

**OFFICIAL STATEMENT DATED JULY 27, 2023**

**NEW ISSUE**

**MOODY'S: Aa2  
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. 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  
\$75,730,000 GENERAL OBLIGATION BONDS, ISSUE OF 2023  
BOOK-ENTRY-ONLY**

**Dated: Date of Delivery**

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

| Due<br>1-Aug | Principal<br>Amount | Coupon | Yield  | CUSIP <sup>1</sup> | Due<br>1-Aug | Principal<br>Amount | Coupon | Yield  | CUSIP <sup>1</sup> |
|--------------|---------------------|--------|--------|--------------------|--------------|---------------------|--------|--------|--------------------|
| 2024         | \$2,380,000         | 5.000% | 3.050% | 416489A28          | 2034*        | \$3,735,000         | 5.000% | 2.540% | 416489B43          |
| 2025         | 2,405,000           | 5.000% | 2.800% | 416489A36          | 2035*        | 3,920,000           | 5.000% | 2.650% | 416489B50          |
| 2026         | 2,530,000           | 5.000% | 2.630% | 416489A44          | 2036*        | 4,115,000           | 5.000% | 2.870% | 416489B68          |
| 2027         | 2,655,000           | 5.000% | 2.500% | 416489A51          | 2037*        | 4,325,000           | 5.000% | 3.090% | 416489B76          |
| 2028         | 2,785,000           | 5.000% | 2.420% | 416489A69          | 2038*        | 4,540,000           | 5.000% | 3.210% | 416489ZU9          |
| 2029         | 2,925,000           | 5.000% | 2.410% | 416489A77          | 2039*        | 4,765,000           | 5.000% | 3.280% | 416489ZV7          |
| 2030         | 3,075,000           | 5.000% | 2.360% | 416489A85          | 2040*        | 5,005,000           | 5.000% | 3.360% | 416489ZW5          |
| 2031         | 3,225,000           | 5.000% | 2.320% | 416489A93          | 2041*        | 5,255,000           | 4.000% | 3.700% | 416489ZX3          |
| 2032         | 3,385,000           | 5.000% | 2.330% | 416489B27          | 2042*        | 5,465,000           | 4.000% | 3.800% | 416489ZY1          |
| 2033         | 3,555,000           | 5.000% | 2.420% | 416489B35          | 2043*        | 5,685,000           | 4.000% | 3.900% | 416489ZZ8          |

\* **Priced assuming redemption on August 1, 2033; however, any such redemption is at the option of the District. See "Optional Redemption" herein.**

Interest on the Bonds will be payable on February 1, 2024 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 \$75,730,000 General Obligation Bonds, Issue of 2023 (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 10, 2023.

***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.***

<sup>1</sup> 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.

**The Bonds were purchased by J.P. Morgan Securities, LLC through a competitive bid process.**

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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**  
**July 27, 2023**

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 \$75,730,000 General Obligation Bonds, Issue of 2023 (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>Thursday, July 27, 2023, 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>  | \$75,730,000 General Obligation Bonds, Issue of 2023 (the “Bonds”).   |
| <b>Dated Date:</b>   | Date of Delivery, as defined below.   |
| <b>Interest Due:</b>   | February 1, 2024 and semiannually thereafter on August 1 and February 1 in each year until maturity or earlier redemption.  |
| <b>Principal Due:</b>  | Serially, August 1, 2024 through 2043, 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 upgrade to “Aa2”, 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, (ii) timely notices of the occurrence of certain events, within 10 business days of the occurrence of such events, 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, 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 10, 2023 (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 \$75,730,000 General Obligation Bonds, Issue of 2023 (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, 2024, 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, 2033 are **not** subject to redemption prior to maturity. The Bonds maturing on August 1, 2034 and thereafter are subject to redemption prior to maturity, at the option of the District, on and after August 1, 2033, 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, 2033 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 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), \$304,985,000 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 2023 and actual 2022 tax warrants from the District.

| <b>Member Municipality</b> | <b>Budget</b>        |               | <b>Actual</b>        |               |
|----------------------------|----------------------|---------------|----------------------|---------------|
|                            | <b>2023</b>          | <b>%</b>      | <b>2022</b>          | <b>%</b>      |
| Bloomfield                 | \$ 3,831,630         | 7.22          | \$ 3,868,400         | 7.29          |
| East Hartford              | 6,227,300            | 11.73         | 6,264,400            | 11.80         |
| Hartford                   | 13,923,310           | 26.23         | 14,067,500           | 26.50         |
| Newington                  | 4,776,720            | 9.00          | 4,799,100            | 9.04          |
| Rocky Hill                 | 3,294,640            | 6.21          | 3,206,800            | 6.04          |
| West Hartford              | 12,043,810           | 22.69         | 11,919,300           | 22.47         |
| Wethersfield               | 4,266,270            | 8.04          | 4,252,500            | 8.01          |
| Windsor                    | 4,712,920            | 8.88          | 4,698,600            | 8.85          |
| <b>Total</b>               | <b>\$ 53,076,600</b> | <b>100.0%</b> | <b>\$ 53,076,600</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 No. 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 payment in lieu of taxes (“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 No. 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 estates 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 \$13.9 million for 2023.

## 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. As of May 11, 2023, the federal and State public health emergency declarations have been terminated. 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 estates 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 see “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 see “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 see “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 see “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 began imposing a longstanding groundwater discharge fee upon the State, through its Department of Energy and Environmental Protection (“DEEP”). Fees billed to DEEP are partially paid but there remains an unpaid, current outstanding balance of just under \$17 million. There is another outstanding groundwater discharge fee of approximately \$1.4 million owed by the State relating to discharges from its Buckingham Street Garage in Hartford.

Pursuant to the procedure outlined by statute for bringing claims against the State, all such claims have been filed with the Office of the State Claims Commissioner, with the requested relief being permission to sue the State. In May, 2022, the MDC was granted permission to sue the State on part of its Hartford Landfill claim, and suit is pending in Superior Court. The remaining claims are pending with the Office of the State Claims Commissioner. As to the larger Hartford Landfill claims, the District has reserved for the 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, dated November 14, 2017 from the Connecticut Department of Energy and Environmental Protection 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.

***Cybersecurity.*** 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 bi-annual Network Vulnerability Assessment and Finance Audit, with special mention of the new level of controls from the implementation of its Systems Applications and Products (“SAP”) Enterprise System. The District’s 2023 Network Vulnerability Assessment was recently completed in April 2023. Also in 2023, the District participated for its sixth time on Cyber Yankee, a Cybersecurity incident response exercise involving New England National Guard along with critical infrastructure utilities in the Electric, Gas and Water sectors. The District continuously implements cybersecurity controls based on the combined federal, state and industry intelligence on emerging threats and risks relevant to the District and its sector. Finally, since launching our new cybersecurity awareness training, the District has monitored continuous improvement in its employee’s ability to detect and report suspicious activity.

## 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, 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, 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 \$2,507,027,125, of which \$1,761,632,700 has previously been funded (including this issuance of \$84,755,000\* in bonds), leaving a total of \$745,394,425 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 June 5, 2023.

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.

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

| Project   | Amount               | Previously                      | Bonds               | Authorized         |
|---|----------------------|---------------------------------|---------------------|--------------------|
|   | Authorized           | Bonded/Grants/<br>Contributions | This Issue*         | But Unissued       |
| <b><u>Water Projects</u></b>  |                      |                                 |                     |                    |
| 2012 Dike Penetration and Correction Installations                                      | \$764,000            | \$106,000                       | \$658,000           | \$0                |
| 2012 Radio Frequency Automated Meter Reading  | 5,000,000            | 4,317,000                       | 682,000             | 1,000              |
| 2013 General Purpose Water  | 3,860,000            | 3,718,000                       | 111,000             | 31,000             |
| 2014 Radio Frequency Automated Meter Reading  | 5,000,000            | 1,771,000                       | 2,662,000           | 567,000            |
| 2014 Water Treatment Facilities Upgrades  | 2,300,000            | 2,233,000                       | 11,000              | 56,000             |
| 2015 Water Supply Improvements  | 3,000,000            | 1,519,000                       | 650,000             | 831,000            |
| 2017 General Purpose Water Program  | 2,000,000            | 1,859,000                       | 132,000             | 9,000              |
| 2018 General Purpose Water Program  | 2,000,000            | 1,957,000                       | 29,000              | 14,000             |
| 2018 Paving Program & Restoration   | 4,000,000            | 2,674,000                       | 1,236,000           | 90,000             |
| 2018 Water Treatment Facilities Infrastructure Rehabilitation, Upgrades & Replacements  | 2,200,000            | 1,738,000                       | 155,000             | 307,000            |
| 2019 Water Main Replacement Program   | 11,300,000           | 10,557,000                      | 743,000             | 0                  |
| 2019 Water Pump Stations and Equipment  | 300,000              | 104,000                         | 179,000             | 17,000             |
| 2019 Water Supply Inf. Rehabilitation, Upgrades & Replacements                          | 2,200,000            | 1,150,000                       | 746,000             | 304,000            |
| 2019 Water Treatment Facilities Infrastructure Rehabilitation, Upgrades & Replacements  | 1,900,000            | 349,000                         | 1,311,000           | 240,000            |
| 2020 General Purpose Water Program  | 1,000,000            | 621,000                         | 378,000             | 1,000              |
| 2020 Water Main Replacements, Hartford and Wethersfield                                 | 12,500,000           | 10,808,343                      | 969,000             | 722,657            |
| 2020 Water Pump Stations Upgrades and Equipment and Water Tank and Basin Rehabilitation | 800,000              | 708,000                         | 92,000              | 0                  |
| 2020 Webster Hill Area Water Main Replacement, West Hartford                            | 10,400,000           | 4,474,651                       | 2,898,000           | 3,027,349          |
| 2021 District-wide Water Main Replacement Program                                       | 15,000,000           | 6,511,000                       | 8,441,000           | 48,000             |
| 2021 General Purpose Water Program  | 1,200,000            | 833,000                         | 344,000             | 23,000             |
| 2021 New Park Avenue Water Main Replacement, West Hartford                              | 3,400,000            | 2,850,000                       | 360,000             | 190,000            |
| 2021 Paving Program and Restoration   | 2,000,000            | 1,972,000                       | 27,000              | 1,000              |
| 2022 General Purpose Water  | 2,200,000            | 1,341,000                       | 693,000             | 166,000            |
| 2022 Paving Program & Restoration   | 3,400,000            | 1,232,000                       | 1,629,000           | 539,000            |
| 2023 General Purpose Water  | 4,000,000            | 0                               | 3,500,000           | 500,000            |
| 2023 Levee Protection - Water   | 263,000              | 0                               | 263,000             | 0                  |
| 2023 Paving Program & Restoration   | 5,250,000            | 0                               | 4,831,000           | 419,000            |
| 2023 Water Treatment/Transmission Improvements  | 1,000,000            | 0                               | 500,000             | 500,000            |
| 2023 WTP Infrastructure Rehabilitation, Upgrades & Replacement                          | 4,500,000            | 0                               | 3,500,000           | 1,000,000          |
| <b>Total Water Projects</b> .....   | <b>\$112,737,000</b> | <b>\$65,402,995</b>             | <b>\$37,730,000</b> | <b>\$9,604,005</b> |
| <b><u>Sewer Projects</u></b>  |                      |                                 |                     |                    |
| 2011 Sewer Pump Station Rehabilitation  | \$2,000,000          | \$1,930,000                     | \$69,000            | \$1,000            |
| 2011 WPC Electronic Development   | 1,750,000            | 1,329,000                       | 42,000              | 379,000            |
| 2013 WPC Plant Infrastructure Renewal and Replacements                                  | 1,090,000            | 730,007                         | 67,000              | 292,993            |
| 2014 Hartford WPCF Sludge Mixing Tank, Sludge Screening, GT & RSRF Upgrades             | 5,000,000            | 4,855,227                       | 144,000             | 773                |
| 2014 Various Sewer Pipe Replacement/Rehab – District Wide                               | 5,000,000            | 3,948,000                       | 7,000               | 1,045,000          |
| 2015 Sanitary Sewer Easements Acquisitions & Improvements                               | 3,600,000            | 2,540,000                       | 617,000             | \$443,000          |
| 2016 General Purpose Sewer  | 3,000,000            | 2,497,000                       | 198,000             | \$305,000          |
| 2016 WPC Equipment & Facilities Improvements  | 4,700,000            | 3,549,978                       | 372,000             | \$778,022          |
| 2016 WPC Plant Infrastructure Renewal and Replacements                                  | 4,500,000            | 3,062,333                       | 896,000             | \$541,667          |
| 2016 Hartford WPCF - Air Permit Compliance Upgrades                                     | 4,500,000            | 1,775,000                       | 1,702,000           | 1,023,000          |
| 2017 General Purpose Sewer  | 3,000,000            | 2,404,000                       | 576,000             | 20,000             |
| 2017 Sanitary Sewer Easements Acquisitions & Improvements                               | 1,400,000            | 1,132,000                       | 245,000             | 23,000             |
| 2017 Wastewater Pump Station Upgrades   | 400,000              | 380,000                         | 20,000              | 0                  |
| 2017 WPC Equipment & Facilities Improvements  | 2,700,000            | 2,211,000                       | 489,000             | 0                  |
| 2018 CCTV Generated Sewer Construction  | 7,000,000            | 6,888,000                       | 12,000              | 100,000            |
| 2018 General Purpose Sewer  | 5,000,000            | 3,992,000                       | 965,000             | 43,000             |
| 2018 Sewer Rehabilitation Program   | 4,600,000            | 3,791,000                       | 809,000             | \$0                |
| 2019 General Purpose Sewer  | 1,000,000            | 184,000                         | 813,000             | 3,000              |
| 2019 Sewer Rehabilitation Program   | 3,300,000            | 2,741,000                       | 476,000             | 83,000             |
| 2019 Wastewater Pump Stations and Equipment   | 400,000              | 83,000                          | 306,000             | 11,000             |
| 2020 Hartford Large Diameter Sewer Rehabilitation – Phase I                             | 14,600,000           | 8,957,000                       | 496,000             | 5,147,000          |
| 2020 Various Sewer Pipe Replacement/Rehabilitation Program                              | 6,000,000            | 5,383,000                       | 616,000             | 1,000              |
| 2020 Wastewater Pump Station Upgrades and Equipment                                     | 1,500,000            | 1,484,000                       | 15,000              | 1,000              |

