sewer user fees	17,322,000		60,040,758		77,362,758
Intergovernmental revenues	10,178,011		27,150,902	2,228,358	39,557,271
Investment income	30,581		94,968		125,549
Other local revenues	<u>2,742,962</u>		<u>7,550</u>		<u>2,750,512</u>
Total revenues	<u>81,749,254</u>	<u>-</u>	<u>87,294,178</u>	<u>5,485,425</u>	<u>174,528,857</u>
Expenditures:					
Current:					
General government	5,002,410				5,002,410
Operations	4,463,088				4,463,088
Plants and maintenance	20,753,614				20,753,614
Employee benefits and other	18,298,717				18,298,717
Debt service:					
Principal retirement		58,903,168			58,903,168
Interest	223,958	32,391,105	1,701,304		34,316,367
Capital outlay			67,027,340	42,972,210	109,999,550
Total expenditures	<u>48,741,787</u>	<u>91,294,273</u>	<u>68,728,644</u>	<u>42,972,210</u>	<u>251,736,914</u>
Excess (Deficiency) of Revenues over Expenditures	<u>33,007,467</u>	<u>(91,294,273)</u>	<u>18,565,534</u>	<u>(37,486,785)</u>	<u>(77,208,057)</u>
Other Financing Sources (Uses):					
Issuance of bonds			201,440,000	74,356,690	275,796,690
Premiums on issuance of bonds			13,533,461	17,253,653	30,787,114
Issuance of refunding bonds		6,183,180			6,183,180
Premiums on issuance of refunding bonds		1,322,898			1,322,898
Payment for refunding clean water loan escrow agent			(200,711,137)		(200,711,137)
Payment to refunded bond escrow agent		(7,458,978)			(7,458,978)
Clean Water Fund loans issued			31,000,267	8,913,433	39,913,700
Transfers in	531,209	93,702,844			94,234,053
Transfers out	<u>(36,035,881)</u>		<u>(58,198,172)</u>		<u>(94,234,053)</u>
Total other financing sources (uses)	<u>(35,504,672)</u>	<u>93,749,944</u>	<u>(12,935,581)</u>	<u>100,523,776</u>	<u>145,833,467</u>
Net Change in Fund Balances	(2,497,205)	2,455,671	5,629,953	63,036,991	68,625,410
Fund Balances at Beginning of Year, as restated	<u>32,207,030</u>	<u>2,744,874</u>	<u>65,115,865</u>	<u>(31,175,587)</u>	<u>68,892,182</u>
Fund Balances at End of Year	<u>\$ 29,709,825</u>	<u>\$ 5,200,545</u>	<u>\$ 70,745,818</u>	<u>\$ 31,861,404</u>	<u>\$ 137,517,592</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, 2021**

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 18) are different because of the following:

Net change in fund balances - total governmental funds (page 21)	\$ 68,625,410
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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	100,222,938
Depreciation expense	(33,646,875)

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.

(187,138)

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

Sewer assessment revenue	(548,996)
Sewer use revenue	68,459
Grant revenue	(2,678,744)
Change in deferred outflows related to pension	(1,342,921)
Change in deferred outflows related to OPEB	(7,589,992)

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	(39,913,700)
Proceeds from issuance of bonds	(275,796,690)
Premiums on issuance of bonds	(30,787,114)
Proceeds from issuance of refunding bonds	(6,183,180)
Premiums on issuance of refunding bonds	(1,322,898)
Bond payments	170,916,188
Amortization of bond premium	28,751,588
Amortization of deferred charge on refunding	(3,046,050)
Clean Water Fund loan payments	80,888,855
Change in accrued interest	52,013

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	122,871
Change in net pension liability	6,151,548
Change in deferred inflows related to pension	(3,461,878)
Change in deferred inflows related to OPEB	21,823,505
Change in net OPEB liability	(2,161,465)

Change in Net Position of Governmental Activities (page 18)	<u>\$ 68,955,734</u>
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The accompanying notes are an integral part of the financial statements

**THE METROPOLITAN DISTRICT  
STATEMENT OF NET POSITION - PROPRIETARY FUNDS  
DECEMBER 31, 2021**

	<b>Business-Type Activities - Enterprise Funds</b>			<b>Business- Type Activities - Internal Service Fund</b>
	<b>Major</b>	<b>Nonmajor</b>	<b>Total</b>	
	<b>Water Utility</b>	<b>Hydroelectric Development Project</b>		
<b>Assets:</b>				
Current assets:				
Cash and cash equivalents	\$ 67,069,629	\$ 3,508,138	\$ 70,577,767	\$ 19,913,936
Accounts receivable, net of allowance for uncollectibles	17,221,071	103,118	17,324,189	
Due from other funds	22,736		22,736	
Supplies	3,447,384	236,890	3,684,274	
Prepaid items	1,165,581		1,165,581	
Total current assets	<u>88,926,401</u>	<u>3,848,146</u>	<u>92,774,547</u>	<u>19,913,936</u>
Noncurrent assets:				
Capital assets, nondepreciable	219,765,459	93,986	219,859,445	
Capital assets, net of accumulated depreciation	455,816,733	4,406,976	460,223,709	
Total noncurrent assets	<u>675,582,192</u>	<u>4,500,962</u>	<u>680,083,154</u>	<u>-</u>
Total assets	<u>764,508,593</u>	<u>8,349,108</u>	<u>772,857,701</u>	<u>19,913,936</u>
<b>Deferred Outflows of Resources:</b>				
Deferred outflows - pension	12,816,604		12,816,604	
Deferred outflows - OPEB	16,564,723		16,564,723	
Deferred charge on refunding	720,634		720,634	
Total deferred outflows of resources	<u>30,101,961</u>	<u>-</u>	<u>30,101,961</u>	<u>-</u>
<b>Liabilities:</b>				
Current liabilities:				
Accounts payable and accrued expenses	13,713,495	71,209	13,784,704	43,561
Customer advances for construction	732,255		732,255	
Current portion of claims incurred but not reported			-	750,859
Current portion of compensated absences	3,047,198		3,047,198	
Current portion of bonds and loans payable	24,780,059		24,780,059	
Total current liabilities	<u>42,273,007</u>	<u>71,209</u>	<u>42,344,216</u>	<u>794,420</u>
Noncurrent liabilities:				
Compensated absences	553,424		553,424	
Bonds and loans payable after one year	351,368,753		351,368,753	
Claims incurred but not reported			-	5,640,466
Net pension liability	24,557,350		24,557,350	
Net OPEB liability	102,280,404		102,280,404	
Total noncurrent liabilities	<u>478,759,931</u>	<u>-</u>	<u>478,759,931</u>	<u>5,640,466</u>
Total liabilities	<u>521,032,938</u>	<u>71,209</u>	<u>521,104,147</u>	<u>6,434,886</u>
<b>Deferred Inflows of Resources:</b>				
Deferred inflows - pension	16,445,488		16,445,488	
Deferred inflows - OPEB	77,455,203		77,455,203	
Deferred charge on refunding	1,970,054		1,970,054	
Total deferred inflows of resources	<u>95,870,745</u>	<u>-</u>	<u>95,870,745</u>	<u>-</u>
<b>Net Position:</b>				
Net investment in capital assets	303,151,151	4,406,976	307,558,127	
Unrestricted	(125,444,280)	3,870,923	(121,573,357)	13,479,050
<b>Total Net Position</b>	<u>\$ 177,706,871</u>	<u>\$ 8,277,899</u>	<u>185,984,770</u>	<u>\$ 13,479,050</u>
Adjustment to reflect the consolidation of Internal Service Fund activities related to Enterprise Funds			13,479,050	
Net Position of Business-Type Activities			<u>\$ 199,463,820</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, 2021**

	<b>Business-Type Activities - Enterprise Funds</b>			<b>Business-Type Activities - Internal Service Fund</b>
	<b>Major</b>	<b>Nonmajor</b>	<b>Total</b>	
	<b>Water Utility</b>	<b>Hydroelectric Development Project</b>		
Operating Revenues:				
Water sales	\$ 93,404,849	\$	\$ 93,404,849	\$
Energy sales		941,491	941,491	
Operating contributions			-	24,633,503
Other operating	7,869,933		7,869,933	
Total operating revenues	<u>101,274,782</u>	<u>941,491</u>	<u>102,216,273</u>	<u>24,633,503</u>
Operating Expenses:				
General government	9,853,683		9,853,683	
Operations	13,174,785		13,174,785	15,839,850
Plants and maintenance	16,558,561		16,558,561	
Employee benefits and other	7,588,093		7,588,093	
Source of supply		156,663	156,663	
Depreciation expense	16,233,389	132,932	16,366,321	
Total operating expenses	<u>63,408,511</u>	<u>289,595</u>	<u>63,698,106</u>	<u>15,839,850</u>
Operating Income (Loss)	<u>37,866,271</u>	<u>651,896</u>	<u>38,518,167</u>	<u>8,793,653</u>
Nonoperating Revenues (Expenses):				
Investment income	66,139		66,139	
Miscellaneous revenue	1,149,683		1,149,683	
Gain (loss) on disposal of assets	(713,528)		(713,528)	
Interest and fiscal charges	(5,223,626)		(5,223,626)	
Net nonoperating revenues (expenses)	<u>(4,721,332)</u>	<u>-</u>	<u>(4,721,332)</u>	<u>-</u>
Income (Loss) Before Capital Grants, Capital Contributions and Transfers	33,144,939	651,896	33,796,835	8,793,653
Capital grants	1,723,116		1,723,116	
Capital contributions	4,105,337		4,105,337	
Change in Net Position	38,973,392	651,896	39,625,288	8,793,653
Net Position at Beginning of Year	<u>138,733,479</u>	<u>7,626,003</u>		<u>4,685,397</u>
Net Position at End of Year	\$ <u>177,706,871</u>	\$ <u>8,277,899</u>		\$ <u>13,479,050</u>
Adjustment to reflect the consolidation of Internal Service Fund activities related to Enterprise Funds			8,793,653	
Change in Net Position of Business-Type Activities			\$ <u>48,418,941</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, 2021**

	Business-Type Activities - Enterprise Funds			Business-Type Activities - Internal Service Fund
	Major	Nonmajor	Total	
	Water Utility	Hydroelectric Development Project		
<b>Cash Flows from Operating Activities:</b>				
Receipts from customers, users and others	\$ 97,125,410	\$ 906,896	\$ 98,032,306	\$ 24,716,844
Payments to suppliers	(38,651,270)	(129,257)	(38,780,527)	(16,816,232)
Payments to employees	(26,943,400)	-	(26,943,400)	
Net cash provided by (used in) operating activities	<u>31,530,740</u>	<u>777,639</u>	<u>32,308,379</u>	<u>7,900,612</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>				
Purchase of capital assets/utility plant	(44,061,829)	(93,986)	(44,155,815)	
Proceeds from bonds	56,453,310		56,453,310	
Proceeds from bond premiums	13,049,932		13,049,932	
Proceeds from drinking water loans	10,399,594		10,399,594	
Proceeds from refunding bonds	9,051,820		9,051,820	
Proceeds from refunding bond premiums	1,936,495		1,936,495	
Payments to escrow agent	(10,918,666)		(10,918,666)	
Proceeds from capital grant	1,723,116		1,723,116	
Principal payments on bonds	(17,140,146)		(17,140,146)	
Principal payments on bond anticipation notes	(50,188,787)		(50,188,787)	
Principal payments on drinking water loans	(3,471,253)		(3,471,253)	
Interest payments on bonds and notes	(12,708,219)		(12,708,219)	
Net cash provided by (used in) capital and related financing activities	<u>(45,874,633)</u>	<u>(93,986)</u>	<u>(45,968,619)</u>	<u>-</u>
<b>Cash Flows from Investing Activities:</b>				
Interest on investments	66,139		66,139	
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<u>(14,277,754)</u>	<u>683,653</u>	<u>(13,594,101)</u>	<u>7,900,612</u>
<b>Cash and Cash Equivalents at Beginning of Year</b>	<u>81,347,383</u>	<u>2,824,485</u>	<u>84,171,868</u>	<u>12,013,324</u>
<b>Cash and Cash Equivalents at End of Year</b>	<u>\$ 67,069,629</u>	<u>\$ 3,508,138</u>	<u>\$ 70,577,767</u>	<u>\$ 19,913,936</u>
<b>Reconciliation of Operating Income to Net Cash Provided by (Used in) Operating Activities:</b>				
Operating income	\$ 37,866,271	\$ 651,896	\$ 38,518,167	\$ 8,793,653
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:				
Depreciation	16,233,389	132,932	16,366,321	
Miscellaneous nonoperating revenue (expense)	1,149,683		1,149,683	
Change in assets, deferred outflows of resources and liabilities:				
(Increase) decrease in accounts receivable	1,596,787	(34,595)	1,562,192	83,341
(Increase) decrease in due from other funds	47,260		47,260	
(Increase) decrease in supplies	(522,339)		(522,339)	
(Increase) decrease in prepaid items	81,918		81,918	
(Increase) decrease in deferred outflows of resources related to pensions	1,901,973		1,901,973	
(Increase) decrease in deferred outflows of resources related to OPEB	10,439,320		10,439,320	
Increase (decrease) in accounts payable and accrued expenses	226,497	27,406	253,903	(1,083,896)
Increase (decrease) in customer advances for construction	20,828		20,828	
Increase (decrease) in claims and judgements	(5,814,247)		(5,814,247)	
Increase (decrease) in compensated absences	8,181		8,181	
Increase (decrease) in net OPEB liability	2,365,071		2,365,071	
Increase (decrease) in net pension liability	(8,518,963)		(8,518,963)	
Increase (decrease) in claims payable			-	107,514
Increase (decrease) in deferred inflows of resources related to pensions	4,622,741		4,622,741	
Increase (decrease) in deferred inflows of resources related to OPEB	(30,173,630)		(30,173,630)	
Total adjustments	<u>(6,335,531)</u>	<u>125,743</u>	<u>(6,209,788)</u>	<u>(893,041)</u>
<b>Net Cash Provided by (Used in) Operating Activities</b>	<u>\$ 31,530,740</u>	<u>\$ 777,639</u>	<u>\$ 32,308,379</u>	<u>\$ 7,900,612</u>
<b>Noncash Investing, Capital and Financing Activities:</b>				
Capital assets contributed by Developers	\$ 4,105,337	\$ -	\$ 4,105,337	\$ -