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

\*Reflects application of premium.

| Project  | Amount<br>Authorized | Previously                      |                      | Authorized<br>But Unissued |
|--|----------------------|---------------------------------|----------------------|----------------------------|
|  |                      | Bonded/Grants/<br>Contributions | Bonds<br>This Issue* |                            |
| <b><u>Sewer Projects</u></b>   |                      |                                 |                      |                            |
| 2021 Paving Program and Restoration  | 1,500,000            | 1,000,000                       | 256,000              | 244,000                    |
| 2021 Various Sewer Pipe Replacement/Rehabilitation Program                                       | 8,000,000            | 6,210,000                       | 1,732,000            | 58,000                     |
| 2021 Water Pollution Control Facilities Infrastructure Rehabilitation, Upgrades and Replacements | 3,000,000            | 2,423,000                       | 576,000              | 1,000                      |
| 2022 Brookside Rd. Sanitary Pump Station Replacement   | 3,700,000            | 2,225,000                       | 797,000              | 678,000                    |
| 2022 Farmington 11 / Sisson Ave. Area WMR, Hartford  | 1,100,000            | 0                               | 1,100,000            | \$0                        |
| 2022 Private Property Inflow Disconnect Program  | 2,100,000            | 1,568,000                       | 528,000              | 4,000                      |
| 2022 Various Sewer Pipe Replacement/Rehabilitations  | 7,500,000            | 5,508,000                       | 1,945,000            | 47,000                     |
| 2023 General Purpose Sewer   | 5,000,000            | 0                               | 2,500,000            | \$2,500,000                |
| 2023 Hartford Water Pollution Control Facility Secondary Electric Upgrades                       | 4,305,000            | 0                               | 3,585,000            | \$720,000                  |
| 2023 Island Road Pump Station Rehabilitation   | 378,000              | 0                               | 378,000              | \$0                        |
| 2023 Paving Program & Restoration  | 2,100,000            | 0                               | 1,323,000            | \$777,000                  |
| 2023 Sanitary Sewer Easement Program   | 1,700,000            | 0                               | 1,700,000            | \$0                        |
| 2023 Various Small Pump Station Rehabilitation   | 2,000,000            | 0                               | 1,900,000            | \$100,000                  |
| 2023 WPC Facilities Infrastructure Rehabilitation, Upgrades & Replacement                        | 7,500,000            | 0                               | 4,025,000            | 3,475,000                  |
| <b>Total Sewer Projects</b>  | <b>\$135,923,000</b> | <b>\$84,780,547</b>             | <b>\$32,297,000</b>  | <b>\$18,845,453</b>        |
| <b><u>Combined Funding Projects</u></b>  |                      |                                 |                      |                            |
| 2020 Facilities and Equipment Improvements   | 2,000,000            | 1,584,000                       | 415,000              | 1,000                      |
| 2020 Fleet and Equipment Replacement and Upgrades  | 2,000,000            | 1,972,000                       | 28,000               | 0                          |
| 2021 Facilities and Equipment Improvements   | 500,000              | 450,000                         | 50,000               | 0                          |
| 2021 Fleet and Equipment Replacement and Upgrades  | 2,100,000            | 1,487,000                       | 613,000              | 0                          |
| 2022 Fleet and Equipment Replacement and Upgrades  | 2,550,000            | 2,519,000                       | 30,000               | 1,000                      |
| 2022 Technical Services  | 5,000,000            | 4,250,000                       | 247,000              | 503,000                    |
| 2023 CEM Generators  | 267,500              | 0                               | 110,000              | 157,500                    |
| 2023 CEM Vehicles  | 3,040,000            | 0                               | 3,039,000            | 1,000                      |
| 2023 Construction/Inspection Services Staffing   | 3,830,000            | 216,000                         | 3,039,000            | 575,000                    |
| 2023 Engineering Services Staffing   | 3,645,000            | 694,000                         | 2,404,000            | 547,000                    |
| 2023 Facilities  | 1,050,000            | 0                               | 1,050,000            | 0                          |
| 2023 Technical Services Staffing   | 4,360,000            | 0                               | 3,703,000            | 657,000                    |
| <b>Total Combined Funding Projects</b>   | <b>\$30,342,500</b>  | <b>\$13,172,000</b>             | <b>\$14,728,000</b>  | <b>\$2,442,500</b>         |
| <b>Total</b>   | <b>\$279,002,500</b> | <b>\$163,355,541</b>            | <b>\$84,755,000</b>  | <b>\$30,891,959</b>        |

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

\*Reflects application of premium.

## RATINGS

The District received credit ratings of “Aa2”, 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 to improve its sewage collection, treatment and disposal system, known as the Clean Water Project. 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 District’s contract with KOJV. 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.

Although KOJV initiated the DRB process for its Reach 1 claim, it has now attempted to bypass that process by filing a claim for damages in federal district court. The MDC is aggressively defending this action.

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*

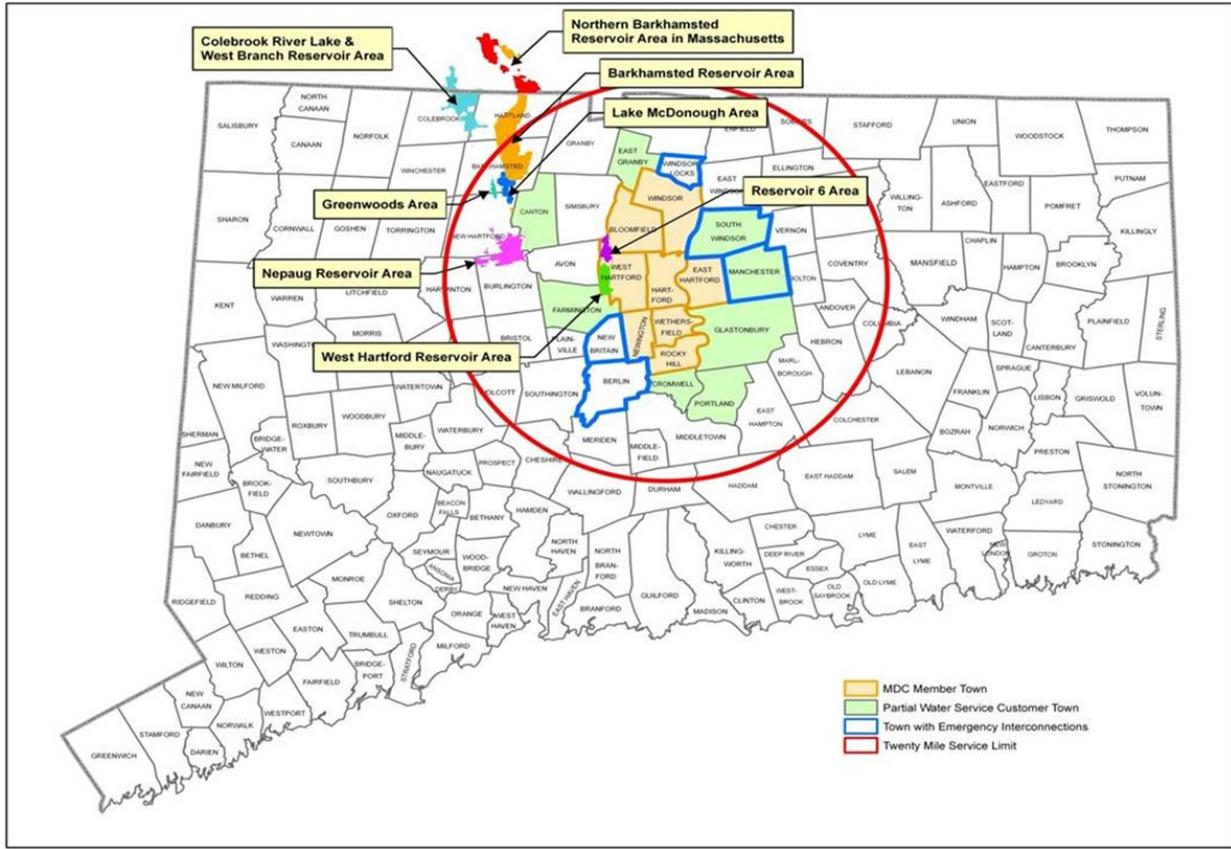
July 27, 2023

**PART II**  
**INFORMATION CONCERNING**  
**THE METROPOLITAN DISTRICT**  
**July 27, 2023**

This Part II contains information through July 27, 2023, concerning the District and includes the December 31, 2022 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

On January 30, 2020, 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. On March 10, 2020, Governor Lamont declared a state of emergency throughout the State of Connecticut (the “State”) and took steps to mitigate the spread and impacts of COVID-19. As of May 11, 2023, the federal and State public health emergency declarations have been terminated.

In response to the COVID-10 pandemic, on March 11, 2021, President Biden signed into law the \$1.9 trillion American Rescue Plan Act of 2021 (the “Rescue Plan”) that provided various forms of financial assistance and other relief to state and local governments.

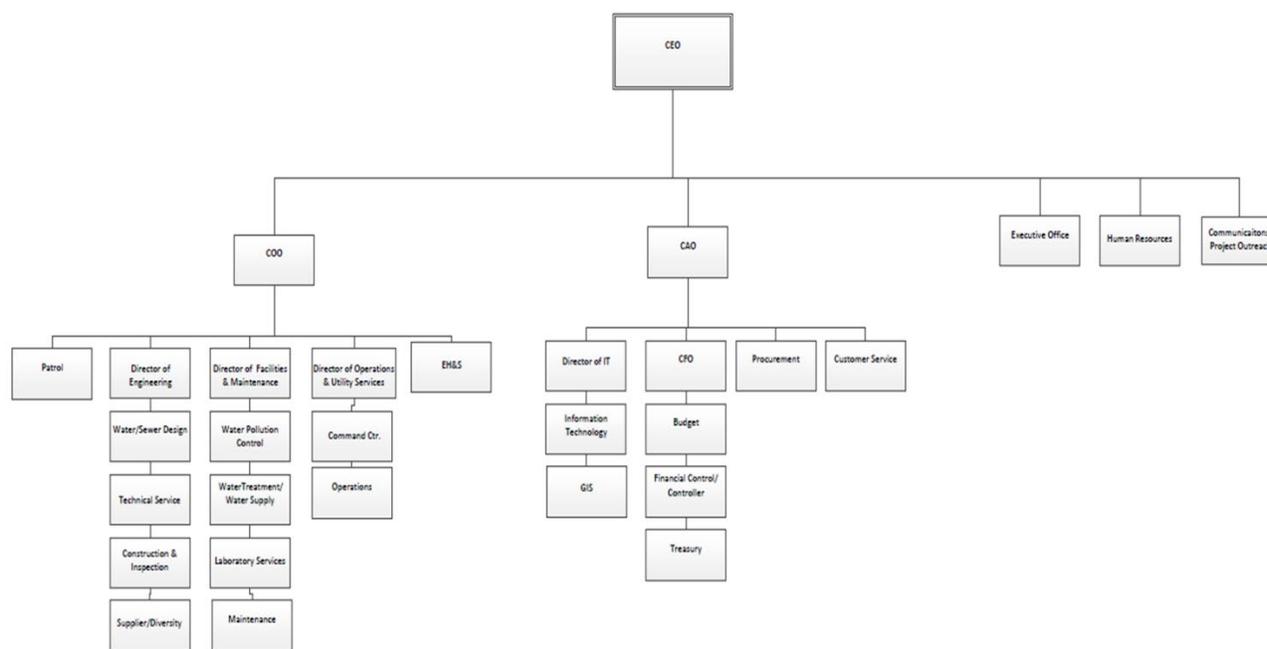
For up-to-date information concerning the State’s actions in response to COVID-19, see <https://portal.ct.gov/coronavirus>. Neither the District or its Member Towns nor the parties involved with the issuance of the Bonds, has reviewed the information provided by the State on its website and such parties take no responsibility for the accuracy thereof.

To date, the COVID-19 outbreak has had no material adverse effect on the finances of the State, or the District or its Member Towns.

Pandemics, epidemics and other public health emergencies, may adversely impact the District and its Member Towns and its revenues, expenses and financial condition. The District and its Member Towns cannot predict the duration and extent of such pandemics, epidemics and other health emergencies, or quantify the magnitude of their ultimate impact on the State and regional economy, or on the revenues and expenses of the District and its Member Towns. Pandemics, epidemics and other health emergencies may be ongoing, and their dynamic nature may lead to many uncertainties, including (i) the geographic spread as they evolve; (ii) the severity as they mutate; (iii) the duration of the outbreak; (iv) actions that may be taken by governmental authorities to contain or mitigate future outbreaks; (v) the development of medical therapeutics or vaccinations; (vi) travel restrictions; (vii) the impact of the outbreak on the local, State or global economy; (viii) whether and to what extent the State Governor may order additional public health measures; and (ix) the impact of the outbreak and actions taken in response to the outbreak on the District and its Member Towns revenues, expenses and financial condition.

Prospective investors should assume that restrictions and limitations related to COVID-19 and any future variants or pandemics may be instituted by the State or federal government.

### ORGANIZATIONAL CHART



### THE DISTRICT BOARD

A 29-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. Additionally, there are four ex-officio, non-voting commissioners 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

|                       | Commissioners | Appointed By:       |                         |          |                               |
|-----------------------|---------------|---------------------|-------------------------|----------|-------------------------------|
|                       |               | Member Municipality | Non-Member Municipality | Governor | Connecticut State Legislature |
| Bloomfield.....       | 1             | 1                   | 0                       | 0        | 0                             |
| East Hartford.....    | 4             | 3                   | 0                       | 1        | 0                             |
| Hartford.....         | 9             | 6                   | 0                       | 3        | 0                             |
| Newington.....        | 2             | 1                   | 0                       | 1        | 0                             |
| Rocky Hill.....       | 1             | 1                   | 0                       | 0        | 0                             |
| West Hartford.....    | 4             | 3                   | 0                       | 1        | 0                             |
| Wethersfield.....     | 2             | 1                   | 0                       | 1        | 0                             |
| Windsor.....          | 2             | 1                   | 0                       | 1        | 0                             |
| Legislative Appt..... | 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>32</b>     | <b>17</b>           | <b>3</b>                | <b>8</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 Executive Office, Human Resources, communication 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.....                   | Dominic M. Pane    | December 2023         |
| Bureau of Public Works.....         | Allen Hoffman      | December 2025         |
| Personnel, Pension & Insurance..... | Alvin E. Taylor    | December 2028         |
| Board of Finance.....               | Pasquale J. Salemi | December 2028         |

| <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>2023</u> | <u>2022</u> | <u>2021</u> | <u>2020</u> | <u>2019</u> |
|----------------------|-------------|-------------|-------------|-------------|-------------|
| Total Employees..... | 438         | 438         | 454         | 479         | 485         |

**DISTRICT EMPLOYEES BARGAINING UNITS**

| <u>Bargaining Groups</u>  | <u>Positions Covered</u> | <u>Contract Expiration Date</u> |
|---|--------------------------|---------------------------------|
| Clerks, Technicians and Non-Supervisory Engineers - Local 3713... | 73                       | December 31, 2026               |
| Supervisors - Local 1026.....                                     | 54                       | December 31, 2026               |
| Operational - Local 184.....                                      | 168                      | December 31, 2026               |
| Total Union Employees.....  | <b>295</b>               |                                 |

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 of Public Works 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 its 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

| <u>Facilities for Sewer Service</u>           | <u>2022</u>     | <u>2021</u>     | <u>2020</u>     | <u>2019</u>     | <u>2018</u>     |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|
| Total General Fixed Assets <sup>1</sup> ..... | \$2,091,607,357 | \$2,037,295,563 | \$1,970,906,638 | \$1,905,789,421 | \$1,814,591,656 |
| Miles of Sewers:                              |                 |                 |                 |                 |                 |
| Sanitary.....                                 | 1,097           | 1,096           | 1,093           | 1,090           | 1,089           |
| Combined.....                                 | 149             | 149             | 159             | 159             | 159             |
| Storm.....                                    | 105             | 105             | 79              | 79              | 79              |
| Estimated Sewer Connections.....              | 91,843          | 91,506          | 91,376          | 91,208          | 91,037          |
| <b><u>Estimated Sewer</u></b>                 |                 |                 |                 |                 |                 |
| Population Units:                             |                 |                 |                 |                 |                 |
| Estimated Population.....                     | 364,371         | 364,263         | 362,937         | 364,173         | 364,969         |
| Estimated Family Units Sewered.....           | 140,143         | 143,561         | 143,431         | 143,263         | 144,451         |
| Present Sewage Plant Capacity:                |                 |                 |                 |                 |                 |
| Design Population.....                        | 513,900         | 513,900         | 513,900         | 513,900         | 513,900         |
| Design Flow (million gallons daily)...        | 85              | 85              | 105             | 105             | 105             |
| Average Daily Flow (million gallons).         | 68              | 80              | 72              | 79              | 81              |

<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 \$1.826 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>2023</b> | <b>2022</b> | <b>2021</b> | <b>2020</b> | <b>2019</b> |
|-------------|-------------|-------------|-------------|-------------|
| \$5.90      | \$5.90      | \$5.31      | \$5.15      | \$4.64      |

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 10, 2023, the District will have issued \$768,766,604 as Interim Funding Obligations (the “IFO’s”) and Project Loan Obligations (the “PLO’s”) under the State’s Clean Water Fund Program associated with the Clean Water Project. See Section VIII “Debt Summary – Clean Water Fund Program”. As of August 10, 2023, the District will have issued \$332,515,000 in Clean Water Project Revenue Bonds, of which \$304,985,000 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>2023</b> | <b>2022</b> | <b>2021</b> | <b>2020</b> | <b>2019</b> |
|-------------|-------------|-------------|-------------|-------------|
| \$4.25      | \$4.10      | \$4.10      | \$4.10      | \$4.10      |

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. Through meetings and negotiations with CT DEEP an agreement was reached and a new Consent order signed in September 2022. Although no formal approval was issued, the new consent order, which will replace the existing consent order, incorporates a Phase I Implementation Plan for the years 2023-2029. The resubmitted LTCP introduces the concept of an "Integrated Plan". The Integrated Plan or the "Plan", coordinates the District's ongoing capital improvement and maintenance program with projects reasonably necessary to comply with the CSO consent order. The 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.

With a new consent order in place, Integrated Plan projects were initiated 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. Subsequent appropriations of \$140 million for a grant, not requiring a referendum, was approved by the District Board on October 5, 2016; \$18.8 million for a grant not requiring a referendum, was approved by the District Board on September 2, 2020; and \$67.4 million for a grant, not requiring a referendum, was approved by the District Board on May 1, 2023. 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, \$309,455,000 of which were outstanding as of December 31, 2022. 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 2022 was 46.4 million gallons per day.

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

|                                   | <u>2022</u>   | <u>2021</u>   | <u>2020</u>   | <u>2019</u>   | <u>2018</u>   |
|-----------------------------------|---------------|---------------|---------------|---------------|---------------|
| Total Utility Plant.....          | \$704,430,969 | \$680,083,154 | \$648,901,852 | \$608,196,939 | \$599,920,958 |
| Net Addition to Plant.....        | 24,347,815    | 31,181,302    | 40,704,913    | 8,275,981     | 24,141,217    |
| Miles of Water Mains.....         | 1,579         | 1,579         | 1,562         | 1,562         | 1,557         |
| Gross Miles Added During Year.... | 1             | 1             | 0             | 3             | 4             |
| Number of Hydrants.....           | 10,203        | 10,189        | 10,216        | 10,763        | 10,720        |
| Number of Services.....           | 101,879       | 101,816       | 101,731       | 102,184       | 102,051       |
| Number of Meters.....             | 100,814       | 100,608       | 100,452       | 98,250        | 99,949        |
| 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>2022</u>    | <u>2021</u>    | <u>2020</u>    | <u>2019</u>    | <u>2018</u>    |
|---------------------|----------------|----------------|----------------|----------------|----------------|
| Domestic.....       | 94,904         | 94,552         | 96,093         | 93,461         | 95,505         |
| Commercial.....     | 5,351          | 5,807          | 4,515          | 5,771          | 5,771          |
| Industrial.....     | 502            | 513            | 370            | 545            | 545            |
| Public & Other..... | 1,121          | 1,323          | 409            | 1,848          | 1,848          |
| <b>Total.....</b>   | <b>101,878</b> | <b>102,195</b> | <b>101,387</b> | <b>101,625</b> | <b>103,669</b> |

Source: District Officials.

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

|   | <u>2022</u>  | <u>2021</u>  | <u>2020</u>  | <u>2019</u>  | <u>2018</u>  |
|---|--------------|--------------|--------------|--------------|--------------|
| Domestic.....   | 23.93        | 23.51        | 25.72        | 23.06        | 21.38        |
| Commercial.....   | 8.69         | 7.47         | 9.66         | 8.35         | 8.43         |
| Industrial.....   | 1.65         | 2.01         | 2.07         | 1.71         | 1.61         |
| Municipal & Other.....                                  | 2.87         | 3.04         | 2.27         | 2.94         | 5.89         |
| <b>Total Million Gallons Per Day<sup>1,2</sup>.....</b> | <b>37.14</b> | <b>36.03</b> | <b>39.72</b> | <b>36.06</b> | <b>37.31</b> |
| Production - Maximum Day.....                           | 65.30        | 65.46        | 69.89        | 63.65        | 68.80        |
| Production - Minimum Day.....                           | 37.45        | 38.62        | 38.15        | 38.94        | 37.84        |

<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)**

| <b>2023</b> | <b>2022</b> | <b>2021</b> | <b>2020</b> | <b>2019</b> |
|-------------|-------------|-------------|-------------|-------------|
| \$3.80      | \$4.09      | \$4.05      | \$3.97      | \$3.50      |

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 102,395 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. Whether, at any given time, an actual supply of water was available within this storage area, is unpredictable, particularly in light of the rights of others, namely the ACOE and the State of Connecticut, to access any stored water for any public purpose. Further, the ability of the District to access any stored water as a drinking water supply source or for emergency purposes, 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. An application to abandon this storage area is pending before the State of Connecticut Department of Public Health.

***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 Colebrook Station and Goodwin Station. The District received \$13,000,000 from the original buydown agreement.

The negotiated buydown agreement requires Eversource to purchase electricity from the Goodwin Station and the Colebrook Station 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 Station and the Colebrook Station at the best price. The CMEEC contract was extended for the Goodwin Station and the Colebrook Station 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 the District buydown agreement.