The accompanying notes are an integral part of the financial statements

**THE METROPOLITAN DISTRICT  
STATEMENT OF FIDUCIARY NET POSITION  
DECEMBER 31, 2021**

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	<b>Pension and Other Employee Benefit Trust Funds</b>
	<u>                    </u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 16,263,277
Accounts receivable	121,710
Investments, at fair value:	
Mutual funds	32,550,920
Guaranteed investment contracts	20,235,638
Land	7,524,349
Commingled collective trusts	198,656,130
Real estate	19,825,932
Total assets	<u>295,177,956</u>
<b>LIABILITIES</b>	
Due to other funds	<u>41,338</u>
Total liabilities	<u>41,338</u>
<b>NET POSITION</b>	
Restricted for pension benefits	279,203,551
Restricted for OPEB benefits	15,933,067
Total Net Position	<u>\$ 295,136,618</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, 2021**

	<b>Pension and Other Employee Benefit Trust Funds</b>
Additions:	
Contributions:	
Employer	\$ 19,582,400
Plan members	2,896,530
Total contributions	<u>22,478,930</u>
Investment income (loss):	
Net change in fair value of investments	32,785,373
Interest and dividends	3,228,226
	<u>36,013,599</u>
Less investment expenses:	
Investment management fees	1,503,397
Net investment income (loss)	<u>34,510,202</u>
Total additions	<u>56,989,132</u>
Deductions:	
Benefits	24,151,834
Administrative expense	165,126
Total deductions	<u>24,316,960</u>
Change in Net Position	32,672,172
Net Position at Beginning of Year	<u>262,464,446</u>
Net Position at End of Year	<u>\$ 295,136,618</u>

The accompanying notes are an integral part of the financial statements

# THE METROPOLITAN DISTRICT

## NOTES TO FINANCIAL STATEMENTS

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### 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

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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

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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**

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**E. Supplies and Prepaid Items**

All supplies are valued at cost. Supplies 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:

<b>Assets</b>	<b>Years</b>
Buildings	50-75
Machinery and equipment	6-20
Infrastructure	50-150

**THE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS**

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**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) except for differences between projected and actual earnings which is over a closed five-year period. 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) except for differences between projected and actual earnings which is over a closed five-year period. 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

**THE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS**

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while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**L. 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.

**THE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS**

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**Restricted Net Position**

This category represents amounts restricted to use by outside parties.

**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.

**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, 2021, 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.

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.



**THE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS**

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**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). STIF is an investment pool of high-quality, short-term money market instruments with an average maturity of less than 60 days. 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. There were no limitations or restrictions on any withdrawals due to redemption notice periods, liquidity fees, or redemption gates.

**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.

**THE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS**

Based on the criteria described in GASB Statement No. 40, Deposits and Investment Risk Disclosures, \$24,364,149 of the District's bank balance of \$24,614,149 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 21,902,734
Uninsured and collateral held by the pledging bank's trust department, not in the District's name	<u>2,461,415</u>
Total Amount Subject to Custodial Credit Risk	<u>\$ 24,364,149</u>

**Cash Equivalents**

At December 31, 2021, the District's cash equivalents amounted to \$216,140,600. 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.

	<b>Standard &amp; Poor's</b>
State Short-Term Investment Fund (STIF)	AAAm
US Bank	*
*Not Rated	

**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, 2021:

	<u>December 31, 2021</u>	<u>Fair Value Measurements Using</u>		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investments by fair value level:				
Mutual funds	\$ 32,550,920	\$ 32,550,920	\$	\$
Guaranteed investment contracts	20,235,638		3,416,502	16,819,136
Real Estate	<u>7,524,349</u>			<u>7,524,349</u>
Total investments by fair value level	<u>60,310,907</u>	<u>\$ 32,550,920</u>	<u>\$ 3,416,502</u>	<u>\$ 24,343,485</u>
Investments measured at net asset value (NAV):				
Commingled Collective Trusts	198,656,130			
Timberland Investments	9,746,143			
Cornerstone Real Estate	2,196,818			
Intercontinental U.S. REIF	<u>7,882,971</u>			
Total investments measured at NAV	<u>218,482,062</u>			
Total Investments Measured at Fair Value	<u>\$ 278,792,969</u>			

The above investments have no rating or maturity.

**THE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS**

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.

	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency (If Currently Eligible)</u>	<u>Redemption Notice Period</u>
Commingled Collective Trusts	\$ 198,656,130	\$	Up to Monthly	Up to 10 Days
Timberland Investments	9,746,143	549,776	Hold to Maturity	Hold to Maturity (15-18 Years Total)
Cornerstone Real Estate	2,196,818	1,336,013	Hold to Maturity	Hold to Maturity (7-9 Years Total)
Intercontinental U.S. REIF	<u>7,882,971</u>		Quarterly	30-60 days
Total Investments Measured at NAV	<u>\$ 218,482,062</u>			

*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 8.4 years and average duration of 6.7 years, as of December 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 years.

*Timberland Funds:* 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 about 15 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.

**THE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS**

**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, 2021, 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.

**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	\$ 13,853,332	\$ 12,348,908		\$ 165,347		\$	\$	\$ 26,367,587
Customers and employees	6,184,957			18,390,255				24,575,212
Assessments			1,757,314	788,394				2,545,708
Accrued interest			310,814	182,171				492,985
Intergovernmental		10,607,073	11,141,792					21,748,865
Other	154,304				103,118	1,301,291	121,710	1,680,423
Gross receivables	<u>20,192,593</u>	<u>22,955,981</u>	<u>13,209,920</u>	<u>19,526,167</u>	<u>103,118</u>	<u>1,301,291</u>	<u>121,710</u>	<u>77,410,780</u>
Less allowance for uncollectibles	<u>14,749,382</u>	<u>1,912,273</u>		<u>2,305,096</u>		<u>1,301,291</u>		<u>20,268,042</u>
Net Total Receivables	<u>\$ 5,443,211</u>	<u>\$ 21,043,708</u>	<u>\$ 13,209,920</u>	<u>\$ 17,221,071</u>	<u>\$ 103,118</u>	<u>\$ -</u>	<u>\$ 121,710</u>	<u>\$ 57,142,738</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	\$ 18,602
Water Utility	OPEB Trust Fund	22,736

**THE METROPOLITAN DISTRICT  
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Interfund transfers are generally used to supplement revenues of other funds. Interfund transfers for the year ended December 31, 2021 were as follows:

	<b>Transfers In</b>		
	<b>General Fund</b>	<b>Debt Service Fund</b>	<b>Total Transfers Out</b>
Transfers out:			
General Fund	\$	\$ 36,035,881	\$ 36,035,881
Clean Water Fund	531,209	57,666,963	58,198,172
<b>Total Transfers In</b>	<b>\$ 531,209</b>	<b>\$ 93,702,844</b>	<b>\$ 94,234,053</b>

**D. Capital Assets**

Capital asset activity for the year ended December 31, 2021 was as follows:

	<b>Beginning Balance</b>	<b>Increases</b>	<b>Decreases</b>	<b>Ending Balance</b>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 10,326,860	\$	\$	\$ 10,326,860
Construction in progress	938,535,362	99,412,873	52,820,342	985,127,893
Total capital assets not being depreciated	948,862,222	99,412,873	52,820,342	995,454,753
Capital assets being depreciated:				
Buildings	501,206,751	8,469,729	447,952	509,228,528
Machinery and equipment	64,759,136	11,868,149	1,155,855	75,471,430
Infrastructure	878,401,027	33,292,529	2,423	911,691,133
Total capital assets being depreciated	1,444,366,914	53,630,407	1,606,230	1,496,391,091
Less accumulated depreciation for:				
Buildings	197,125,945	18,207,811	447,952	214,885,804
Machinery and equipment	24,957,637	4,274,451	968,717	28,263,371
Infrastructure	200,238,916	11,164,613	2,423	211,401,106
Total accumulated depreciation	422,322,498	33,646,875	1,419,092	454,550,281
Total capital assets being depreciated, net	1,022,044,416	19,983,532	187,138	1,041,840,810
<b>Governmental Activities Capital Assets, Net</b>	<b>\$ 1,970,906,638</b>	<b>\$ 119,396,405</b>	<b>\$ 53,007,480</b>	<b>\$ 2,037,295,563</b>

**THE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS**

	<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	\$ 666,000	\$	\$ 10,847,885
Construction in progress	207,660,860	45,848,897	44,498,197	209,011,560
Total capital assets not being depreciated	<u>217,842,745</u>	<u>46,514,897</u>	<u>44,498,197</u>	<u>219,859,445</u>
Capital assets being depreciated:				
Buildings	162,776,276	3,313,732	351,763	165,738,245
Machinery and equipment	35,736,130	12,643,451	767,732	47,611,849
Infrastructure	457,139,840	30,287,269	995,044	486,432,065
Total capital assets being depreciated	<u>655,652,246</u>	<u>46,244,452</u>	<u>2,114,539</u>	<u>699,782,159</u>
Less accumulated depreciation for:				
Buildings	65,464,047	3,723,201	351,763	68,835,485
Machinery and equipment	16,502,517	2,584,087	767,732	18,318,872
Infrastructure	142,626,575	10,059,033	281,515	152,404,093
Total accumulated depreciation	<u>224,593,139</u>	<u>16,366,321</u>	<u>1,401,010</u>	<u>239,558,450</u>
Total capital assets being depreciated, net	<u>431,059,107</u>	<u>29,878,131</u>	<u>713,529</u>	<u>460,223,709</u>
Business-Type Activities Capital Assets, Net	<u>\$ 648,901,852</u>	<u>\$ 76,393,028</u>	<u>\$ 45,211,726</u>	<u>\$ 680,083,154</u>

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

Governmental activities:	
General government	\$ 1,468,537
Operations	11,850,227
Plant and maintenance	<u>20,328,111</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 33,646,875</u>
Business-type activities:	
Water	\$ 16,233,389
Hydroelectricity	<u>132,932</u>
Total Depreciation Expense - Business-Type Activities	<u>\$ 16,366,321</u>

**THE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS**

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**Construction Commitments**

The District has active construction projects as of December 31, 2021. At year end, the District's commitments with contractors for governmental activities are as follows:

<u>Project Name</u>	<u>Remaining Commitment</u>
2015 SHCST Construction - Clean Water II	\$ 40,068,338
2021 Various Sewer Pipe Replacement & Rehabilitation Program	2,552,577
2021 WPC Infrastructure Rehabilitation, Upgrades & Replacements	2,538,011
2017 Hartford WPCF DAFT Upgrade	1,786,589
2018 Sewer Rehabilitation Program	1,315,514
2020 Various Sewer Pipe Replacement & Rehabilitation	866,096
2015 Hartford WPCF DAFT 1&2 (SPB Solids)	790,424
2019 Oakwood Avenue Area Sewer Replacement - Phase 1	763,170
2019 Sewer Rehabilitation Program	537,500
2018 WPC Plant Infrastructure Renewal and Replacement	510,475
2017 Sewer Rehabilitation Program	466,671
2017 WPC Equipment & Facilities Improvements	427,858
2020 Hartford Sewershed Large Diameter Sewer	377,680
Multiple projects < \$75K	377,666
2020 Admin Facilities & Equipment Improvement	345,362
2014 General Purpose Sewer	256,723
2016 WPC Electrical Upgrades	255,180
2017 WPC SCADA Upgrades	169,174
2021 Northern Interceptor Sewer Rehabilitation	163,062
2014 Various Sewer Pipe Replacement & Rehabilitation	157,968
2012 HWPCF Solids Handling & Processing	153,053
2019 WPC Infrastructure, Rehabilitation, Upgrades and Replacements	149,139
2015 General Purpose Sewer	<u>75,822</u>
 Total	 \$ <u><u>55,104,052</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>
AWMR -Contract #4	\$ 4,269,790
2021 Wickham Hill Area Water Main Replacement	4,183,188
2021 New Park Avenue Water Main Replacement	2,015,377
Newington Road Water Main Replacement Program	1,915,000
Saybrooke and Bonner St 2018B-17	1,036,094
Webster Hill Area Water Main Replacement WH	772,826
2018 Buckingham Street Area Water Main Replacement	737,642
Farmington Ave/WH Center Water Main Replacement	711,685
2018 Madison Ave Area Water Main Replacement	616,919
2019 Oakwood Ave Water Main Replacement 1&2	512,009
2019 Water Main Replacement Program	444,694
2019 Administrative Facilities and Equipment Improvements	359,458
2019 Bloomfield Transmission Main Extension Phase II	339,671
AWMR-Contract #3 Change Order #5	318,952
Multiple Projects < \$75K	259,574
2015 Water Supply Improvements	216,035
WT Facilities Infrastructure Rehabilitation, Upgrades & Replacements	139,268
2018 Water Main Replacement Program	109,459
2020 Long Hill Road Water Main	90,099
2012 General Purpose Water	<u>88,265</u>
Total	<u>\$ 19,136,005</u>

The commitments are being financed with general obligation bonds and state and federal grants.

**E. Operating Leases**

Total operating lease payments for office equipment totaled \$108,105 for the year ended December 31, 2021. Future operating lease commitments are as follows:

	<u>Amount</u>
2022	\$ 108,774
2023	104,512
2024	50,867
2025	13,979
2026	<u>1,678</u>
Total	<u>\$ 279,810</u>



**THE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS**

**F. Long-Term Debt**

**Changes in Long-Term Liabilities**

Long-term liability activity for the year ended December 31, 2021 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	\$ 301,040,982	\$	80,539,870	\$	42,531,188	\$	339,049,664	\$	21,325,176
Revenue bonds	252,350,000		201,440,000		128,385,000		325,405,000		15,950,000
Premiums	68,379,540		32,110,012		28,751,588		71,737,964		
Total bonds payable	<u>621,770,522</u>		<u>314,089,882</u>		<u>199,667,776</u>		<u>736,192,628</u>		<u>37,275,176</u>
Clean water fund loans	476,391,446		39,913,700		80,888,855		435,416,291		48,395,642
Compensated absences	2,857,592		2,626,112		2,748,983		2,734,721		2,714,895
Net pension liability	24,280,899				6,151,548		18,129,351		
Net OPEB Liability	73,346,571		2,161,465				75,508,036		
Total Governmental Activities Long-Term Liabilities	<u>\$ 1,198,647,030</u>	\$	<u>\$ 358,791,159</u>	\$	<u>\$ 289,457,162</u>	\$	<u>\$ 1,267,981,027</u>	\$	<u>\$ 88,385,713</u>
Business-Type Activities:									
General obligation bonds	\$ 246,359,019	\$	65,505,130	\$	28,058,812	\$	283,805,337	\$	19,049,825
Premiums	28,687,419		14,986,427		8,120,312		35,553,534		
Total bonds payable	<u>275,046,438</u>		<u>80,491,557</u>		<u>36,179,124</u>		<u>319,358,871</u>		<u>19,049,825</u>
Drinking water fund loans	49,861,600		10,399,594		3,471,253		56,789,941		5,730,234
Compensated absences	3,592,441		3,537,598		3,529,417		3,600,622		3,047,198
Claims and judgments	6,283,811		15,839,850		15,732,336		6,391,325		750,859
Settlement liability	5,814,247				5,814,247		-		
Net pension liability	33,076,313				8,518,963		24,557,350		
Net OPEB Liability	99,915,333		2,365,071				102,280,404		
Total Business-Type Activities Long-Term Liabilities	<u>\$ 473,590,183</u>	\$	<u>\$ 112,633,670</u>	\$	<u>\$ 73,245,340</u>	\$	<u>\$ 512,978,513</u>	\$	<u>\$ 28,578,116</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	\$ 339,049,664
Business-type activities	Various	<u>283,805,337</u>
		<u>\$ 622,855,001</u>

**THE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS**

**Governmental Activities**

<u>Description</u>	<u>Date of Issue</u>	<u>Original Amount</u>	<u>Interest Rate</u>	<u>Date of Maturity</u>	<u>Principal Outstanding 12/31/2021</u>
2010 Refunding Sewer	6/1/2010	\$ 10,506,495	2.56 %	2022	\$ 1,018,340
2014 GO Series A Sewer	8/6/2014	19,914,230	2.86	2035	12,936,846
2014 Refunding Sewer	8/6/2014	9,197,066	1.48	2024	1,010,553
2015 GO Series A Sewer	3/19/2015	33,973,310	2.85	2035	23,840,875
2015 GO Series B Sewer	11/3/2015	5,097,470	2.66	2035	3,567,200
2016 GO Series A Sewer	2/18/2016	17,431,020	2.30	2036	13,071,250
2016 Refunding Sewer	4/28/2016	18,301,300	1.64	2028	10,109,310
2016 GO Series C Sewer	12/1/2016	67,900,630	3.86	2034	51,931,150
2018 GO Series A Sewer	7/31/2018	62,591,950	3.31	2038	53,203,440
2019 GO Series A Sewer	8/8/2019	38,395,250	2.55	2039	34,555,190
2019 Refunding B Sewer	8/8/2019	26,533,410	2.05	2035	23,140,640
2019 Refunding C Sewer	8/8/2019	32,070,000	2.74	2040	30,125,000
2021 GO Series A Sewer	8/31/2021	74,356,690	2.00	2041	74,356,690
2021 Refunding B Sewer	8/31/2021	6,183,180	1.24	2033	6,183,180
Total General Obligation Bonds					<u>339,049,664</u>
2020 Revenue Refunding A Sewer	8/25/2020	55,010,000	2.48	2045	50,000,000
2020 Revenue Refunding B Sewer	8/25/2020	76,065,000	2.37	2039	73,965,000
2021 Revenue Bond Sewer	11/3/2021	66,030,000	1.55	2041	66,030,000
2021 Revenue Refunding B Sewer	11/3/2021	135,410,000	2.61	2042	<u>135,410,000</u>
Total Revenue Bonds					<u>325,405,000</u>
					<u>\$ 664,454,664</u>

**Business-Type Activities**

<u>Description</u>	<u>Date of Issue</u>	<u>Original Amount</u>	<u>Interest Rate</u>	<u>Date of Maturity</u>	<u>Principal Outstanding 12/31/2021</u>
2010 Refunding Water	6/1/2010	\$ 2,338,504	2.56 %	2022	\$ 226,661
2014 GO Series A Water	8/6/2014	27,820,770	2.86	2035	18,073,154
2014 Refunding Water	8/6/2014	5,647,933	1.48	2024	1,139,447
2015 GO Series A Water	3/19/2015	32,766,691	2.85	2035	22,994,126
2015 GO Series B Water	11/3/2015	31,117,530	2.66	2035	21,772,800
2016 GO Series A Water	2/18/2016	15,593,980	2.30	2036	11,678,750
2016 Refunding Water	4/28/2016	29,733,700	1.64	2028	16,425,690
2016 GO Series C Water	12/1/2016	40,414,370	3.86	2034	30,883,850
2018 GO Series A Water	7/31/2018	48,178,050	3.31	2038	40,951,559
2019 GO Series A Water	8/8/2019	38,104,750	2.55	2039	34,294,810
2019 Refunding B Water	8/8/2019	22,771,590	2.05	2035	19,859,360
2021 GO Series A Water	8/31/2021	56,453,310	2.00	2041	56,453,310
2021 Refunding B Water	8/31/2021	9,051,820	1.24	2033	9,051,820
					<u>\$ 283,805,337</u>

**THE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS**

Annual debt service requirements to maturity for general obligation bonds are as follows:

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>	
	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>
2022	\$ 21,325,176	\$ 14,775,883	\$ 19,049,825	\$ 12,022,381
2023	20,377,139	13,845,486	18,767,861	11,215,264
2024	20,304,451	12,874,406	18,840,549	10,313,126
2025	21,023,154	11,971,783	19,206,846	9,467,842
2026	21,225,044	10,989,336	19,329,956	8,570,939
2027-2031	103,048,896	40,909,431	89,646,104	31,017,813
2032-2036	86,271,554	18,858,644	69,583,446	13,306,803
2037-2041	45,474,250	4,742,439	29,380,750	3,043,211
<b>Total</b>	<b>\$ 339,049,664</b>	<b>\$ 128,967,408</b>	<b>\$ 283,805,337</b>	<b>\$ 98,957,379</b>

**Authorized but Unissued Bonds**

The total of authorized but unissued bonds at December 31, 2021 is \$643,563,273. 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, 2021, the District reported unspent bond proceeds of \$31,306,037 and \$5,699,446 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:

<b>Purpose</b>	<b>Interest Rates</b>	<b>Amount</b>
Governmental Activities	Various	\$ <u>325,405,000</u>

**THE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS**

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Annual debt service requirements to maturity for revenue bonds are as follows:

		<b>Governmental Activities</b>	
		<b>Principal</b>	<b>Interest</b>
2022	\$	15,950,000	\$ 9,388,541
2023		12,700,000	9,801,913
2024		12,855,000	9,408,470
2025		13,045,000	8,987,633
2026		15,850,000	8,533,212
2027-2031		87,060,000	34,232,356
2032-2036		87,705,000	19,049,584
2037-2041		68,185,000	7,428,185
2042-2045		<u>12,055,000</u>	<u>735,565</u>
Total	\$	<u>325,405,000</u>	\$ <u>107,565,459</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.

**THE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS**

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.