V. ECONOMIC AND DEMOGRAPHIC INFORMATION

POPULATION TRENDS

**Town of Bloomfield**

| Year | Population <sup>1</sup> | % Increase | Density <sup>2</sup> |
|------|-------------------------|------------|----------------------|
| 2021 | 21,399                  | 1.3        | 817                  |
| 2020 | 21,128                  | 3.1        | 807                  |
| 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> |
|------|-------------------------|------------|----------------------|
| 2021 | 50,971                  | 1.9        | 2,714                |
| 2020 | 50,036                  | (2.4)      | 2,664                |
| 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> |
|------|-------------------------|------------|----------------------|
| 2021 | 121,562                 | (0.8)      | 6,765                |
| 2020 | 122,549                 | (1.8)      | 6,820                |
| 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> |
|------|-------------------------|------------|----------------------|
| 2021 | 30,493                  | 1.3        | 2,314                |
| 2020 | 30,114                  | (1.5)      | 2,285                |
| 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> |
|------|-------------------------|------------|----------------------|
| 2021 | 20,682                  | 2.7        | 1,499                |
| 2020 | 20,147                  | 2.2        | 1,460                |
| 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> |
|------|-------------------------|------------|----------------------|
| 2021 | 64,034                  | 1.6        | 2,864                |
| 2020 | 63,023                  | (0.4)      | 2,819                |
| 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> |
|------|-------------------------|------------|----------------------|
| 2021 | 27,162                  | 4.2        | 2,072                |
| 2020 | 26,068                  | (2.2)      | 1,988                |
| 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> |
|------|-------------------------|------------|----------------------|
| 2021 | 29,424                  | 2.2        | 994                  |
| 2020 | 28,791                  | (0.9)      | 973                  |
| 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, 2017-2021 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>**

|                    | <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> |
| Under 5.....       | 662                       | 3.1%           | 3,298                        | 6.5%           | 6,894                   | 5.7%           |
| 5 - 9 years.....   | 952                       | 4.4%           | 2,444                        | 4.8%           | 8,154                   | 6.7%           |
| 10 - 14 years..... | 1,027                     | 4.8%           | 3,112                        | 6.1%           | 8,468                   | 7.0%           |
| 15 - 19 years..... | 878                       | 4.1%           | 4,088                        | 8.0%           | 10,592                  | 8.7%           |
| 20 - 24 years..... | 1,084                     | 5.1%           | 3,811                        | 7.5%           | 11,253                  | 9.3%           |
| 25 - 34 years..... | 2,657                     | 12.4%          | 6,948                        | 13.6%          | 19,027                  | 15.7%          |
| 35 - 44 years..... | 2,453                     | 11.5%          | 7,651                        | 15.0%          | 15,991                  | 13.2%          |
| 45 - 54 years..... | 2,998                     | 14.0%          | 6,175                        | 12.1%          | 14,511                  | 11.9%          |
| 55 - 59 years..... | 1,891                     | 8.8%           | 3,864                        | 7.6%           | 6,481                   | 5.3%           |
| 60 - 64 years..... | 1,553                     | 7.3%           | 3,137                        | 6.2%           | 6,234                   | 5.1%           |
| 65 - 74 years..... | 2,461                     | 11.5%          | 3,939                        | 7.7%           | 8,733                   | 7.2%           |
| 75 - 84 years..... | 1,755                     | 8.2%           | 1,763                        | 3.5%           | 3,491                   | 2.9%           |
| 85 and over.....   | 1,028                     | 4.8%           | 741                          | 1.5%           | 1,733                   | 1.4%           |
| <b>Totals.....</b> | <b>21,399</b>             | <b>100.0%</b>  | <b>50,971</b>                | <b>100.0%</b>  | <b>121,562</b>          | <b>100.0%</b>  |

Median Age (years)                      48.3                                      37.4                                      33

|                    | <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> |
| Under 5.....       | 1,255                    | 4.1%           | 908                       | 4.4%           | 3,362                        | 5.3%           |
| 5 - 9 years.....   | 1,166                    | 3.8%           | 1,407                     | 6.8%           | 3,604                        | 5.6%           |
| 10 - 14 years..... | 1,735                    | 5.7%           | 850                       | 4.1%           | 4,340                        | 6.8%           |
| 15 - 19 years..... | 1,771                    | 5.8%           | 851                       | 4.1%           | 4,428                        | 6.9%           |
| 20 - 24 years..... | 1,628                    | 5.3%           | 1,016                     | 4.9%           | 3,733                        | 5.8%           |
| 25 - 34 years..... | 3,789                    | 12.4%          | 2,458                     | 11.9%          | 8,541                        | 13.3%          |
| 35 - 44 years..... | 3,532                    | 11.6%          | 3,064                     | 14.8%          | 7,775                        | 12.1%          |
| 45 - 54 years..... | 4,729                    | 15.5%          | 2,902                     | 14.0%          | 7,588                        | 11.8%          |
| 55 - 59 years..... | 2,317                    | 7.6%           | 1,172                     | 5.7%           | 4,127                        | 6.4%           |
| 60 - 64 years..... | 2,204                    | 7.2%           | 1,477                     | 7.1%           | 4,735                        | 7.4%           |
| 65 - 74 years..... | 3,451                    | 11.3%          | 2,515                     | 12.2%          | 6,114                        | 9.5%           |
| 75 - 84 years..... | 1,899                    | 6.2%           | 916                       | 4.4%           | 3,308                        | 5.2%           |
| 85 and over.....   | 1,017                    | 3.3%           | 1,146                     | 5.5%           | 2,379                        | 3.7%           |
| <b>Totals.....</b> | <b>30,493</b>            | <b>100.0%</b>  | <b>20,682</b>             | <b>100.0%</b>  | <b>64,034</b>                | <b>100.0%</b>  |

Median Age (years)                      46.1                                      44.2                                      39.9

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

|                    | Town of Wethersfield |         | Town of Windsor |         | State of Connecticut |         |
|--------------------|----------------------|---------|-----------------|---------|----------------------|---------|
|                    | Number               | Percent | Number          | Percent | Number               | Percent |
| Under 5.....       | 1,394                | 5.1%    | 1,272           | 4.3%    | 182,122              | 5.1%    |
| 5 - 9 years.....   | 1,279                | 4.7%    | 1,254           | 4.3%    | 196,540              | 5.5%    |
| 10 - 14 years..... | 1,381                | 5.1%    | 1,885           | 6.4%    | 224,371              | 6.2%    |
| 15 - 19 years..... | 1,589                | 5.9%    | 1,734           | 5.9%    | 245,790              | 6.8%    |
| 20 - 24 years..... | 1,620                | 6.0%    | 1,833           | 6.2%    | 241,370              | 6.7%    |
| 25 - 34 years..... | 3,071                | 11.3%   | 3,876           | 13.2%   | 445,861              | 12.4%   |
| 35 - 44 years..... | 3,596                | 13.2%   | 3,068           | 10.4%   | 439,098              | 12.2%   |
| 45 - 54 years..... | 3,696                | 13.6%   | 4,132           | 14.0%   | 488,283              | 13.5%   |
| 55 - 59 years..... | 1,844                | 6.8%    | 2,456           | 8.3%    | 269,688              | 7.5%    |
| 60 - 64 years..... | 2,215                | 8.2%    | 2,392           | 8.1%    | 252,028              | 7.0%    |
| 65 - 74 years..... | 2,850                | 10.5%   | 3,374           | 11.5%   | 357,409              | 9.9%    |
| 75 - 84 years..... | 1,854                | 6.8%    | 1,489           | 5.1%    | 173,149              | 4.8%    |
| 85 and over.....   | 773                  | 2.8%    | 659             | 2.2%    | 89,621               | 2.5%    |
| Totals.....        | 27,162               | 100.0%  | 29,424          | 100.0%  | 3,605,330            | 100.0%  |
| Median Age (years) |                      | 44.4    |                 | 44.2    |                      | 41.0    |

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

Source: U.S. Census Bureau, 2017-2021 American Community Survey.

#### INCOME DISTRIBUTION <sup>1</sup>

|                       | Town of Bloomfield |         | Town of East Hartford |         | City of Hartford |         |
|-----------------------|--------------------|---------|-----------------------|---------|------------------|---------|
|                       | Families           | Percent | Families              | Percent | Families         | Percent |
| \$ 0 - \$ 9,999.....  | 107                | 2.0%    | 306                   | 2.4%    | 2,513            | 9.6%    |
| 10,000 - 14,999.....  | 143                | 2.7%    | 310                   | 2.5%    | 1,443            | 5.5%    |
| 15,000 - 24,999.....  | 95                 | 1.8%    | 740                   | 5.9%    | 2,853            | 10.9%   |
| 25,000 - 34,999.....  | 216                | 4.0%    | 987                   | 7.8%    | 3,479            | 13.3%   |
| 35,000 - 49,999.....  | 535                | 9.9%    | 1,955                 | 15.5%   | 4,143            | 15.9%   |
| 50,000 - 74,999.....  | 807                | 15.0%   | 2,345                 | 18.6%   | 4,206            | 16.1%   |
| 75,000 - 99,999.....  | 847                | 15.7%   | 1,923                 | 15.2%   | 2,503            | 9.6%    |
| 100,000 - 149,999.... | 1,224              | 22.7%   | 2,474                 | 19.6%   | 2,957            | 11.3%   |
| 150,000 - 199,999.... | 763                | 14.2%   | 1,085                 | 8.6%    | 1,222            | 4.7%    |
| 200,000 and over..... | 648                | 12.0%   | 493                   | 3.9%    | 780              | 3.0%    |
| Totals.....           | 5,385              | 100.0%  | 12,618                | 100.0%  | 26,099           | 100.0%  |

|                       | Town of Newington |         | Town of Rocky Hill |         | Town of West Hartford |         |
|-----------------------|-------------------|---------|--------------------|---------|-----------------------|---------|
|                       | Families          | Percent | Families           | Percent | Families              | Percent |
| \$ 0 - \$ 9,999.....  | 447               | 5.4%    | 78                 | 1.4%    | 222                   | 1.4%    |
| 10,000 - 14,999.....  | 129               | 1.6%    | 0                  | 0.0%    | 141                   | 0.9%    |
| 15,000 - 24,999.....  | 288               | 3.5%    | 149                | 2.7%    | 394                   | 2.4%    |
| 25,000 - 34,999.....  | 107               | 1.3%    | 148                | 2.6%    | 251                   | 1.6%    |
| 35,000 - 49,999.....  | 510               | 6.2%    | 509                | 9.1%    | 702                   | 4.3%    |
| 50,000 - 74,999.....  | 1,089             | 13.3%   | 808                | 14.4%   | 1,559                 | 9.6%    |
| 75,000 - 99,999.....  | 1,373             | 16.7%   | 795                | 14.2%   | 1,792                 | 11.1%   |
| 100,000 - 149,999.... | 1,875             | 22.8%   | 1,565              | 28.0%   | 3,391                 | 21.0%   |
| 150,000 - 199,999.... | 1,427             | 17.4%   | 587                | 10.5%   | 2,585                 | 16.0%   |
| 200,000 and over..... | 969               | 11.8%   | 954                | 17.1%   | 5,124                 | 31.7%   |
| Totals.....           | 8,214             | 100.0%  | 5,593              | 100.0%  | 16,161                | 100.0%  |

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

|                       | Town of Wethersfield |         | Town of Windsor |         | State of Connecticut |         |
|-----------------------|----------------------|---------|-----------------|---------|----------------------|---------|
|                       | Families             | Percent | Families        | Percent | Families             | Percent |
| \$ 0 - \$ 9,999.....  | 106                  | 1.4%    | 38              | 0.5%    | 23,811               | 2.6%    |
| 10,000 - 14,999.....  | 94                   | 1.3%    | 83              | 1.1%    | 14,243               | 1.6%    |
| 15,000 - 24,999.....  | 144                  | 1.9%    | 157             | 2.0%    | 36,091               | 4.0%    |
| 25,000 - 34,999.....  | 351                  | 4.7%    | 157             | 2.0%    | 44,586               | 4.9%    |
| 35,000 - 49,999.....  | 346                  | 4.6%    | 740             | 9.6%    | 71,397               | 7.8%    |
| 50,000 - 74,999.....  | 622                  | 8.3%    | 917             | 11.9%   | 123,873              | 13.6%   |
| 75,000 - 99,999.....  | 1,117                | 15.0%   | 1,359           | 17.6%   | 113,529              | 12.5%   |
| 100,000 - 149,999.... | 2,007                | 26.9%   | 2,196           | 28.4%   | 188,052              | 20.7%   |
| 150,000 - 199,999.... | 1,466                | 19.6%   | 1,018           | 13.2%   | 117,255              | 12.9%   |
| 200,000 and over..... | 1,212                | 16.2%   | 1,067           | 13.8%   | 177,169              | 19.5%   |
| Totals.....           | 7,465                | 100.0%  | 7,732           | 100.0%  | 910,006              | 100.0%  |

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

Source: U.S. Census Bureau, 2017-2021 American Community Survey.