<b>Governmental Activities</b>				
Description	Date of Issue	Original Amount	Interest Rate	Principal Outstanding 12/31/2021
CSL142	09/04/08	\$ 6,200,000	2.00 %	\$ 1,911,667
CSL149	03/31/09	12,710,000	2.00	4,289,625
CWF160C	12/27/07	1,888,557	2.00	519,353
166-CSL1	03/31/12	21,907,709	2.00	10,361,754
214-CSL	12/30/15	14,198,442	2.00	9,583,948
CWF267C	3/19/03	5,213,046	2.00	56,671
CWF451C	12/17/04	3,987,010	2.00	483,887
CWF494C	6/27/03	2,029,367	2.00	101,469
CWF508C	04/30/08	1,232,078	2.00	359,356
CWF520C	03/31/09	4,547,580	2.00	1,534,808
CWF521C	09/30/08	4,240,340	2.00	1,325,106
CWF578C	12/19/08	2,042,741	2.00	576,935
578-CD1	01/31/11	2,619,263	2.00	1,178,669
619-D1	03/31/12	12,600,000	2.00	5,959,459
626-C	01/29/13	22,160,848	2.00	11,172,762
652-C	01/31/16	25,528,771	2.00	17,976,510
652-C1	01/31/17	27,234,976	2.00	20,539,711
657-C	07/31/16	33,352,916	2.00	24,319,834
657-C1	07/31/17	40,852,371	2.00	31,830,806
692-C	01/31/18	46,785,354	2.00	37,623,222
657-C2	07/31/18	52,655,657	2.00	43,660,316
CWF 215-C	11/30/18	10,306,693	2.00	8,717,744
CWF 692-C1	01/31/19	31,761,844	2.00	27,129,908
CWF 652-C2	04/30/19	21,862,088	2.00	18,667,627
CWF 657-C3	06/30/19	17,782,244	2.00	15,114,907
CWF 697-DC (CIP)	02/28/20	15,019,750	2.00	12,829,370
CWF 692-C2	04/30/20	33,394,334	2.00	30,291,321
CWF 691-C	05/31/20	190,810	2.00	175,317
CWF 221-CSL	07/31/20	2,091,106	2.00	1,939,188
CWF 692-C3	01/31/21	17,875,420	2.00	17,056,130
CWF 657-C4	06/30/21	5,408,501	2.00	4,827,324
CWF 219-CSL	06/30/21	27,333,273	2.00	26,632,421
Total Permanent Loan Obligations				<u>388,747,125</u>
CWF #692-C	Various	55,010,000		17,646,600
CWF #729-C	Various	66,030,000		14,199,049
CWF	Various	135,410,000		14,823,517
Total Interim Loan Obligations				<u>46,669,166</u>
				<u>\$ 435,416,291</u>

**THE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS**

Drinking Water Fund loans finance the water infrastructure and facility improvements (business-type activities) and will be financed by user charges.

<b>Business-Type Activities</b>				
Description	Date of Issue	Original Amount	Interest Rate	Principal Outstanding 12/31/2021
DWSRF200105C	12/11/03	\$ 2,343,735	2.00 %	\$ 185,547
DWSRF 2010 8008	08/31/11	2,579,412	2.00	1,117,745
DWSRF 2010 8009	02/29/12	772,079	2.00	334,567
DWSRF 2010 8009-1	01/29/13	193,644	2.00	95,446
DWSRF 2013-7012	07/15/14	2,780,620	2.00	1,610,442
DWSRF 2013-7013	06/01/15	2,713,243	2.00	1,668,644
DWSRF 2013-7014	09/30/15	4,691,464	2.00	3,108,095
DWSRF 2013-7015	05/31/16	5,635,824	2.00	3,681,207
DWSRF 2013-7017	06/30/15	2,013,468	2.00	1,275,196
DWSRF 2013-7018	09/30/14	398,083	2.00	233,874
DWSRF 2013-7019	06/30/15	1,539,774	2.00	962,359
DWSRF 2014-7021	04/30/16	3,809,525	2.00	2,444,445
DWSRF 2014-7026	03/31/15	1,691,379	2.00	1,078,254
DWSRF 2014-7029	03/31/16	3,173,899	2.00	2,050,293
DWSRF 2014-7030	07/31/16	1,892,813	2.00	1,285,536
DWSRF 2014-7031	05/31/16	3,626,881	2.00	2,369,006
DWSRF 2014-7032	12/31/16	3,162,716	2.00	2,351,764
DWSRF 2014-7033	08/31/16	1,501,320	2.00	1,079,897
DWSRF 2016-7035	08/31/16	2,203,262	2.00	1,584,802
DWSRF 2016-7042	08/31/16	825,335	2.00	593,662
DWSRF 2016-7043	02/28/17	1,129,379	2.00	845,832
DWSRF 2016-7044	04/30/17	2,754,227	2.00	2,042,719
DWSRF 2016-7045	07/31/17	2,445,859	2.00	1,844,585
DWSRF 2016-7047	02/28/17	3,004,951	2.00	2,250,516
DWSRF 2016-7046	06/29/18	3,051,182	2.00	2,440,946
DWSRF 2018-7061	03/30/19	1,892,634	2.00	1,625,724
DWSRF 2017-7055	04/30/19	1,691,022	2.00	1,459,771
DWSRF 2018-7062	07/31/19	1,814,906	2.00	1,589,981
DWSRF 2019-7074	08/31/20	2,046,805	2.00	1,906,853
DWSRF 2020-7086	01/31/21	1,334,309	2.00	1,272,640
Total Permanent Loan Obligations				<u>46,390,348</u>
DWSRF#2020-7088	various	2,274,924		2,274,924
DWSRF#2021-7092	various	2,781,518		2,781,517
DWSRF#2021-7093	various	4,862,856		4,862,856
DWF	various	480,296		480,296
Total Interim Loan Obligations				<u>10,399,593</u>
				<u>\$ 56,789,941</u>

**THE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS**

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Permanent loan obligations mature as follows:

	<b>Governmental Activities</b>	
	<b>Principal</b>	<b>Interest</b>
2022	\$ 26,526,939	\$ 7,531,340
2023	26,368,800	7,002,690
2024	26,252,000	6,475,898
2025	26,168,571	5,952,109
2026	26,168,571	5,428,738
2027-2031	122,438,890	19,534,136
2032-2036	104,254,828	8,235,037
2037-2041	30,568,526	779,317
	<u>\$ 388,747,125</u>	<u>\$ 60,939,265</u>

	<b>Business-Type Activities</b>	
	<b>Principal</b>	<b>Interest</b>
2022	\$ 3,455,310	\$ 896,488
2023	3,406,483	827,527
2024	3,338,124	760,378
2025	3,338,124	693,708
2026	3,338,124	627,037
2027-2031	16,452,501	2,138,193
2032-2036	11,780,310	614,018
2037-2040	1,281,372	33,376
	<u>\$ 46,390,348</u>	<u>\$ 6,590,725</u>

Interim loan obligations mature and convert to permanent loan obligations as follows:

	<b>Governmental Activities</b>	
	<b>Principal</b>	<b>Interest</b>
2022	\$ 21,868,703	\$ 161,484
2023		
2024	8,913,433	
2025	15,887,030	184,189
	<u>\$ 46,669,166</u>	<u>\$ 345,673</u>

**THE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS**

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	<b>Business-Type Activities</b>	
	<b>Principal</b>	<b>Interest</b>
2022	\$ 2,274,924	\$ 17,112
2023		
2024	<u>8,124,669</u>	<u>48,851</u>
	<u>\$ 10,399,593</u>	<u>\$ 65,963</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.

**General Obligation Bonds - New Issuances and Current Refunding**

On August 31, 2021, the District issued \$130,810,000 in General Obligation Bonds, 2021 Series A comprised of two parts, the BAN repayment of \$77,760,000 with a True Interest Cost (TIC) of 2.00%, and the new money portion of \$53,050,000 with a True Interest Cost (TIC) of 2.00%. The net proceeds from the BAN repayment portion was \$95,456,182 (after payment of the Underwriter's Discount of \$318,026), and the net proceeds from the new money portion was \$65,122,418 (after payment of the Underwriter's Discount of \$216,958).

On November 3, 2021, the District issued \$15,235,000 in General Obligation Bonds, 2021 Series B with a True Interest Cost (TIC) of 1.24%. This Bond refunded the 2013 General Obligation Bonds, Issue of 2013 Series A with an outstanding principal amount of \$18,120,000. The net proceeds were \$18,438,995 (after payment of the Underwriter's Discount of \$55,398). The transaction generated a cash flow savings of \$1,357,037 and an economic gain of \$1,357,739.

**Revenue Bonds – New Issuances and Current Refunding**

On November 3, 2021, the District issued \$66,030,000 in Clean Water Project Revenue Bonds, 2021 Series A with a True Interest Cost (TIC) of 1.55%. This Bond refunded five Project Loan Obligations (CWF 619-C1, CWF 646-C, CWF 626-CD1, CWF 619-CD1 and CWF 686-C) issued through the State of Connecticut's Clean Water Fund, with an outstanding principal amount of \$50,682,468. Those Project Loan Obligations had an interest rate of 2%. This bond also refunded the General Obligation Bonds, Issue of 2013, Series B with a Par Value of \$25,030,000 with the outstanding principal amount of \$15,000,000. Additionally, there was \$13,300,000 in new money proceeds in this issuance. The net proceeds were \$79,456,802 (after payment of the Underwriter's Discount of \$106,658). The transaction generated a cash flow savings of \$2,960,044 and an economic gain of \$2,960,044.

On November 3, 2021, the District issued \$135,410,000 in Clean Water Project Revenue Bonds, 2021 Series B with a True Interest Cost (TIC) of 2.61%. This Bond refunded the Clean Water Project Revenue Bonds, 2014 Series A (Green Bonds) with an outstanding principal amount of \$119,865,000. The net proceeds were \$135,163,555 (after payment of the Underwriter's Discount of \$246,445). The transaction generated a cash flow savings of \$16,812,693 and a net present value savings of \$16,812,693.



**THE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS**

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**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>
\$ 1,366,406,598	\$ 802,420,538	\$ 563,986,060

**G. Fund Balance**

The components of fund balance for the governmental funds at December 31, 2021 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	\$ 662,737	\$	\$	\$	\$ 662,737
Supplies	3,457,138				3,457,138
Restricted for:					
Debt service		5,200,545			5,200,545
Committed to:					
Debt service			70,745,818	31,861,404	102,607,222
Unassigned	<u>25,589,950</u>				<u>25,589,950</u>
Total Fund Balances	<u>\$ 29,709,825</u>	<u>\$ 5,200,545</u>	<u>\$ 70,745,818</u>	<u>\$ 31,861,404</u>	<u>\$ 137,517,592</u>

There were no outstanding encumbrances at December 31, 2021.

**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.

**THE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS**

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At January 1, 2021, membership consisted of:

Retirees, disabled and beneficiaries currently receiving benefits	642
Terminated members entitled to but not yet receiving benefits	53
Current active members	<u>429</u>
Total Members	<u><u>1,124</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.

**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.

**THE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS**

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**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, 2021:

<u>Asset Class</u>	<u>Target Allocation</u>
Core Fixed Income	10.00%
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	12.50%
Real Estate (REITS)	10.00%
Commodities	5.00%

**Rate of Return**

For the year ended December 31, 2021, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 13.72%. 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, 2021 were as follows:

Total pension liability	\$ 321,890,252
Plan fiduciary net position	<u>279,203,551</u>
Net Pension Liability	<u>\$ 42,686,701</u>
Plan fiduciary net position as a percentage of the total pension liability	86.74%

The net pension liability is recorded in the Water Utility Fund (Proprietary Fund), and the Governmental Activities of the District.

**THE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS**

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**Actuarial Assumptions**

The total pension liability was determined by an actuarial valuation as of January 1, 2021, 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	6.75%, 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, 2021 (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	1.25%
Global Funds	53.00%
Large Cap U.S. Equities	3.96%
Mid Cap U.S. Equities	4.30%
Small Cap U.S. Equities	5.13%
Developed Foreign Equities	5.76%
Real Estate (REITS)	5.16%
Commodities	4.16%

**Discount Rate**

The discount rate used to measure the total pension liability was 6.75%. 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, 2021 decreased 0.125% to 6.75% from 6.875% at December 31, 2020.