### INCOME LEVELS

|                                       | Town of<br>Bloomfield    | Town of<br>East Hartford | City of<br>Hartford | Town of<br>Newington | Town of<br>Rocky Hill   |
|---------------------------------------|--------------------------|--------------------------|---------------------|----------------------|-------------------------|
| Per Capita Income, 2021.....          | \$43,961                 | \$29,821                 | \$22,784            | \$43,209             | \$49,145                |
| 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, 2021.....       | \$97,917                 | \$70,990                 | \$44,859            | \$103,429            | \$108,068               |
| 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 2021..... | 6.1%                     | 8.9%                     | 23.6%               | 7.7%                 | 1.4%                    |
|                                       | Town of<br>West Hartford | Town of<br>Wethersfield  | Town of<br>Windsor  | Hartford<br>County   | State of<br>Connecticut |
| Per Capita Income, 2021.....          | \$60,530                 | \$50,217                 | \$42,832            | \$43,642             | \$47,869                |
| 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, 2021.....       | \$144,413                | \$121,772                | \$109,167           | \$102,310            | \$106,441               |
| 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 2021..... | 3.4%                     | 3.8%                     | 2.6%                | 7.5%                 | 6.8%                    |

Source: U.S. Department of Commerce, Bureau of Census, 2010, 2000, and 1990; Census Bureau, 2017-2021 American Community Survey.

**EDUCATIONAL ATTAINMENT <sup>1</sup>**  
 Years of School Completed Age 25 and Over

|                                   | Town of Bloomfield |         | Town of East Hartford |         | City of Hartford |         |
|-----------------------------------|--------------------|---------|-----------------------|---------|------------------|---------|
|                                   | Number             | Percent | Number                | Percent | Number           | Percent |
| Less than 9th grade.....          | 393                | 2.3%    | 2,450                 | 7.2%    | 9,580            | 12.6%   |
| 9th to 12th grade.....            | 896                | 5.3%    | 2,176                 | 6.4%    | 10,318           | 13.5%   |
| High School graduate.....         | 4,192              | 25.0%   | 13,041                | 38.1%   | 25,678           | 33.7%   |
| Some college, no degree.....      | 3,871              | 23.0%   | 6,777                 | 19.8%   | 13,122           | 17.2%   |
| Associate's degree .....          | 1,364              | 8.1%    | 3,152                 | 9.2%    | 4,806            | 6.3%    |
| Bachelor's degree.....            | 3,085              | 18.4%   | 4,202                 | 12.3%   | 7,247            | 9.5%    |
| Graduate or professional degree.. | 2,996              | 17.8%   | 2,420                 | 7.1%    | 5,450            | 7.2%    |
| Totals.....                       | 16,797             | 100.0%  | 34,218                | 100.0%  | 76,201           | 100.0%  |

|   |       |       |       |
|---|-------|-------|-------|
| Total high school graduate or higher (%)..... | 92.3% | 86.5% | 73.9% |
| Total bachelor's degree or higher (%).....    | 36.2% | 19.4% | 16.7% |

|                                   | Town of Newington |         | Town of Rocky Hill |         | Town of West Hartford |         |
|-----------------------------------|-------------------|---------|--------------------|---------|-----------------------|---------|
|                                   | Number            | Percent | Number             | Percent | Number                | Percent |
| Less than 9th grade.....          | 824               | 3.6%    | 402                | 2.6%    | 1,226                 | 2.8%    |
| 9th to 12th grade.....            | 983               | 4.3%    | 436                | 2.8%    | 1,018                 | 2.3%    |
| High School graduate.....         | 5,506             | 24.0%   | 3,796              | 24.3%   | 5,605                 | 12.6%   |
| Some college, no degree.....      | 4,344             | 18.9%   | 1,641              | 10.5%   | 4,942                 | 11.1%   |
| Associate's degree .....          | 2,335             | 10.2%   | 1,748              | 11.2%   | 2,558                 | 5.7%    |
| Bachelor's degree.....            | 5,226             | 22.8%   | 4,753              | 30.4%   | 14,018                | 31.5%   |
| Graduate or professional degree.. | 3,720             | 16.2%   | 2,874              | 18.4%   | 15,200                | 34.1%   |
| Totals.....                       | 22,938            | 100.0%  | 15,650             | 100.0%  | 44,567                | 100.0%  |

|   |       |       |       |
|---|-------|-------|-------|
| Total high school graduate or higher (%)..... | 92.1% | 94.6% | 95.0% |
| Total bachelor's degree or higher (%).....    | 39.0% | 48.7% | 65.6% |

|                                   | Town of Wethersfield |         | Town of Windsor |         | State of Connecticut |         |
|-----------------------------------|----------------------|---------|-----------------|---------|----------------------|---------|
|                                   | Number               | Percent | Number          | Percent | Number               | Percent |
| Less than 9th grade.....          | 727                  | 3.7%    | 652             | 3.0%    | 101,461              | 4.0%    |
| 9th to 12th grade.....            | 568                  | 2.9%    | 647             | 3.0%    | 123,560              | 4.9%    |
| High School graduate.....         | 4,707                | 23.7%   | 4,784           | 22.3%   | 656,949              | 26.1%   |
| Some college, no degree.....      | 2,696                | 13.5%   | 4,613           | 21.5%   | 418,214              | 16.6%   |
| Associate's degree .....          | 1,280                | 6.4%    | 1,640           | 7.6%    | 194,987              | 7.8%    |
| Bachelor's degree.....            | 5,213                | 26.2%   | 5,303           | 24.7%   | 561,567              | 22.3%   |
| Graduate or professional degree.. | 4,708                | 23.7%   | 3,807           | 17.8%   | 458,399              | 18.2%   |
| Totals.....                       | 19,899               | 100.0%  | 21,446          | 100.0%  | 2,515,137            | 100.0%  |

|   |       |       |       |
|---|-------|-------|-------|
| Total high school graduate or higher (%)..... | 93.5% | 93.9% | 91.1% |
| Total bachelor's degree or higher (%).....    | 49.9% | 42.5% | 40.6% |

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

Source: U.S. Census Bureau, 2017-2021 American Community Survey.

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## MAJOR EMPLOYERS WITHIN THE DISTRICT

| Employer                        | Product                                  | Location      | Estimated Number<br>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)                  |
| Cib/Neat                        | Restaurants                              | 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)                  |
| 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)                  |
| Shelbourne CT LLC               | Real Estate Management                   | Hartford      | (1,000 - 4,999)                  |
| St Francis Hospital & Med Ctr   | Hospitals                                | Hartford      | (1,000 - 4,999)                  |
| Stanadyne LLC                   | Fuel Injection Equipment & Service-Mfrs  | 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)                  |
| B 2B Data                       | Mailing Lists                            | Hartford      | (500 - 999)                      |
| Capital Community College       | Junior-Community College-Tech Institutes | Hartford      | (500 - 999)                      |
| Community Renewal Team Inc      | Social Service & Welfare Organizations   | Hartford      | (500 - 999)                      |
| Compu-Data                      | Advertising-Direct Mail                  | Newington     | (500 - 999)                      |
| Connecticut Behavioral Health   | Hospitals                                | West Hartford | (500 - 999)                      |
| Connecticut Natural Gas Corp    | Gas Companies                            | East Hartford | (500 - 999)                      |
| Connecticut State Dept-Pub      | 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 & Inspection  | Wethersfield  | (500 - 999)                      |
| Lincoln National Life Ins Co    | Insurance-Life (agents)                  | Hartford      | (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 Programs  | Hartford      | (500 - 999)                      |
| Sysco Connecticut LLC           | Food Products (whls)                     | Rocky Hill    | (500 - 999)                      |
| Unicco Service Co               | Janitor Service                          | East Hartford | (500 - 999)                      |
| Voya                            | Insurance and Financial Services         | Windsor       | (500 - 999)                      |
| Walgreens                       | Distribution Center                      | Windsor       | (500 - 999)                      |
| World Class Distributors        | Warehouse Distribution                   | Bloomfield    | (500 - 999)                      |
| X L Ctr Catering Svc            | Halls & Auditoriums                      | Hartford      | (500 - 999)                      |
| 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)                      |
| Barnes Aerospace                | Aerospace Component Manufacturer         | Windsor       | (250 - 499)                      |
| Beauty Enterprises Inc.         | Beauty Salons & Equipment                | Hartford      | (250 - 499)                      |
| Bicico LLC                      | Bicycle Dealer                           | Hartford      | (250 - 499)                      |
| Burriss Logistics               | Logistics Warehouse                      | Rocky Hill    | (250 - 499)                      |

|                                  |   |               |             |
|----------------------------------|---|---------------|-------------|
| Cabela's                         | Sporting Goods - Retail                 | East Hartford | (250 - 499) |
| Cheesecake Factory               | Restaurant                              | West Hartford | (250 - 499) |
| Children & Families Hartford     | Government Family Services              | 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) |
| Cohn Reznick                     | 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) |
| Deringer-Ney Inc.                | Machine Shop                            | Bloomfield    | (250 - 499) |
| Direct Mail Systems Inc.         | Mailing & Shipping                      | Windsor       | (250 - 499) |
| Dollar Tree                      | Distribution Center                     | Windsor       | (250 - 499) |
| Duncaster                        | Retirement Community                    | Bloomfield    | (250 - 499) |
| East Hartford High School        | Education                               | East Hartford | (250 - 499) |
| Eversource                       | Utility                                 | Windsor       | (250 - 499) |
| Hartford Correctional Center     | State Correctional Institutions         | Hartford      | (250 - 499) |
| Hartford Healthcare              | House Cleaning                          | Bloomfield    | (250 - 499) |
| Hartford Steam Boiler Inspection | Insurance                               | Hartford      | (250 - 499) |
| Hartford Public Schools          | Education                               | Hartford      | (250 - 499) |
| Henkel Corporation               | Chemicals-Manufacturers                 | Rocky Hill    | (250 - 499) |
| Hilton Hotel                     | Hotel                                   | Hartford      | (250 - 499) |
| Jacobs Vehicle Systems Inc       | Truck Equipment & Parts-Manufacturers   | 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 & Supls  | 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) |
| TDL GSE                          | Aviation ground Support Manufacturer    | Windsor       | (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 Admin | Rocky Hill    | (250 - 499) |
| Waste Management                 | Waste Disposal/Recycling                | Windsor       | (250 - 499) |
| Weaver High School               | Education                               | Hartford      | (250 - 499) |
| X L Ctr                          | Stadium & Athletic Fields               | Hartford      | (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 | 1,790       |
| Town of Newington                | Municipality                            | Newington     | 1,175       |
| Town of Windsor                  | Municipality                            | Windsor       | 881         |
| Town of Rocky Hill               | Municipality                            | Rocky Hill    | 534         |

Source: 2022 Audited Financial Statements of Member Municipalities; State of Connecticut Department of Labor website as of June 19, 2023 <https://www1.ctdol.state.ct.us/lmi/EmpSearchTopList.asp?intAreaType=3&intArea=3&intTopEmployer=100>; Newington Official Statement dated May 23, 2023, Rocky Hill Preliminary Official Statement dated July 5, 2022, West Hartford Official Statement dated March 23, 2023 and Windsor Official Statement dated June 27, 2023.

**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 <sup>1</sup>**

| 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%    | 6                     | 0.0%    | 78               | 0.2%    |
| Construction.....  | 600                | 5.5%    | 1,392                 | 5.3%    | 2,557            | 5.0%    |
| Manufacturing.....   | 1,019              | 9.3%    | 2,664                 | 10.1%   | 3,249            | 6.3%    |
| Wholesale Trade.....   | 95                 | 0.9%    | 583                   | 2.2%    | 1,204            | 2.3%    |
| Retail Trade.....  | 614                | 5.6%    | 3,714                 | 14.1%   | 7,085            | 13.7%   |
| Transportation and warehousing, and utilities...                                   | 734                | 6.7%    | 1,959                 | 7.4%    | 4,763            | 9.2%    |
| Information.....   | 155                | 1.4%    | 277                   | 1.0%    | 599              | 1.2%    |
| Finance, insurance, real estate, and rental and leasing.....                       | 1,220              | 11.1%   | 2,454                 | 9.3%    | 3,081            | 6.0%    |
| Professional, scientific, management, administrative, and waste management svcs... | 873                | 7.9%    | 2,196                 | 8.3%    | 5,411            | 10.5%   |
| Educational, health and social services.....                                       | 3,808              | 34.6%   | 6,364                 | 24.1%   | 13,595           | 26.4%   |
| Arts, entertainment, recreation, accommodation and food services.....              | 517                | 4.7%    | 2,250                 | 8.5%    | 5,049            | 9.8%    |
| Other services (except public administration)...                                   | 749                | 6.8%    | 1,402                 | 5.3%    | 2,558            | 5.0%    |
| Public Administration.....   | 612                | 5.6%    | 1,125                 | 4.3%    | 2,315            | 4.5%    |
| Total Labor Force, Employed.....   | 10,996             | 100.0%  | 26,386                | 100.0%  | 51,544           | 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%    | 81                    | 0.2%    |
| Construction.....  | 676               | 4.0%    | 628                | 6.1%    | 1,192                 | 3.6%    |
| Manufacturing.....   | 2,234             | 13.3%   | 854                | 8.3%    | 3,388                 | 10.1%   |
| Wholesale Trade.....   | 397               | 2.4%    | 182                | 1.8%    | 555                   | 1.7%    |
| Retail Trade.....  | 1,677             | 10.0%   | 944                | 9.2%    | 2,394                 | 7.1%    |
| Transportation and warehousing, and utilities...                                   | 796               | 4.7%    | 446                | 4.3%    | 717                   | 2.1%    |
| Information.....   | 233               | 1.4%    | 187                | 1.8%    | 877                   | 2.6%    |
| Finance, insurance, real estate, and rental and leasing.....                       | 1,715             | 10.2%   | 1,165              | 11.3%   | 4,917                 | 14.7%   |
| Professional, scientific, management, administrative, and waste management svcs... | 1,771             | 10.5%   | 1,666              | 16.2%   | 4,202                 | 12.5%   |
| Educational, health and social services.....                                       | 4,181             | 24.8%   | 2,304              | 22.3%   | 10,783                | 32.1%   |
| Arts, entertainment, recreation, accommodation and food services.....              | 1,534             | 9.1%    | 765                | 7.4%    | 2,402                 | 7.2%    |
| Other services (except public administration)...                                   | 816               | 4.8%    | 458                | 4.4%    | 1,009                 | 3.0%    |
| Public Administration.....   | 818               | 4.9%    | 711                | 6.9%    | 1,045                 | 3.1%    |
| Total Labor Force, Employed.....   | 16,848            | 100.0%  | 10,310             | 100.0%  | 33,562                | 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.....                        | 41                   | 0.3%    | 41              | 0.3%    | 7,314                | 0.4%    |
| Construction.....  | 534                  | 3.6%    | 736             | 4.7%    | 113,665              | 6.2%    |
| Manufacturing.....   | 1,282                | 8.7%    | 1,484           | 9.5%    | 192,688              | 10.6%   |
| Wholesale Trade.....   | 290                  | 2.0%    | 435             | 2.8%    | 41,165               | 2.3%    |
| Retail Trade.....  | 1,329                | 9.0%    | 1,702           | 10.9%   | 194,081              | 10.6%   |
| Transportation and warehousing, and utilities...                                   | 698                  | 4.7%    | 1,063           | 6.8%    | 80,481               | 4.4%    |
| Information.....   | 197                  | 1.3%    | 213             | 1.4%    | 36,259               | 2.0%    |
| Finance, insurance, real estate, and rental and leasing.....                       | 1,945                | 13.2%   | 1,460           | 9.4%    | 164,657              | 9.0%    |
| Professional, scientific, management, administrative, and waste management svcs... | 1,610                | 10.9%   | 1,495           | 9.6%    | 212,866              | 11.7%   |
| Educational, health and social services.....                                       | 4,417                | 30.0%   | 4,043           | 25.9%   | 482,274              | 26.5%   |
| Arts, entertainment, recreation, accommodation and food services.....              | 1,000                | 6.8%    | 903             | 5.8%    | 148,835              | 8.2%    |
| Other services (except public administration)...                                   | 646                  | 4.4%    | 834             | 5.3%    | 82,217               | 4.5%    |
| Public Administration.....   | 747                  | 5.1%    | 1,204           | 7.7%    | 66,493               | 3.6%    |
| Total Labor Force, Employed.....   | 14,736               | 100.0%  | 15,613          | 100.0%  | 1,822,995            | 100.0%  |

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

Source: U.S. Census Bureau, 2017-2021 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> |
| May 2023.....                | 3.5%                         | 4.0%                         | 5.3%                    | 3.3%                     | 3.1%                      |
| April 2023.....              | 2.9                          | 4.0                          | 4.9                     | 2.5                      | 2.3                       |
| March 2023.....              | 3.7                          | 4.7                          | 6.4                     | 3.7                      | 3.2                       |
| February 2023.....           | 4.1                          | 5.1                          | 6.8                     | 4.0                      | 3.4                       |
| January 2023.....            | 3.9                          | 4.6                          | 6.2                     | 3.5                      | 3.2                       |
| <b><u>Annual Average</u></b> |                              |                              |                         |                          |                           |
| 2022.....                    | 4.6%                         | 5.1%                         | 6.5%                    | 3.6%                     | 3.4%                      |
| 2021.....                    | 6.7                          | 8.4                          | 11.0                    | 5.4                      | 4.8                       |
| 2020.....                    | 8.2                          | 10.4                         | 13.4                    | 6.3                      | 6.1                       |
| 2019.....                    | 3.8                          | 4.5                          | 6.4                     | 3.3                      | 2.7                       |
| 2018.....                    | 4.0                          | 5.0                          | 6.6                     | 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                       |

| <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> |
| May 2023.....                | 2.9%                         | 3.4%                        | 3.5%                   | 3.6%                  | 3.7%                        |
| April 2023.....              | 2.3                          | 2.7                         | 2.8                    | 3.0                   | 3.0                         |
| March 2023.....              | 3.0                          | 3.7                         | 4.0                    | 4.2                   | 4.3                         |
| February 2023.....           | 3.6                          | 4.2                         | 4.2                    | 4.5                   | 4.6                         |
| January 2023.....            | 3.1                          | 3.8                         | 3.9                    | 4.1                   | 4.2                         |
| <b><u>Annual Average</u></b> |                              |                             |                        |                       |                             |
| 2022.....                    | 3.3%                         | 3.9%                        | 4.0%                   | 4.2%                  | 4.2%                        |
| 2021.....                    | 4.7                          | 5.9                         | 6.4                    | 6.3                   | 6.3                         |
| 2020.....                    | 6.0                          | 7.3                         | 8.0                    | 7.8                   | 7.9                         |
| 2019.....                    | 2.7                          | 3.1                         | 3.7                    | 3.6                   | 3.6                         |
| 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                         |

<sup>1</sup> Not seasonally adjusted.

Source: Department of Labor, State of Connecticut.

## AGE DISTRIBUTION OF HOUSING <sup>1</sup>

| Year Built                   | Town of Bloomfield |         | Town of East Hartford |         | City of Hartford |         |
|------------------------------|--------------------|---------|-----------------------|---------|------------------|---------|
|                              | Units              | Percent | Units                 | Percent | Units            | Percent |
| 1939 or earlier.....         | 448                | 4.8%    | 3,128                 | 14.8%   | 21,469           | 38.8%   |
| 1940 to 1949.....            | 652                | 7.0%    | 2,374                 | 11.2%   | 4,749            | 8.6%    |
| 1950 to 1959.....            | 2,242              | 23.9%   | 4,622                 | 21.8%   | 7,548            | 13.7%   |
| 1960 to 1969.....            | 1,532              | 16.3%   | 4,988                 | 23.6%   | 7,409            | 13.4%   |
| 1970 to 1979.....            | 1,693              | 18.1%   | 2,452                 | 11.6%   | 4,478            | 8.1%    |
| 1980 to 1989.....            | 1,091              | 11.6%   | 1,737                 | 8.2%    | 4,391            | 7.9%    |
| 1990 to 1999.....            | 569                | 6.1%    | 1,185                 | 5.6%    | 2,373            | 4.3%    |
| 2000 to 2009.....            | 647                | 6.9%    | 457                   | 2.2%    | 1,693            | 3.1%    |
| 2010 to 2019.....            | 503                | 5.4%    | 218                   | 1.0%    | 1,142            | 2.1%    |
| Later than 2020.....         | 0                  | 0.0%    | 0                     | 0.0%    | 20               | 0.0%    |
| Total housing units, 2021..  | 9,377              | 100.0%  | 21,161                | 100.0%  | 55,272           | 100.0%  |
| Percent Owner Occupied, 2021 |                    | 68.7%   |                       | 58.5%   |                  | 25.5%   |

| Year Built                   | Town of Newington |         | Town of Rocky Hill |         | Town of West Hartford |         |
|------------------------------|-------------------|---------|--------------------|---------|-----------------------|---------|
|                              | Units             | Percent | Units              | Percent | Units                 | Percent |
| 1939 or earlier.....         | 1,069             | 8.1%    | 656                | 6.9%    | 7,726                 | 28.5%   |
| 1940 to 1949.....            | 1,020             | 7.7%    | 279                | 2.9%    | 3,048                 | 11.2%   |
| 1950 to 1959.....            | 2,926             | 22.1%   | 950                | 10.0%   | 7,128                 | 26.3%   |
| 1960 to 1969.....            | 2,389             | 18.1%   | 1,105              | 11.7%   | 3,646                 | 13.4%   |
| 1970 to 1979.....            | 2,437             | 18.4%   | 2,510              | 26.5%   | 2,205                 | 8.1%    |
| 1980 to 1989.....            | 1,374             | 10.4%   | 1,689              | 17.8%   | 1,205                 | 4.4%    |
| 1990 to 1999.....            | 1,021             | 7.7%    | 1,080              | 11.4%   | 834                   | 3.1%    |
| 2000 to 2009.....            | 707               | 5.3%    | 919                | 9.7%    | 792                   | 2.9%    |
| 2010 to 2019.....            | 283               | 2.1%    | 279                | 2.9%    | 538                   | 2.0%    |
| Later than 2020.....         | 0                 | 0.0%    | 0                  | 0.0%    | 0                     | 0.0%    |
| Total housing units, 2021..  | 13,226            | 100.0%  | 9,467              | 100.0%  | 27,122                | 100.0%  |
| Percent Owner Occupied, 2021 |                   | 77.9%   |                    | 68.4%   |                       | 69.6%   |

| Year Built                   | Town of Wethersfield |         | Town of Windsor |         | State of Connecticut |         |
|------------------------------|----------------------|---------|-----------------|---------|----------------------|---------|
|                              | Units                | Percent | Units           | Percent | Units                | Percent |
| 1939 or earlier.....         | 2,576                | 21.7%   | 1,841           | 15.5%   | 323,631              | 21.2%   |
| 1940 to 1949.....            | 907                  | 7.6%    | 1,001           | 8.4%    | 100,445              | 6.6%    |
| 1950 to 1959.....            | 2,590                | 21.8%   | 2,415           | 20.3%   | 224,412              | 14.7%   |
| 1960 to 1969.....            | 2,476                | 20.9%   | 1,351           | 11.4%   | 203,726              | 13.3%   |
| 1970 to 1979.....            | 1,199                | 10.1%   | 1,542           | 13.0%   | 206,448              | 13.5%   |
| 1980 to 1989.....            | 1,123                | 9.5%    | 1,797           | 15.1%   | 191,539              | 12.5%   |
| 1990 to 1999.....            | 562                  | 4.7%    | 883             | 7.4%    | 118,124              | 7.7%    |
| 2000 to 2009.....            | 324                  | 2.7%    | 820             | 6.9%    | 104,519              | 6.8%    |
| 2010 to 2019.....            | 115                  | 1.0%    | 222             | 1.9%    | 53,427               | 3.5%    |
| Later than 2020.....         | 0                    | 0.0%    | 0               | 0.0%    | 768                  | 0.1%    |
| Total housing units, 2021..  | 11,872               | 100.0%  | 11,872          | 100.0%  | 1,527,039            | 100.0%  |
| Percent Owner Occupied, 2021 |                      | 80.1%   |                 | 83.9%   |                      | 66.2%   |

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

Source: U.S. Census Bureau, 2017-2021 American Community Survey.