**THE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS**

**Changes in the Net Pension Liability**

<b>Metropolitan District Employees' Retirement System</b>			
	<b>Increase (Decrease)</b>		
	<b>Total Pension Liability (a)</b>	<b>Plan Fiduciary Net Position (b)</b>	<b>Net Pension Liability (a)-(b)</b>
Balances as of January 1, 2021	\$ 310,703,505	\$ 253,346,293	\$ 57,357,212
Changes for the year:			
Service cost	4,684,449		4,684,449
Interest on total pension liability	21,004,988		21,004,988
Differences between expected and actual experience	1,429,146		1,429,146
Changes in assumptions	4,123,207		4,123,207
Employer contributions		9,133,600	(9,133,600)
Member contributions		2,453,012	(2,453,012)
Net investment gain (loss)		34,407,695	(34,407,695)
Benefit payments, including refund of employee contributions	(20,055,043)	(20,055,043)	-
Administrative expenses		(82,006)	82,006
Net changes	<u>11,186,747</u>	<u>25,857,258</u>	<u>(14,670,511)</u>
Balances as of December 31, 2021	\$ <u>321,890,252</u>	\$ <u>279,203,551</u>	\$ <u>42,686,701</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 6.75%, 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:

	<b>1% Decrease (5.75%)</b>	<b>Current Discount Rate (6.75%)</b>	<b>1% Increase (7.75%)</b>
District's Net Pension Liability \$	78,929,187	\$ 42,686,701	\$ 11,919,787

**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, 2021, the District recognized pension expense of \$5,792,602, which is recorded within the Water Utility Fund and the Governmental Activities of the District in the amounts of \$3,332,442 and \$2,460,160, respectively. At December 31, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	<b>Metropolitan District Employees' Retirement System</b>	
	<b>Deferred Inflows of Resources</b>	<b>Deferred Outflows of Resources</b>
Differences between expected and actual experience	\$ 44,844	\$ 5,209,457
Changes of assumptions		17,068,945
Net difference between projected and actual earnings on pension plan investments	<u>28,541,450</u>	
Total	<u>\$ 28,586,294</u>	<u>\$ 22,278,402</u>

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

<b><u>Year Ending December 31,</u></b>	
2022	\$ 2,275,729
2023	(3,899,055)
2024	(1,952,954)
2025	<u>(2,731,612)</u>
	<u>\$ (6,307,892)</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, 2021, 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**

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**G. Combining Statement of Net Position**

	<u>Pension Trust Fund</u>	<u>OPEB Trust Fund</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 1,164,382	\$ 15,098,895	\$ 16,263,277
Accounts receivable	46,226	75,484	121,710
Investments, at fair value:			
Mutual funds	31,750,894	800,026	32,550,920
Guaranteed investment contracts	20,235,638		20,235,638
Land	7,524,349		7,524,349
Commingled collective trusts	198,656,130		198,656,130
Real estate	19,825,932		19,825,932
Total assets	<u>279,203,551</u>	<u>15,974,405</u>	<u>295,177,956</u>
<b>LIABILITIES</b>			
Due to other funds	<u>                    </u>	<u>41,338</u>	<u>41,338</u>
Total liabilities	<u>-</u>	<u>41,338</u>	<u>41,338</u>
<b>NET POSITION</b>			
Restricted for Pension and OPEB Benefits	<u>\$ 279,203,551</u>	<u>\$ 15,933,067</u>	<u>\$ 295,136,618</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	\$ 9,133,600	\$ 10,448,800	\$ 19,582,400
Plan members	<u>2,453,012</u>	<u>443,518</u>	<u>2,896,530</u>
Total contributions	<u>11,586,612</u>	<u>10,892,318</u>	<u>22,478,930</u>
Investment earnings:			
Net change in fair value of investments	32,785,373		32,785,373
Interest and dividends	<u>3,123,588</u>	<u>104,638</u>	<u>3,228,226</u>
Total investment earnings (loss)	<u>35,908,961</u>	<u>104,638</u>	<u>36,013,599</u>
Less investment expenses:			
Investment management fees	<u>1,501,266</u>	<u>2,131</u>	<u>1,503,397</u>
Net investment earnings (loss)	<u>34,407,695</u>	<u>102,507</u>	<u>34,510,202</u>
Total additions (reductions)	<u>45,994,307</u>	<u>10,994,825</u>	<u>56,989,132</u>
Deductions:			
Benefits	20,055,043	4,096,791	24,151,834
Administrative expense	<u>82,006</u>	<u>83,120</u>	<u>165,126</u>
Total deductions	<u>20,137,049</u>	<u>4,179,911</u>	<u>24,316,960</u>
Change in Net Position	25,857,258	6,814,914	32,672,172
Net Position at Beginning of Year	<u>253,346,293</u>	<u>9,118,153</u>	<u>262,464,446</u>
Net Position at End of Year	<u>\$ 279,203,551</u>	<u>\$ 15,933,067</u>	<u>\$ 295,136,618</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, 2021. The plan does not issue a stand-alone financial report.



**THE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS**

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At January 1, 2020, plan membership consisted of the following:

	<b>Retiree Health Plan</b>
Retired members	488
Spouses of retired members	336
Active plan members	467
Beneficiaries	<u>165</u>
Total Participants	<u><u>1,456</u></u>

**Funding Policy**

The Retirement Plan is funded from various sources, including

- (a) employee mandatory contribution (employees hired before October 4, 2015 contribute 5% of regular compensation, employees hired between October 4, 2015 and June 5, 2018 contribute 7% 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**

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**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, 2021, the annual money-weighted rate of return on investments, net of investment expense, was 0.98%. 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, 2021. The components of the net OPEB liability of the District at December 31, 2021 were as follows:

Total OPEB liability	\$	193,721,507
Plan fiduciary net position		<u>15,933,067</u>
Net OPEB Liability	\$	<u>177,788,440</u>
Plan fiduciary net position as a percentage of the total OPEB liability		8.22%

**Actuarial Assumptions**

The total OPEB 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, 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, 2021 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%	1.25%
Large Cap U.S. Equities	80%	3.96%

**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.

**Changes in Net OPEB Liability**

	<u>Metropolitan District Employees' Retirement System</u>		
	<u>Increase (Decrease)</u>		
	<u>Total OPEB Liability (a)</u>	<u>Plan Fiduciary Net Position (b)</u>	<u>Net OPEB Liability (a)-(b)</u>
Balances as of January 1, 2021	\$ 182,380,057	\$ 9,118,153	\$ 173,261,904
Changes for the year:			
Service cost	2,842,666		2,842,666
Interest on total OPEB liability	12,595,575		12,595,575
Employer contributions		10,448,800	(10,448,800)
Member contributions		443,518	(443,518)
Net investment gain (loss)		102,507	(102,507)
Benefit payments, including refund of employee contributions	(4,096,791)	(4,096,791)	-
Administrative expenses		(83,120)	83,120
Net changes	<u>11,341,450</u>	<u>6,814,914</u>	<u>4,526,536</u>
Balances as of December 31, 2021	<u>\$ 193,721,507</u>	<u>\$ 15,933,067</u>	<u>\$ 177,788,440</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:

	<u>1% Decrease (5.875%)</u>	<u>Current Discount Rate (6.875%)</u>	<u>1% Increase (7.875%)</u>
Net OPEB liability	\$ 201,272,000	\$ 177,788,440	\$ 158,417,616

**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:

	<u>1% Decrease</u>	<u>Healthcare Cost Trend Rates</u>	<u>1% Increase</u>
Net OPEB liability	\$ 152,249,973	\$ 177,788,440	\$ 209,419,126

**OPEB Expense and Deferred Outflows of Resource and Deferred Inflows of Resource Related to OPEB**

For the year ended December 31, 2021, the District recognized OPEB revenue of \$18,992,487, which is recorded within the Water Utility Fund and the Governmental Activities of the District in the amounts of \$10,926,240 and \$8,066,247, respectively. At December 31, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Metropolitan District Employees' Retirement System</u>	
	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>
Differences between expected and actual experience	\$ 43,464,595	\$ 2,829,394
Changes of assumptions	91,167,054	25,190,389
Net difference between projected and actual earning on OPEB plan investments		<u>769,270</u>
Total	<u>\$ 134,631,649</u>	<u>\$ 28,789,053</u>

**THE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS**

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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>	
2022	\$ (33,216,550)
2023	(31,659,167)
2024	(41,117,133)
2025	<u>150,254</u>
	<u>\$ (105,842,596)</u>

**6. OTHER INFORMATION**

**A. Clean Water Project**

The Clean Water Project addresses approximately one billion gallons of combined wastewater and storm water 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

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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. The resubmitted LTCP introduces the concept of an “Integrated Plan”, which coordinates the District’s ongoing capital improvement and maintenance program with projects necessary to comply 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 forty years. 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, and a new consent order that accounts for Phase I implementation of the proposed IP is expected shortly, but cannot predict when the resubmitted LTCP and new consent order will be issued.

### *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 through 2022 and then increase incrementally 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 outside approvals. The primary reasons for the increase in the Clean Water Project Charge are 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

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### *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 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 may 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, \$332.515 million in Clean Water Project Revenue Bonds, \$325.405 million of which were outstanding as of December 31, 2021. 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. 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 \$1,000,000 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 District holds cyber liability insurance for claims made up to \$1,000,000. 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**

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The claims liability of \$6,391,325 for the self-insurance fund reported at December 31, 2021 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:

		<b>Accrued Liability Beginning of Fiscal Year</b>		<b>Current Year Claims and Changes in Estimates</b>		<b>Claim Payments</b>		<b>Accrued Liability End of Fiscal Year</b>
2020	\$	6,358,539	\$	18,074,522	\$	18,149,250	\$	6,283,811
2021		6,283,811		15,839,850		15,732,336		6,391,325

**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**

The Metropolitan District is engaged in the advancement of an ambitious capital improvement project known as the Clean Water Project (CWP). A component of the CWP is the construction of the South Hartford Conveyance and Storage Tunnel, a 4.1 mile long subterranean tunnel which begins at the MDC plant located in the South Meadows of Hartford and ends in West Hartford. The contractor constructing the project on behalf of the MDC is Kenny/Obayashi, A Joint Venture (KOJV), and the cost of the project is \$279,400,000, funding by the MDC and the State of Connecticut. It is anticipated that the tunnel project will achieve substantial completion in August 2022.

In the course of constructing the first phase of the tunnel, KOJV alleges that it encountered “differing site conditions,” and, as a result, it alleges that it incurred additional costs beyond those costs identified in the contract. KOJV has estimated that the cost impacts of the differing site conditions to be in excess of \$41 million. The MDC vigorously disputes KOJV’s claim for any additional compensation, and, in April 2021, a two-day hearing was held before a three-member Dispute Resolution Board (DRB) that had been contractually agreed to and appointed jointly by the parties. Due to the resignation of one of the three members shortly after the hearing, the DRB has yet to issue any rulings. It is impossible to state with any certainty if, how, and when the DRB will reconstitute itself and, if so, how it might rule. The issue of how the DRB should be reconstituted is pending pursuant to litigation brought by KOJV in Hartford Superior Court.



**THE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS**

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In contrast, the MDC alleges that KOJV has failed to achieve certain construction completion milestones that were agreed to by KOJV when it entered into the construction contract. As a result, the MDC submits that KOJV is liable to the MDC for certain liquidated damages that must be paid by KOJV to compensate the MDC for various costs and expenses incurred as a result in the contractor's delay in achieving these milestones. It is anticipated that the liquidated damage claims to be assessed against KOJV will exceed \$20 million.

In terms of "materiality," the MDC has sufficient contract contingency funds to meet its alleged exposure, and the State is expected to participate in satisfying any successful claim as well. Further, as noted, the MDC expects an offset on any successful claim for liquidated damages.

**7. RESTATEMENT**

The MDC reported a restatement in the general and clean water project funds for revenue recognition under the modified accrual basis of accounting on sewer use and grant receivables. The MDC restated beginning balances as follows:

	<u>General</u>	<u>Clean Water Project</u>
Fund balance at December 31, 2020, as previously reported	\$ 35,585,675	\$ 75,165,949
Adjustments:		
Receivables not received within 60 days	<u>(3,378,645)</u>	<u>(10,050,084)</u>
Fund balance at January 1, 2020, as Restated	<u>\$ 32,207,030</u>	<u>\$ 65,115,865</u>

**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, 2021**

	<u>Budgeted Amounts</u>			<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Taxation:				
Hartford	\$ 13,169,100	\$ 13,169,100	\$ 13,169,100	\$ -
East Hartford	6,015,200	6,015,200	6,015,200	-
Newington	4,681,000	4,681,000	4,681,000	-
Wethersfield	4,214,100	4,214,100	4,214,100	-
Windsor	4,551,500	4,551,500	4,551,500	-
Bloomfield	3,808,100	3,808,100	3,808,100	-
Rocky Hill	3,171,200	3,171,200	3,171,200	-
West Hartford	11,865,500	11,865,500	11,865,500	-
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	1,380,600	1,380,600	1,591,355	210,755
Customer service charge	7,699,300	7,699,300	7,107,365	(591,935)
Nonmunicipal - tax exempt	6,308,300	6,308,300	5,985,706	(322,594)
Hi-flow charges	3,259,200	3,259,200	1,565,473	(1,693,727)
Hi-strength	770,000	770,000	577,802	(192,198)
Manchester	243,000	243,000	167,838	(75,162)
South Windsor	20,000	20,000	15,445	(4,555)
Farmington	180,000	180,000	161,183	(18,817)
Cromwell	20,000	20,000	11,599	(8,401)
DEEP/Landfill discharge fees	120,000	120,000		(120,000)
Total	<u>20,000,400</u>	<u>20,000,400</u>	<u>17,183,766</u>	<u>(2,816,634)</u>
Sewer user rebates				-
Total sewer user fees	<u>20,000,400</u>	<u>20,000,400</u>	<u>17,183,766</u>	<u>(2,816,634)</u>
Intergovernmental:				
Sludge handling	11,436,400	11,436,400	11,044,402	(391,998)
Household hazardous waste	30,000	30,000	26,591	(3,409)
Total intergovernmental	<u>11,466,400</u>	<u>11,466,400</u>	<u>11,070,993</u>	<u>(395,407)</u>
Investment income	<u>200,000</u>	<u>200,000</u>	<u>30,448</u>	<u>(169,552)</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, 2021**