## HOUSING INVENTORY <sup>1</sup>

| Type                          | Town of Bloomfield |         | Town of East Hartford |         | City of Hartford |         |
|-------------------------------|--------------------|---------|-----------------------|---------|------------------|---------|
|                               | Units              | Percent | Units                 | Percent | Units            | Percent |
| 1 unit detached.....          | 6,063              | 64.7%   | 11,284                | 53.3%   | 8,498            | 15.4%   |
| 1 unit attached.....          | 712                | 7.6%    | 1,376                 | 6.5%    | 2,379            | 4.3%    |
| 2 units.....                  | 213                | 2.3%    | 1,520                 | 7.2%    | 7,775            | 14.1%   |
| 4 units.....                  | 559                | 6.0%    | 2,002                 | 9.5%    | 12,186           | 22.0%   |
| 5 to 9 units.....             | 398                | 4.2%    | 934                   | 4.4%    | 6,767            | 12.2%   |
| 10 to 19 units.....           | 221                | 2.4%    | 577                   | 2.7%    | 4,280            | 7.7%    |
| 20 or more units.....         | 1,142              | 12.2%   | 2,885                 | 13.6%   | 13,350           | 24.2%   |
| Mobile home, trailer, other.. | 69                 | 0.7%    | 583                   | 2.8%    | 37               | 0.1%    |
| Total Inventory.....          | 9,377              | 100.0%  | 21,161                | 100.0%  | 55,272           | 100.0%  |

| Type                          | Town of Newington |         | Town of Rocky Hill |         | Town of West Hartford |         |
|-------------------------------|-------------------|---------|--------------------|---------|-----------------------|---------|
|                               | Units             | Percent | Units              | Percent | Units                 | Percent |
| 1 unit detached.....          | 8,282             | 62.6%   | 4,904              | 51.8%   | 17,771                | 65.5%   |
| 1 unit attached.....          | 1,737             | 13.1%   | 875                | 9.2%    | 1,156                 | 4.3%    |
| 2 units.....                  | 275               | 2.1%    | 210                | 2.2%    | 1,624                 | 6.0%    |
| 4 units.....                  | 783               | 5.9%    | 571                | 6.0%    | 1,624                 | 6.0%    |
| 5 to 9 units.....             | 702               | 5.3%    | 708                | 7.5%    | 692                   | 2.6%    |
| 10 to 19 units.....           | 882               | 6.7%    | 403                | 4.3%    | 968                   | 3.6%    |
| 20 or more units.....         | 557               | 4.2%    | 1,796              | 19.0%   | 3,254                 | 12.0%   |
| Mobile home, trailer, other.. | 8                 | 0.1%    | 0                  | 0.0%    | 33                    | 0.1%    |
| Total Inventory.....          | 13,226            | 100.0%  | 9,467              | 100.0%  | 27,122                | 100.0%  |

| Type                          | Town of Wethersfield |         | Town of Windsor |         | State of Connecticut |         |
|-------------------------------|----------------------|---------|-----------------|---------|----------------------|---------|
|                               | Units                | Percent | Units           | Percent | Units                | Percent |
| 1 unit detached.....          | 8,802                | 74.1%   | 9,232           | 77.8%   | 899,368              | 58.9%   |
| 1 unit attached.....          | 747                  | 6.3%    | 856             | 7.2%    | 90,010               | 5.9%    |
| 2 units.....                  | 339                  | 2.9%    | 552             | 4.6%    | 122,509              | 8.0%    |
| 4 units.....                  | 605                  | 5.1%    | 595             | 5.0%    | 127,995              | 8.4%    |
| 5 to 9 units.....             | 259                  | 2.2%    | 173             | 1.5%    | 79,520               | 5.2%    |
| 10 to 19 units.....           | 297                  | 2.5%    | 132             | 1.1%    | 54,673               | 3.6%    |
| 20 or more units.....         | 823                  | 6.9%    | 332             | 2.8%    | 141,189              | 9.2%    |
| Mobile home, trailer, other.. | 0                    | 0.0%    | 0               | 0.0%    | 11,775               | 0.8%    |
| Total Inventory.....          | 11,872               | 100.0%  | 11,872          | 100.0%  | 1,527,039            | 100.0%  |

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

Source: U.S. Census Bureau, 2017-2021 American Community Survey.

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**OWNER-OCCUPIED HOUSING VALUES <sup>1</sup>**

| Specified Owner-Occupied Units | Town of Bloomfield |         | Town of East Hartford |         | City of Hartford |         |
|--------------------------------|--------------------|---------|-----------------------|---------|------------------|---------|
|                                | Number             | Percent | Number                | Percent | Number           | Percent |
| Less than \$50,000.....        | 114                | 1.9%    | 549                   | 4.8%    | 356              | 3.0%    |
| \$50,000 to \$99,999.....      | 108                | 1.8%    | 593                   | 5.2%    | 1,012            | 8.5%    |
| \$100,000 to \$149,999.....    | 582                | 9.6%    | 2,518                 | 21.9%   | 2,083            | 17.4%   |
| \$150,000 to \$199,999.....    | 1,699              | 28.1%   | 4,178                 | 36.3%   | 4,279            | 35.8%   |
| \$200,000 to \$299,999.....    | 2,131              | 35.2%   | 3,162                 | 27.5%   | 2,508            | 21.0%   |
| \$300,000 to \$499,999.....    | 1,246              | 20.6%   | 435                   | 3.8%    | 1,242            | 10.4%   |
| \$500,000 to \$999,999.....    | 132                | 2.2%    | 44                    | 0.4%    | 367              | 3.1%    |
| \$1,000,000 or more.....       | 39                 | 0.6%    | 23                    | 0.2%    | 114              | 1.0%    |
| Totals.....                    | 6,051              | 100.0%  | 11,502                | 100.0%  | 11,961           | 100.0%  |

|                                      |           |           |           |
|--------------------------------------|-----------|-----------|-----------|
| 2000 Median Sales Price              | \$134,000 | \$112,800 | \$93,900  |
| 2020 Median Sales Price              | \$219,400 | \$168,300 | \$170,200 |
| 2021 Median Sales Price <sup>2</sup> | \$220,900 | \$172,000 | \$172,100 |

| 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.....        | 91                | 0.9%    | 103                | 1.7%    | 255                   | 1.4%    |
| \$50,000 to \$99,999.....      | 369               | 3.8%    | 235                | 3.9%    | 52                    | 0.3%    |
| \$100,000 to \$149,999.....    | 700               | 7.1%    | 328                | 5.4%    | 238                   | 1.3%    |
| \$150,000 to \$199,999.....    | 1,934             | 19.7%   | 663                | 10.9%   | 1,109                 | 6.2%    |
| \$200,000 to \$299,999.....    | 4,605             | 47.0%   | 2,320              | 38.1%   | 5,428                 | 30.2%   |
| \$300,000 to \$499,999.....    | 1,949             | 19.9%   | 2,086              | 34.3%   | 8,164                 | 45.4%   |
| \$500,000 to \$999,999.....    | 114               | 1.2%    | 338                | 5.6%    | 2,565                 | 14.3%   |
| \$1,000,000 or more.....       | 37                | 0.4%    | 14                 | 0.2%    | 158                   | 0.9%    |
| Totals.....                    | 9,799             | 100.0%  | 6,087              | 100.0%  | 17,969                | 100.0%  |

|                                      |           |           |           |
|--------------------------------------|-----------|-----------|-----------|
| 2000 Median Sales Price              | \$144,800 | \$165,400 | \$176,400 |
| 2020 Median Sales Price              | \$233,200 | \$270,800 | \$330,100 |
| 2021 Median Sales Price <sup>2</sup> | \$237,700 | \$275,600 | \$336,500 |

| Specified Owner-Occupied Units | Town of Wethersfield |         | Town of Windsor |         | State of Connecticut |         |
|--------------------------------|----------------------|---------|-----------------|---------|----------------------|---------|
|                                | Number               | Percent | Number          | Percent | Number               | Percent |
| Less than \$50,000.....        | 129                  | 1.4%    | 301             | 3.2%    | 19,747               | 2.1%    |
| \$50,000 to \$99,999.....      | 109                  | 1.2%    | 272             | 2.9%    | 25,603               | 2.8%    |
| \$100,000 to \$149,999.....    | 243                  | 2.7%    | 812             | 8.6%    | 68,932               | 7.4%    |
| \$150,000 to \$199,999.....    | 1,469                | 16.1%   | 1,793           | 18.9%   | 130,158              | 14.1%   |
| \$200,000 to \$299,999.....    | 3,952                | 43.3%   | 4,508           | 47.6%   | 250,981              | 27.1%   |
| \$300,000 to \$499,999.....    | 2,924                | 32.0%   | 1,698           | 17.9%   | 268,183              | 29.0%   |
| \$500,000 to \$999,999.....    | 284                  | 3.1%    | 54              | 0.6%    | 117,839              | 12.7%   |
| \$1,000,000 or more.....       | 25                   | 0.3%    | 28              | 0.3%    | 44,060               | 4.8%    |
| Totals.....                    | 9,135                | 100.0%  | 9,466           | 100.0%  | 925,503              | 100.0%  |

|                                      |           |           |           |
|--------------------------------------|-----------|-----------|-----------|
| 2000 Median Sales Price              | \$159,300 | \$142,200 | \$166,900 |
| 2020 Median Sales Price              | \$257,200 | \$223,500 | \$279,700 |
| 2021 Median Sales Price <sup>2</sup> | \$266,100 | \$229,600 | \$286,700 |

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

<sup>2</sup> U. S. Census Bureau, 2017-2021 American Community Survey.

Source: U. S. Census Bureau, 2017-2021 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<br/>of 10/1</b> | <b>Net Taxable<br/>Grand List</b> | <b>%<br/>Growth</b> | <b>Grand List<br/>of 10/1</b> | <b>Net Taxable<br/>Grand List</b> | <b>%<br/>Growth</b> |
| 2022                          | \$2,506,681,916                   | 3.5%                | 2022                          | \$3,518,026,168                   | 0.7%                |
| 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%               |

<sup>1</sup> Revaluation Year.

<sup>1</sup> Revaluation Year.

| <b>City of Hartford</b>       |                                   |                     | <b>Town of Newington</b>      |                                   |                     |
|-------------------------------|-----------------------------------|---------------------|-------------------------------|-----------------------------------|---------------------|
| <b>Grand List<br/>of 10/1</b> | <b>Net Taxable<br/>Grand List</b> | <b>%<br/>Growth</b> | <b>Grand List<br/>of 10/1</b> | <b>Net Taxable<br/>Grand List</b> | <b>%<br/>Growth</b> |
| 2022                          | \$4,896,911,900                   | 2.3%                | 2022                          | \$2,867,257,043                   | 0.8%                |
| 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%                |

<sup>1</sup> Revaluation Year.