	<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	\$ 13,990	\$ (6,010)
FOG Charges	236,000	236,000	234,165	(1,835)
Developers	582,000	582,000	-	(582,000)
Payroll additives and indirect costs			64,615	64,615
Late payment charges	1,029,900	1,029,900	1,283,678	253,778
Labor additives and overhead			51,086	51,086
Property rents	145,600	145,600	134,564	(11,036)
Sale of materials/equipment	88,000	88,000	209,255	121,255
Septage/glycol discharge fees	1,463,700	1,463,700	1,356,422	(107,278)
Rebates and reimbursements	15,000	15,000	375,227	360,227
PM Unit	6,291,000	6,291,000	6,291,000	-
Vendor discount revenue	500	500	6,249	5,749
Miscellaneous	150,000	150,000	71,822	(78,178)
Total other revenues	<u>10,021,700</u>	<u>10,021,700</u>	<u>10,092,073</u>	<u>70,373</u>
Total revenues	<u>93,164,200</u>	<u>93,164,200</u>	<u>89,852,980</u>	<u>(3,311,220)</u>
Other financing sources:				
Transfers in	3,800,000	3,800,000	-	(3,800,000)
	<u>3,800,000</u>	<u>3,800,000</u>	<u>-</u>	<u>(3,800,000)</u>
Total Revenues and Other Financing Sources	<u>96,964,200</u>	<u>96,964,200</u>	<u>89,852,980</u>	<u>(7,111,220)</u>
Expenditures:				
General government:				
District Board	203,600	203,600	170,870	32,730
Executive office	1,462,000	1,462,000	1,197,808	264,192
Legal	744,400	744,400	596,570	147,830
Information systems	2,760,000	2,760,000	2,694,328	65,672
Finance	2,486,980	2,476,200	2,311,597	164,603
Total general government	<u>7,656,980</u>	<u>7,646,200</u>	<u>6,971,173</u>	<u>675,027</u>
Engineering and planning	<u>546,500</u>	<u>546,500</u>	<u>444,991</u>	<u>101,509</u>
Operations:				
Environmental health and safety	469,400	469,400	399,078	70,322
Command Center	1,512,700	1,512,700	1,376,744	135,956
Chief Operating office	360,300	360,300	358,738	1,562
Customer service	1,045,720	1,056,500	908,597	147,903
Operations	<u>3,068,800</u>	<u>3,068,800</u>	<u>2,882,211</u>	<u>186,589</u>
Total operations	<u>6,456,920</u>	<u>6,467,700</u>	<u>5,925,368</u>	<u>542,332</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, 2021**

	<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	\$ 17,456,700	\$ 17,456,700	\$ 16,340,842	\$ 1,115,858
Laboratory services	750,700	750,700	680,226	70,474
Maintenance	5,966,800	5,966,800	4,942,074	1,024,726
Special agreements and programs	1,556,900	1,556,900	1,316,583	240,317
Total plants and maintenance	<u>25,731,100</u>	<u>25,731,100</u>	<u>23,279,725</u>	<u>2,451,375</u>
Employee benefits and other:				
Employee benefits	16,054,500	16,054,500	15,883,659	170,841
General insurance	2,447,900	2,447,900	2,416,925	30,975
Total employee benefits and other	<u>18,502,400</u>	<u>18,502,400</u>	<u>18,300,584</u>	<u>201,816</u>
Contingency	<u>1,980,000</u>	<u>1,980,000</u>		<u>1,980,000</u>
Debt service:				
Principal	21,544,100	21,544,100	21,544,065	35
Interest	12,570,300	11,631,236	11,631,236	-
Outside services		5,255	5,255	-
Legal services	251,000	49,129	33,636	15,493
Transfer out	1,724,900	2,860,580	2,860,580	-
Total debt service	<u>36,090,300</u>	<u>36,090,300</u>	<u>36,074,772</u>	<u>15,528</u>
Total expenditures	<u>96,964,200</u>	<u>96,964,200</u>	<u>90,996,613</u>	<u>5,967,587</u>
Net Change in Fund Balance	\$ <u>-</u>	\$ <u>-</u>	(1,143,633)	\$ <u>(1,143,633)</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	561,849
The District does not budget for sales accruals	(30,656)
The District does not budget for certain interest and note expense	(240,984)
The District does not budget for billable or developer payroll	(219,599)
The District does not budget for billable or developer accrual	49,644
The District does not budget for certain non-funded payroll	(49,096)
The District does not budget for year end payroll accruals	(78,961)
The District does not budget for bad debts	(1,098,075)
The District does not budget for year end expense accruals	483,175
The District does not budget for liquid waste discharge accruals	<u>(730,869)</u>

Net Change in Fund Balance as Reported on the Statement of Revenues,  
Expenditures and Changes in Fund Balances - Governmental Funds \$ (2,497,205)

**THE METROPOLITAN DISTRICT  
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS  
MDERS  
LAST EIGHT FISCAL YEARS\***

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total pension liability:								
Service cost	\$ 4,684,449	\$ 4,679,208	\$ 4,201,054	\$ 4,088,615	\$ 3,989,674	\$ 4,121,036	\$ 3,977,923	\$ 3,534,272
Interest	21,004,988	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	1,429,146	1,826,376	2,768,238	8,180,799	(605,374)	159,570	(348,426)	
Changes of assumptions	4,123,207	18,425,798	6,966,524				7,992,450	
Benefit payments, including refunds of member contributions	<u>(20,055,043)</u>	<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	11,186,747	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>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>	<u>228,863,187</u>
Total pension liability - ending	<u>321,890,252</u>	<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	9,133,600	8,650,763	5,688,000	6,500,000	6,300,000	6,361,424	6,000,000	5,918,000
Contributions - member	2,453,012	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)	34,407,695	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	(20,055,043)	(18,776,033)	(18,226,458)	(17,748,776)	(17,299,291)	(15,950,213)	(15,844,541)	(15,448,154)
Administrative expense	(82,006)	(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>25,857,258</u>	<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>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>	<u>192,350,069</u>
Plan fiduciary net position - ending	<u>279,203,551</u>	<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>42,686,701</u>	\$ <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	86.74%	81.54%	79.60%	74.72%	85.53%	79.63%	78.97%	85.07%
Covered payroll	\$ 47,184,831	\$ 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	90.47%	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, 2021 decreased 0.125% to 6.75% from 6.875% at December 31, 2020.

\*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**

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Actuarially determined contribution	\$ 9,133,515	\$ 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
Contributions in relation to the actuarially determined contribution	9,133,600	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
Contribution Deficiency (Excess)	<u>\$ (85)</u>	<u>\$ (1,894,418)</u>	<u>\$ 1,068,345</u>	<u>\$ (852,521)</u>	<u>\$ (923,622)</u>	<u>\$ -</u>	<u>\$ (194,777)</u>	<u>\$ (60,399)</u>	<u>\$ (76,572)</u>	<u>\$ (474,542)</u>
Covered payroll	\$ 47,184,831	\$ 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
Contributions as a percentage of covered payroll	19.36%	19.26%	12.66%	15.19%	14.97%	14.47%	14.07%	14.27%	15.17%	14.08%

Notes to Schedule

Valuation date: January 1, 2021  
 Measurement date: December 31, 2021  
 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: 18 years
- Asset valuation method: 5-years, non-asymptotic
- Inflation: 2.75%
- Salary increases: 3.50%
- Investment rate of return: 6.75%
- 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 EIGHT FISCAL YEARS\***

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	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Annual money-weighted rate of return, net of investment expense	13.72%	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 FIVE FISCAL YEARS\***

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total OPEB liability:					
Service cost	\$ 2,842,666	\$ 8,810,535	\$ 6,698,208	\$ 8,531,854	\$ 7,730,316
Interest	12,595,575	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	(4,096,791)	(5,226,394)	(5,465,311)	(5,313,360)	(5,564,433)
Net change in total OPEB liability	<u>11,341,450</u>	<u>(192,598,830)</u>	<u>85,680,224</u>	<u>(25,018,533)</u>	<u>29,304,791</u>
Total OPEB liability - beginning	<u>182,380,057</u>	<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>193,721,507</u>	<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	10,448,800	10,349,000	9,146,000	5,000,000	5,000,000
Contributions - member	443,518	1,477,112	1,155,677	869,481	804,712
Net investment income (loss)	102,507	2,531			
Reimbursements			179,878	241,355	451,135
Benefit payments	(4,096,791)	(6,244,093)	(6,341,967)	(6,185,680)	(6,595,450)
Administrative expense	(83,120)		(5,589)		
Special item					(26,346,000)
Net change in plan fiduciary net position	<u>6,814,914</u>	<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>9,118,153</u>	<u>3,533,603</u>	<u>(600,396)</u>	<u>(525,552)</u>	<u>26,160,051</u>
Plan fiduciary net position - ending	<u>15,933,067</u>	<u>9,118,153</u>	<u>3,533,603</u>	<u>(600,396)</u>	<u>(525,552)</u>
Net OPEB Liability - Ending	<u>\$ 177,788,440</u>	<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	8.22%	5.00%	0.94%	-0.21%	-0.17%
Covered payroll	\$ 46,502,237	\$ 43,143,678	\$ 43,143,678	\$ 43,535,483	\$ 43,535,483
Net OPEB liability as a percentage of covered payroll	382.32%	401.59%	860.95%	665.89%	723.19%

\* 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**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Actuarially determined contribution (1)	\$ 11,673,290	\$ 13,846,000	\$ -	\$ -	\$ 18,458,692	\$ 15,855,000	\$ 14,765,820	\$ 15,755,000	\$ 15,162,000	\$ 14,301,000
Contributions in relation to the actuarially determined contribution	<u>10,448,800</u>	<u>10,349,000</u>	<u>9,146,000</u>	<u>5,000,000</u>	<u>5,000,000</u>	<u>5,000,000</u>	<u>5,000,000</u>	<u>5,588,854</u>	<u>6,512,592</u>	<u>7,932,085</u>
Contribution deficiency (excess)	<u>\$ 1,224,490</u>	<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>
Covered payroll	\$ 46,502,237	\$ 43,143,578	\$ 43,143,678	\$ 43,535,483	\$ 43,535,483	\$ 41,000,000	\$ 41,000,000	\$ 40,000,000	\$ 40,000,000	\$ 40,000,000
Contributions as a percentage of covered payroll	22.47%	23.99%	21.20%	11.48%	11.48%	12.20%	12.20%	13.97%	16.28%	19.83%

(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  
RETIREE HEALTH PLAN  
LAST FIVE FISCAL YEARS\***

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	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Annual money-weighted rate of return, net of investment expense	0.98%	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.

## APPENDIX B – FORM OF LEGAL OPINION OF BOND COUNSEL AND TAX EXEMPTION

The legal opinion of the firm of Shipman & Goodwin LLP of Hartford, Connecticut, Bond Counsel, will be furnished to the successful purchaser 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 successful purchaser.

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 \$74,380,000 General Obligation Bonds, Issue of 2022, dated August 30, 2022, maturing August 1, 2023-2042 (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 30, 2022, 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 imposed on individuals under the Code; however, such interest is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the alternative minimum tax imposed on corporations under the Code for tax years beginning after December 31, 2022.

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 imposed on individuals. However, such interest is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the alternative minimum tax imposed on corporations under the Code for tax years beginning after December 31, 2022.

*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 prices of certain maturities of the Bonds (the “OID Bonds”) may be less than their stated principal amounts. Under existing law, the difference between the stated principal amount and the initial offering price of each maturity of the OID Bonds to the public (excluding bond houses and brokers) at which a substantial amount such maturity of the OID Bonds is sold will constitute original issue discount (“OID”). The offering prices relating to the yields set forth on the cover page of this Official Statement for the OID Bonds are expected to be the initial offering prices to the public at which a substantial amount of each maturity 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 prices of certain maturities of the Bonds (the “OIP Bonds”) may be more than their stated principal amounts. 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 OIP 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 – FORM OF CONTINUING DISCLOSURE AGREEMENT

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) certain annual financial information and operating data, (ii) timely, but not in excess of ten (10) business days after the occurrence of the event, notice of the occurrence of certain listed events with respect to the Bonds, and (iii) timely notice of a failure by the District to provide the required annual financial information on or before a specified date, all pursuant to a Continuing Disclosure Agreement for the Bonds in substantially the following form:

### CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (the "Agreement") is made as of the 30<sup>th</sup> day of August, 2022 by The Metropolitan District, Hartford County, Connecticut (the "District") acting by its undersigned officers, duly authorized, in connection with the issuance of the District's \$74,380,000 General Obligation Bonds, Issue of 2022 (the "Bonds"), dated August 30, 2022 for the benefit of the beneficial owners from time to time of the Bonds.

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

"Annual Report" shall mean 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" shall mean the date, set in Section 2(a) by which the Annual Report is to be filed with the Repository.

"Annual Financial Information" shall mean 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" shall mean 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. As of the date of this Agreement, the MSRB has designated its Electronic Municipal Market Access System ("EMMA") (<http://emma.msrb.org>) to receive submissions of continuing disclosure documents that are described in the Rule.

"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.

"Rule" shall mean Rule 15c2-12 under the Securities Exchange Act of 1934, as of the date of this Agreement.

"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, 2022. 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, 2022, 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) information concerning the District's facilities for sewer service and the sewer user charges;
- (2) information concerning the District's facilities for water service, water consumption and water utility unit charges;
- (3) information concerning income levels, employment data and major employers of each member municipality;
- (4) 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) 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; and
- (6) 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 Agreement to be executed in its name by the undersigned officers, duly authorized, all as of the 30<sup>th</sup> day of August, 2022.

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

By: \_\_\_\_\_  
William A. DiBella  
Chairman

By: \_\_\_\_\_  
Robert Barron  
Chief Financial Officer/Treasurer

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**NOTICE OF SALE**

**\$86,200,000\***

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

**GENERAL OBLIGATION BONDS, ISSUE OF 2022  
(BOOK-ENTRY-ONLY)**

**ELECTRONIC PROPOSALS via PARITY® Competitive Bidding System (“PARITY”)** will be received by The Metropolitan District, Hartford County, Connecticut (the "District") at the CFO Conference Room, 2<sup>nd</sup> Floor, 555 Main Street, Hartford, Connecticut 06103, until **12:00 P.M. (Noon) (Eastern Time) on TUESDAY, AUGUST 16, 2022**

for the purchase, when issued, of the whole of the District's \$86,200,000<sup>□</sup> General Obligation Bonds, Issue of 2022, dated August 30, 2022, bearing interest payable semiannually on February 1 and August 1 in each year until maturity, commencing February 1, 2023, and maturing on August 1 in each year as follows:

2023	\$2,945,000*	2033	\$4,310,000*
2024	\$2,780,000*	2034	\$4,525,000*
2025	\$2,915,000*	2035	\$4,750,000*
2026	\$3,065,000*	2036	\$4,940,000*
2027	\$3,215,000*	2037	\$5,140,000*
2028	\$3,375,000*	2038	\$5,345,000*
2029	\$3,545,000*	2039	\$5,560,000*
2030	\$3,725,000*	2030	\$5,780,000*
2031	\$3,910,000*	2041	\$6,015,000*
2032	\$4,105,000*	2042	\$6,255,000*

(the "Bonds"). The Bonds will be delivered against payment in Federal funds in New York, New York on or about August 30, 2022. 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.

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 from the District’s Member Municipalities (as defined below). 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”).

The Bonds maturing on or before August 1, 2032 are not subject to redemption prior to maturity. The Bonds maturing on August 1, 2033 and thereafter are subject to redemption prior to maturity, at the option of the District, on and after August 1, 2032 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 price (expressed as a percentage of the principal amount of the Bonds to be redeemed) set forth in the following table, plus interest accrued and unpaid to the redemption date:

<u>Redemption Date</u>	<u>Redemption Price</u>
August 1, 2032 and thereafter	100%

\* Preliminary, subject to change.

**Proposals.** All proposals for the purchase of the Bonds must specify the amount bid for the Bonds (which shall be the aggregate par value of the Bonds, and, at the option of the bidder, a premium), and must specify in a multiple of 1/20 or 1/8 of 1% the rate or rates of interest per annum which the Bonds are to bear, but shall not specify (a) more than one interest rate for any Bonds having a like maturity, or (b) any interest rate for any Bonds which exceeds the interest rate specified in such proposal for any other Bonds by more than 3%. Interest shall be computed on the basis of a 360-day year consisting of twelve 30-day months. In addition to the amount bid for the Bonds, the purchaser must pay an amount equal to any interest on the Bonds accrued to the date of delivery. **No proposal for less than the entire \$86,200,000\* Bonds, or for less than par and accrued interest, will be considered.**

**Basis of Award.** As between proposals which comply with this Notice of Sale, the Bonds will be sold to the responsible bidder or bidders offering to purchase the Bonds at the lowest true interest cost to the District. For the purpose of determining the successful bidder, the true interest cost to the District will be the annual interest rate, compounded semiannually, which, when used to discount all payments of principal and interest payable on the Bonds to August 30, 2022, the date of the Bonds, results in an amount equal to the purchase price for the Bonds, excluding interest accrued to the date of delivery. If there is more than one responsible bidder making said offer at the same lowest true interest cost, the Bonds will be sold to the responsible bidder whose proposal is selected by the District by lot from among all such proposals.

The District reserves the right to reject any and all proposals, to reject any proposal not complying with this Notice of Sale and to waive any irregularity or informality with respect to any proposal.

**Adjustment of Maturity Schedule.** The District reserves the right to change the maturity schedule of the Bonds after the determination of the winning bidder by decreasing the principal amount of each maturity by such amount as may be necessary and in \$5,000 increments. In such event, the final aggregate principal amount of the Bonds will be decreased by the net amount of such change or changes in the principal amount of one or more maturities, which net change in aggregate principal amount of the Bonds will not exceed 20 percent of the original aggregate par amount. The District anticipates that the final maturity schedule will be communicated to the successful bidder by 1:30 p.m. local time on the day of the sale provided the District has received the reoffering prices and yield for the Bonds from the successful bidder by 12:30 p.m. The dollar amount bid by the successful bidder will be adjusted to reflect any adjustments in the aggregate principal amount of the Bonds to be issued. The adjusted bid price will reflect changes in the dollar amount of the underwriter's discount and original issue discount/premium, if any, but will not change the per-bond underwriter's discount as calculated from the bid and reoffering prices required to be delivered to the District as stated herein. The successful bidder may not withdraw its bid or change the interest rates bid or initial reoffering prices as a result of any changes made to the principal amounts within these limits.

**Electronic Proposals Bidding Procedure.** Electronic proposals for the purchase of the Bonds must be submitted through the facilities of PARITY by **12:00 P.M. (Noon) (Eastern Time), on TUESDAY, August 16, 2022.** Any prospective bidder must be a subscriber of Bidcomp's competitive bidding system. Further information about Bidcomp/ PARITY, including any fee charged, may be obtained from i-Deal LLC, 1359 Broadway, 2<sup>nd</sup> Floor, New York, New York 10018, telephone (212) 849-5021. The District will neither confirm any subscription nor be responsible for any failure of a prospective bidder to subscribe.

Once an electronic proposal made through the facilities of PARITY is communicated to the District, it shall constitute an irrevocable offer, in response to this Notice of Sale, and shall be binding upon the bidder as if made by a signed, sealed proposal delivered to the District. By submitting a proposal for the Bonds via PARITY, the bidder represents and warrants to the District that such bidder's proposal for the purchase of the Bonds is submitted for and on behalf of such prospective bidder by an officer or agent who is duly authorized to bind the prospective bidder by an irrevocable offer and that acceptance of such proposal by the District will bind the bidder by a legal, valid and enforceable contract, for the purchase of the Bonds on the terms described in this Notice of Sale. The District shall not be responsible for any malfunction or mistake made by, or as a result of the use of the facilities of, PARITY, the use of such facilities being the sole risk of the prospective bidder.

**Disclaimer** - Each PARITY prospective electronic bidder shall be solely responsible to make necessary arrangements to access PARITY for the purposes of submitting its proposal in a timely manner and in compliance with the requirements of this Notice of Sale. Neither the District nor PARITY shall have any duty or obligation to undertake such arrangements to bid for any prospective bidder or to provide or assure such access to any prospective

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\* Preliminary, subject to change.

bidder, and neither the District nor PARITY shall be responsible for a bidder's failure to make a proposal or for proper operation of, or have any liability for, any delays or interruptions of, or any damages caused by, PARITY. The District is using PARITY as a communication mechanism, and not as the District's agent, to conduct the electronic bidding for the Bonds. The District is not bound by any advice and determination of PARITY to the effect that any particular proposal complies with the terms of this Notice of Sale and in particular the proposal requirements set forth herein. All costs and expenses incurred by prospective bidders in connection with their subscription to, arrangements with and submission of proposals via PARITY are the sole responsibility of the bidders, and the District is not responsible, directly or indirectly, for any such costs or expenses. If a prospective bidder encounters any difficulty in arranging to bid or submitting, modifying or withdrawing a proposal for the Bonds, the prospective bidder should telephone PARITY at (212) 849-5021. If any provision of this Notice of Sale conflicts with information provided by PARITY, this Notice of Sale shall control.

For the purpose of the bidding process, the time as maintained on PARITY shall constitute the official time. For information purposes only, bidders are requested to state in their proposals the true interest cost to the District, as described under "Basis of Award" above, represented by the rate or rates of interest and the premium, if any, specified in their respective proposals. All electronic proposals shall be deemed to incorporate the provisions of this Notice of Sale.

**Bond Counsel Opinion.** The legal opinion of Shipman & Goodwin LLP of Hartford, Connecticut, Bond Counsel, will be furnished without charge and will be placed on file with the certifying bank for the Bonds. A copy of the opinion will be delivered to each purchaser of the Bonds. The opinion of Bond Counsel will cover the following matters: (1) that the Bonds will be valid and binding general obligations of the District when duly certified, (2) that, assuming the accuracy of and continuing compliance by the District with its representations and covenants relating to certain requirements contained in the Internal Revenue Code of 1986, as amended (the "Code"), based on existing law, interest on the Bonds is excludable from gross income of the owners thereof for federal income tax purposes and is not treated as an item of tax preference for purposes of calculating the federal alternative minimum tax; and (3) that 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.

**Obligation to Deliver Issue Price Certificate.** Pursuant to the Code and applicable Treasury Regulations, the District must establish the "issue price" of the Bonds. **In order to assist the District, the winning bidder is obligated to deliver to the District a certificate (an "Issue Price Certificate") and such additional information satisfactory to Bond Counsel described below, prior to the delivery of the Bonds.** The District will rely on the Issue Price Certificate and such additional information in determining the issue price of the Bonds. The form of Issue Price Certificate is available by contacting Bill Lindsay, Managing Director, Munistat Services, Inc., Email: [bill.lindsay@munistat.com](mailto:bill.lindsay@munistat.com), Telephone: (203) 421-2880, municipal advisor to the District (the "Municipal Advisor").

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

The Municipal Advisor will advise the winning bidder if the Competitive Sale Rule was met at the same time it notifies the winning bidder of the award of the Bonds. **Bids will not be subject to cancellation in the event that the Competitive Sale Rule is not satisfied.**

**Competitive Sale Rule Met.** If the Municipal Advisor advises the winning bidder that the Competitive Sale Rule has been met, the winning bidder shall, within one (1) hour after being notified of the award of the Bonds, advise the Municipal Advisor by electronic or facsimile transmission of the reasonably expected initial offering price to the public of each maturity of the Bonds as of August 16, 2022 (the "Sale Date").

**Competitive Sale Rule Not Met.** By submitting a bid, the winning bidder agrees (unless the winning bidder is purchasing the Bonds for its own account and not with a view to distribution or resale to the public) that if the Competitive Sale Rule is not met, it will satisfy either the **10% Sale Rule** or the **Hold the Offering Price Rule** described below with respect to each maturity of the Bonds prior to the delivery date of the Bonds. The rule selected with respect to each maturity of the Bonds shall be set forth on an Issue Price Rule Selection Certificate, which shall be sent to the winning bidder promptly after the award of the Bonds. The winning bidder shall complete and execute the Issue Price Rule Selection Certificate and email it to Bond Counsel and the Municipal Advisor by 5:00 P.M. Eastern Daylight Time on the day after the Sale Date. **If the Issue Price Rule Selection Certificate is not returned by this deadline, or if no selection is made with respect to maturity, the winning bidder agrees that the Hold the Offering Price Rule shall apply to such maturities.**

**10% Sale Rule.** To satisfy the 10% Sale Rule for any maturity, the winning bidder:

(i) will make a bona fide offering to the public of all of the Bonds at the initial offering prices and provide the District with reasonable supporting documentation, such as a copy of the pricing wire or equivalent communication, the form of which is acceptable to Bond Counsel;

(ii) will report to the District information regarding the actual prices at which at least 10 percent (10%) of the Bonds of each maturity have been sold to the public;

(iii) will provide the District with reasonable supporting documentation or certifications of such sales prices, the form of which is acceptable to Bond Counsel. If the 10% Sale Rule is used with respect to a maturity of the Bonds, this reporting requirement will continue, beyond the closing date of the Bonds, if necessary, until such date that at least 10 percent (10%) of such maturity of the Bonds has been sold to the public; and

(iv) has or will include in any agreement among underwriters, selling group agreement or retail distribution agreement (to which the winning bidder is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, language obligating each underwriter to comply with the reporting requirement described above.

**Hold the Offering Price Rule.** To satisfy the Hold the Offering Price Rule for any maturity, the winning bidder:

(i) will make a bona fide offering to the public of all of the Bonds at the initial offering prices and provide Bond Counsel with reasonable supporting documentation, such as a copy of the pricing wire or equivalent communication, the form of which is acceptable to Bond Counsel;

(ii) will neither offer nor sell to any person any Bonds of such maturity at a price that is higher than the initial offering price of each maturity until the earlier of (i) the date on which the winning bidder has sold to the public at least ten percent (10%) of the Bonds of such maturity at a price that is no higher than the initial offering price of such maturity or (ii) the close of business on the fifth (5<sup>th</sup>) business day after the Sale Date of the Bonds; and

(iii) has or will include within any agreement among underwriters, selling group agreement or retail distribution agreement (to which the winning bidder is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, language obligating each underwriter to comply with the limitations on the sale of the Bonds as set forth above.

For purposes of the 10% Sale Rule or the Hold the Offering Price Rule, a “maturity” refers to Bonds that have the same interest rate, credit and payment terms.

If the winning bidder has purchased any maturity of the Bonds for its own account and not with a view to distribution or resale to the public, then, whether or not the Competitive Sale Rule was met, the Issue Price Certificate will recite such facts and identify the price or prices at which such maturity of the Bonds was purchased.



For purposes of this Notice of Sale, the “public” does not include the winning bidder or any person that agrees pursuant to a written contract with the winning bidder to participate in the initial sale of the Bonds to the public (such as a retail distribution agreement between a national lead underwriter and a regional firm under which the regional firm participates in the initial sale of the Bonds to the public). In making the representations described above, the winning bidder must reflect the effect on the offering prices of any “derivative products” (e.g., a tender option) used by the bidder in connection with the initial sale of any of the Bonds.

**Preliminary Official Statement and Official Statement.** The District has prepared a Preliminary Official Statement dated August 9, 2022 for this Bond issue. The District deems such Preliminary Official Statement final as of its date for purposes of Securities and Exchange Commission Rule 15c2-12(b)(1), except for omissions permitted thereby, but the Preliminary Official Statement is subject to revision or amendment. The District will make available to the winning purchaser a reasonable number of copies of the final Official Statement at the District's expense by the delivery of the Bonds or, if earlier, by the seventh business day after the day proposals on the Bonds are received. The purchaser shall arrange with the Municipal Advisor the method of delivery of the copies of the final Official Statement to the purchaser. Additional copies may be obtained by the purchaser at its own expense by arrangement with the printer.

The purchaser agrees to promptly file the final Official Statement with the Municipal Securities Rulemaking Board and to take any and all other actions necessary to comply with applicable Securities and Exchange Commission and Municipal Securities Rulemaking Board rules governing the offering, sale and delivery of the Bonds to the ultimate purchasers.

**DTC Book-Entry.** The Bonds will be issued by means of a book-entry-only system with no physical distribution of bond certificates made to the public. The Bonds will be issued in registered form and one bond certificate for each maturity will be issued to the Depository Trust Company ("DTC"), New York, New York, registered in the name of its nominee, Cede & Co., and immobilized in its custody. Ownership of the Bonds will be evidenced in principal amounts of \$5,000 or integral multiples thereof, with transfers of ownership effected on the records of DTC and its Participants pursuant to rules and procedures adopted by DTC and its Participants. The purchaser, as a condition to delivery of the Bonds, will be required to deposit the bond certificates with DTC, registered in the name of Cede & Co. Principal of and interest on the Bonds will be payable by the District or its agent to DTC or its nominee as registered owner of the Bonds. Principal and interest payments by DTC to Participants of DTC will be the responsibility of DTC; principal and interest payments to Beneficial Owners by Participants of DTC will be the responsibility of such Participants and other nominees of Beneficial Owners. The District will not be responsible or liable for payments by DTC to its Participants or by DTC Participants or Indirect Participants to Beneficial Owners or for maintaining, supervising or reviewing the records maintained by DTC, its Participants or persons acting through such Participants.

**Certifying, Transfer and Paying Agent; Registrar.** The Bonds will be certified by U.S. Bank Trust Company, National Association, Hartford, Connecticut, which will also act as transfer and paying agent and registrar.

**CUSIP Numbers.** The deposit of the Bonds with DTC under a book-entry-only system requires the assignment of CUSIP numbers prior to delivery. It shall be the responsibility of the District's Municipal Advisor, Munistat Services, Inc., to apply for CUSIP numbers for the Bonds by no later than one business day after dissemination of this Notice of Sale. Munistat Services, Inc. will provide CUSIP Global Services with the final details of the sale of the Bonds in accordance with Rule G-34 of the Municipal Securities Rulemaking Board, including the identity of the winning purchaser. The District will not be responsible for any delay caused by the inability to deposit the Bonds with DTC due to the failure of Munistat Services, Inc. to obtain such numbers and provide them to the District in a timely manner. The District assumes no responsibility for any CUSIP Service Bureau charge or other charge that may be imposed for the assignment of such numbers, which charges shall be the responsibility of and shall be paid for by the purchaser.

**Continuing Disclosure Agreement.** The District will agree, in a Continuing Disclosure Agreement entered into in accordance with the requirements of Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission, to provide, or cause to be provided, (i) certain annual financial information and operating data; (ii) timely, but not in excess of ten (10) business days after the occurrence of the event, notice of the occurrence of certain listed events with respect to the Bonds; and (iii) timely notice of its failure to provide such annual financial information. The winning purchaser's obligation to purchase the Bonds shall be conditioned upon its receiving, at or prior to the delivery of the Bonds, an executed copy of the Continuing Disclosure Agreement for the Bonds.

**Additional Information.** For more information regarding this Bond issue and the District, reference is made to the Preliminary Official Statement dated August 9, 2022. The Preliminary Official Statement may be accessed via the Internet at [www.i-dealprospectus.com](http://www.i-dealprospectus.com). Electronic access to the Preliminary Official Statement is being provided as a matter of convenience only. The only official version of the Preliminary Official Statement is the printed version for physical delivery. Copies of the Preliminary Official Statement and Official Statement may be obtained from Bill Lindsay, Managing Director, Munistat Services, Inc., 129 Samson Rock Drive, Suite A, Madison, Connecticut 06443, telephone (203) 421-2880.

August 9, 2022

William A. DiBella  
Chairman

Robert Barron  
Chief Financial Officer/Treasurer

**ISSUE PRICE RULE SELECTION CERTIFICATE**

The Metropolitan District, Hartford County, Connecticut  
 \$86,200,000<sup>□</sup> General Obligation Bonds, Issue of 2022

The undersigned, on behalf of [NAME OF UNDERWRITER/REPRESENTATIVE] (the “Representative”), on behalf of itself and [OTHER UNDERWRITERS] (together, the “Underwriting Group”), hereby certifies that it will use the rule selected below for the respective maturity of the above-captioned bonds (the “Bonds”), as described in the Notice of Sale for the Bonds, dated August 9, 2022 (the “Notice of Sale”). For a description of the requirements of each rule, please refer to the section “Obligation to Deliver Issue Price Certificate” in the Notice of Sale. Capitalized terms used but not defined herein are defined in the Notice of Sale.

<u>Date of Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<b>10% Sale Rule</b> (Underwriter has or will comply with 10% Sale Rule for this Maturity)		<b>Hold the Offering Price Rule</b> (Underwriter will comply with Hold the Offering Price Rule for this Maturity)	
			<u>Check Box</u>	<u>Sales Price</u>	<u>Check Box</u>	<u>Initial Offering Price</u>
08/01/2023	\$2,945,000*	____%	<input type="checkbox"/>	\$ _____	<input type="checkbox"/>	\$ _____
08/01/2024	2,780,000*	____%	<input type="checkbox"/>	\$ _____	<input type="checkbox"/>	\$ _____
08/01/2025	2,915,000*	____%	<input type="checkbox"/>	\$ _____	<input type="checkbox"/>	\$ _____
08/01/2026	3,065,000*	____%	<input type="checkbox"/>	\$ _____	<input type="checkbox"/>	\$ _____
08/01/2027	3,215,000*	____%	<input type="checkbox"/>	\$ _____	<input type="checkbox"/>	\$ _____
08/01/2028	3,375,000*	____%	<input type="checkbox"/>	\$ _____	<input type="checkbox"/>	\$ _____
08/01/2039	3,545,000*	____%	<input type="checkbox"/>	\$ _____	<input type="checkbox"/>	\$ _____
08/01/2030	3,725,000*	____%	<input type="checkbox"/>	\$ _____	<input type="checkbox"/>	\$ _____
08/01/2031	3,910,000*	____%	<input type="checkbox"/>	\$ _____	<input type="checkbox"/>	\$ _____
08/01/2032	4,105,000*	____%	<input type="checkbox"/>	\$ _____	<input type="checkbox"/>	\$ _____
08/01/2033	4,310,000*	____%	<input type="checkbox"/>	\$ _____	<input type="checkbox"/>	\$ _____
08/01/2034	4,525,000*	____%	<input type="checkbox"/>	\$ _____	<input type="checkbox"/>	\$ _____
08/01/2035	4,750,000*	____%	<input type="checkbox"/>	\$ _____	<input type="checkbox"/>	\$ _____
08/01/2036	4,940,000*	____%	<input type="checkbox"/>	\$ _____	<input type="checkbox"/>	\$ _____
08/01/2037	5,140,000*	____%	<input type="checkbox"/>	\$ _____	<input type="checkbox"/>	\$ _____
08/01/2038	5,345,000*	____%	<input type="checkbox"/>	\$ _____	<input type="checkbox"/>	\$ _____
08/01/2039	5,560,000*	____%	<input type="checkbox"/>	\$ _____	<input type="checkbox"/>	\$ _____
08/01/2040	5,780,000*	____%	<input type="checkbox"/>	\$ _____	<input type="checkbox"/>	\$ _____
08/01/2041	6,015,000*	____%	<input type="checkbox"/>	\$ _____	<input type="checkbox"/>	\$ _____
08/01/2042	6,255,000*	____%	<input type="checkbox"/>	\$ _____	<input type="checkbox"/>	\$ _____

(All Sales Prices or Initial Offering Prices must be filled in prior to the delivery date of the Bonds.)

**[NAME OF UNDERWRITER/  
REPRESENTATIVE]**

By: \_\_\_\_\_  
 Name:  
 Title:

Email this completed and executed certificate to the following by 5:00 P.M. (Eastern Time) on August 17, 2022:

**Bond Counsel:** [mrutter@goodwin.com](mailto:mrutter@goodwin.com)      **Municipal Advisor:** [bill.lindsay@munistat.com](mailto:bill.lindsay@munistat.com)

\* Preliminary, subject to change.

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# MDC



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