<sup>1</sup> Revaluation Year.

| Town of Rocky Hill |                        |          | Town of West Hartford |                        |          |
|--------------------|------------------------|----------|-----------------------|------------------------|----------|
| Grand List of 10/1 | Net Taxable Grand List | % Growth | Grand List of 10/1    | Net Taxable Grand List | % Growth |
| 2022               | \$2,304,414,554        | 0.8%     | 2022                  | \$7,222,008,042        | 3.5%     |
| 2021               | 2,286,850,170          | 1.9%     | 2021 <sup>1</sup>     | 6,975,273,047          | 9.1%     |
| 2020               | 2,243,544,929          | 0.4%     | 2020                  | 6,394,578,261          | 0.5%     |
| 2019               | 2,235,057,168          | 1.2%     | 2019                  | 6,363,394,009          | 0.8%     |
| 2018 <sup>1</sup>  | 2,208,948,420          | 5.5%     | 2018                  | 6,314,734,062          | 0.5%     |
| 2017               | 2,094,054,395          | 1.6%     | 2017                  | 6,285,118,569          | 0.8%     |
| 2016               | 2,061,636,790          | 1.4%     | 2016 <sup>1</sup>     | 6,232,711,742          | 4.2%     |
| 2015               | 2,033,673,437          | 0.8%     | 2015                  | 5,981,347,789          | 0.6%     |
| 2014               | 2,018,435,060          | 1.5%     | 2014                  | 5,946,170,476          | 0.4%     |
| 2013 <sup>1</sup>  | 1,988,502,360          | -8.1%    | 2013                  | 5,924,661,849          | 0.5%     |

<sup>1</sup> Revaluation Year

<sup>1</sup> Revaluation Year.

| Town of Wethersfield |                        |          | Town of Windsor    |                        |          |
|----------------------|------------------------|----------|--------------------|------------------------|----------|
| Grand List of 10/1   | Net Taxable Grand List | % Growth | Grand List of 10/1 | Net Taxable Grand List | % Growth |
| 2022                 | \$2,455,304,299        | 1.2%     | 2022               | \$3,554,500,551        | 7.3%     |
| 2021                 | 2,425,972,323          | 2.6%     | 2021               | 3,311,353,809          | 3.1%     |
| 2020                 | 2,365,265,780          | 1.2%     | 2020               | 3,212,190,082          | 1.8%     |
| 2019                 | 2,336,707,216          | 0.7%     | 2019               | 3,153,873,769          | 1.5%     |
| 2018 <sup>1</sup>    | 2,321,469,775          | 3.1%     | 2018 <sup>1</sup>  | 3,105,965,090          | 4.9%     |
| 2017                 | 2,251,449,143          | 0.4%     | 2017               | 2,959,778,035          | 2.5%     |
| 2016                 | 2,242,958,976          | 1.3%     | 2016               | 2,886,742,186          | -1.3%    |
| 2015                 | 2,214,180,160          | 0.0%     | 2015               | 2,924,503,409          | 2.6%     |
| 2014                 | 2,213,400,730          | 0.3%     | 2014               | 2,849,933,303          | 0.7%     |
| 2013 <sup>1</sup>    | 2,205,813,324          | -5.7%    | 2013 <sup>1</sup>  | 2,831,162,216          | -6.1%    |

<sup>1</sup> Revaluation Year.

<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

| 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 6/30/2022 |
|--------------------|------------------------------|------------------------|--------------------------|--------------|--|--|---|
|                    |                              |                        |                          |              |  |  |   |
| 2022               | 2024                         | \$2,506,681,916        | 36.78/32.46 <sup>1</sup> | \$83,016,296 | Collections 7/1/23 & 1/1/24                      |  |   |
| 2021               | 2023                         | 2,423,050,587          | 34.53/32.46 <sup>2</sup> | 75,325,891   | Unaudited  |  |   |
| 2020               | 2022                         | 2,402,488,570          | 35.58                    | 82,373,036   | Unaudited  |  |   |
| 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%                                      |

<sup>1</sup> The mill rate for real estate and personal property is 36.78 and for motor vehicles 32.46 for fiscal year ending June 30, 2024.

<sup>2</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 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 6/30/2022 |
|--------------------|-------------------------|------------------------|--------------------------|---------------|--|--|---|
|                    |                         |                        |                          |               | Fiscal Year                                      | End of Fiscal Year                                 | 6/30/2022                                 |
| 2022               | 2024                    | \$3,518,026,168        | 42.54/32.46 <sup>1</sup> | \$143,670,229 | <i>Collections 7/1/23 &amp; 1/1/24</i>           |  |   |
| 2021               | 2023                    | 3,493,134,813          | 41.00/32.46 <sup>2</sup> | 138,274,696   | <i>Unaudited</i>                                 |  |   |
| 2020               | 2022                    | 2,807,364,070          | 49.35                    | 138,265,000   | 97.9%  | 2.1%   | 2.1%                                      |
| 2019               | 2021                    | 2,794,244,994          | 49.92                    | 138,180,000   | 97.7%  | 2.3%   | 0.8%                                      |
| 2018               | 2020                    | 2,783,862,372          | 49.11                    | 136,197,000   | 97.9%  | 2.1%   | 0.0%                                      |
| 2017               | 2019                    | 2,811,967,294          | 47.66                    | 133,952,000   | 98.1%  | 1.9%   | 0.0%                                      |
| 2016               | 2018                    | 2,757,568,984          | 47.05                    | 127,053,000   | 98.0%  | 2.0%   | 0.0%                                      |
| 2015               | 2017                    | 2,736,032,759          | 45.86                    | 122,966,000   | 97.9%  | 2.1%   | 0.0%                                      |
| 2014               | 2016                    | 2,689,464,641          | 45.86                    | 124,388,000   | 97.3%  | 2.7%   | 0.0%                                      |
| 2013               | 2015                    | 2,687,876,591          | 45.40                    | 121,245,000   | 97.6%  | 2.4%   | 0.0%                                      |

<sup>1</sup> The mill rate for real estate and personal property is 42.54 and for motor vehicles 32.46 for fiscal year ending June 30, 2024.

<sup>2</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 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 6/30/2022 |
|--------------------|-------------------------|------------------------|--------------------------|---------------|--|--|---|
|                    |                         |                        |                          |               | Fiscal Year                                      | End of Fiscal Year                                 | 6/30/2022                                 |
| 2022               | 2024                    | \$4,896,911,900        | 68.95/32.46 <sup>1</sup> | \$304,853,730 | <i>Collections 7/1/23 &amp; 1/1/24</i>           |  |   |
| 2021               | 2023                    | 4,786,119,941          | 68.95/32.46 <sup>1</sup> | 298,384,077   | <i>Unaudited</i>                                 |  |   |
| 2020               | 2022                    | 4,115,886,472          | 74.29                    | 293,764,000   | 95.7%  | 4.3%   | 4.3%                                      |
| 2019               | 2021                    | 4,036,000,866          | 74.29                    | 287,960,000   | 95.5%  | 4.5%   | 2.4%                                      |
| 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%   | 1.0%                                      |
| 2015               | 2017                    | 3,701,904,978          | 74.29                    | 257,563,000   | 95.6%  | 4.4%   | 0.8%                                      |
| 2014               | 2016                    | 3,619,341,714          | 74.29                    | 262,887,000   | 95.7%  | 4.3%   | 1.0%                                      |
| 2013               | 2015                    | 3,531,344,777          | 76.79                    | 253,546,000   | 96.0%  | 4.0%   | 0.9%                                      |

<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 and fiscal year ending June 30, 2024.

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

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

| Grand List of 10/1 | Fiscal Year Ending 6/30 | Net Taxable Grand List | Mill Rate                | Tax Levy     | Percent Annual Levy Collected End of Fiscal Year | Percent Annual Levy Uncollected End of Fiscal Year | Percent Annual Levy Uncollected 6/30/2022 |
|--------------------|-------------------------|------------------------|--------------------------|--------------|--|--|---|
|                    |                         |                        |                          |              | Fiscal Year                                      | End of Fiscal Year                                 | 6/30/2022                                 |
| 2022               | 2024                    | \$2,867,257,043        | 38.36/32.46 <sup>1</sup> | \$95,663,801 | <i>Collections 7/1/23 &amp; 1/1/24</i>           |  |   |
| 2021               | 2023                    | 2,844,090,904          | 38.49/32.46 <sup>2</sup> | 96,142,924   | <i>Unaudited</i>                                 |  |   |
| 2020               | 2022                    | 2,765,341,316          | 38.81                    | 106,594,000  | 99.2%  | 0.8%   | 0.8%                                      |
| 2019               | 2021                    | 2,656,844,617          | 39.28                    | 104,581,000  | 99.3%  | 0.7%   | 0.1%                                      |
| 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%                                      |

<sup>1</sup> The mill rate for real estate and personal property is 38.36 and for motor vehicles 32.46 for fiscal year ending June 30, 2024.

<sup>2</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**

| Grand List of 10/1 | Fiscal Year Year Ending 6/30 | Net Taxable Grand List | Mill Rate                | Tax Levy     | Percent                                  | Percent                                    | Percent                           |
|--------------------|------------------------------|------------------------|--------------------------|--------------|--|--|-----------------------------------|
|                    |                              |                        |                          |              | Annual Levy Collected End of Fiscal Year | Annual Levy Uncollected End of Fiscal Year | Annual Levy Uncollected 6/30/2022 |
| 2022               | 2024                         | \$2,304,414,554        | 35.92/32.46 <sup>1</sup> | \$81,275,819 | <i>Collections 7/1/23 &amp; 1/1/22</i>   |  |                                   |
| 2021               | 2023                         | 2,286,850,170          | 34.52/32.46 <sup>2</sup> | 77,715,432   | <i>Unaudited</i>                         |  |                                   |
| 2020               | 2022                         | 2,243,544,929          | 34.10                    | 76,698,921   | 99.4%                                    | 0.6%                                       | 0.6%                              |
| 2019               | 2021                         | 2,235,057,168          | 33.60                    | 74,241,218   | 99.4%                                    | 0.6%                                       | 0.3%                              |
| 2018               | 2020                         | 2,208,948,420          | 32.50                    | 70,993,728   | 99.2%                                    | 0.8%                                       | 0.2%                              |
| 2017               | 2019                         | 2,094,054,395          | 32.40                    | 67,152,444   | 99.5%                                    | 0.5%                                       | 0.0%                              |
| 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%                              |

<sup>1</sup> The mill rate for real estate and personal property is 35.92 and for motor vehicles 32.46 for fiscal year ending June 30, 2024.

<sup>2</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**

| Grand List of 10/1 | Fiscal Year Year Ending 6/30 | Net Taxable Grand List | Mill Rate                | Tax Levy      | Percent                                  | Percent                                    | Percent                           |
|--------------------|------------------------------|------------------------|--------------------------|---------------|--|--|-----------------------------------|
|                    |                              |                        |                          |               | Annual Levy Collected End of Fiscal Year | Annual Levy Uncollected End of Fiscal Year | Annual Levy Uncollected 6/30/2022 |
| 2022               | 2024                         | \$7,222,008,042        | 40.92/32.46 <sup>1</sup> | \$283,585,319 | <i>Collections 7/1/23 &amp; 1/1/24</i>   |  |                                   |
| 2021               | 2023                         | 6,975,273,047          | 40.68/32.46 <sup>2</sup> | 278,397,250   | <i>Unaudited</i>                         |  |                                   |
| 2020               | 2022                         | 6,394,578,261          | 42.42                    | 273,003,000   | 99.4%                                    | 0.6%                                       | 0.6%                              |
| 2019               | 2021                         | 6,363,394,009          | 41.80                    | 266,861,000   | 99.3%                                    | 0.7%                                       | 0.3%                              |
| 2018               | 2020                         | 6,314,734,062          | 41.80                    | 265,632,000   | 99.3%                                    | 0.7%                                       | 0.1%                              |
| 2017               | 2019                         | 6,285,118,569          | 41.00                    | 258,647,000   | 99.3%                                    | 0.7%                                       | 0.0%                              |
| 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%                              |

<sup>1</sup> The mill rate for real estate and personal property is 40.92 and for motor vehicles 32.46 for fiscal year ending June 30, 2024.

<sup>2</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**

| Grand List of 10/1 | Fiscal Year Year Ending 6/30 | Net Taxable Grand List | Mill Rate                | Tax Levy     | Percent                                  | Percent                                    | Percent                           |
|--------------------|------------------------------|------------------------|--------------------------|--------------|--|--|-----------------------------------|
|                    |                              |                        |                          |              | Annual Levy Collected End of Fiscal Year | Annual Levy Uncollected End of Fiscal Year | Annual Levy Uncollected 6/30/2022 |
| 2022               | 2024                         | \$2,455,304,299        | 41.78/32.46 <sup>1</sup> | \$98,072,949 | <i>Collections 7/1/23 &amp; 1/1/24</i>   |  |                                   |
| 2021               | 2023                         | 2,425,972,323          | 41.08/32.46 <sup>2</sup> | 94,021,317   | <i>Unaudited</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%                              |

<sup>1</sup> The mill rate for real estate and personal property is 41.78 and for motor vehicles 32.46 for fiscal year ending June 30, 2024.

<sup>2</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   | Percent Annual Levy Uncollected | Percent Annual Levy Uncollected |
|--------------------|-------------------------|------------------------|--------------------------|---------------|--|---------------------------------|---------------------------------|
|                    |                         |                        |                          |               | Fiscal Year                            | End of Fiscal Year              | 6/30/2022                       |
| 2022               | 2024                    | \$3,554,500,551        | 33.60/32.46 <sup>1</sup> | \$107,318,440 | <i>Collections 7/1/23 &amp; 1/1/24</i> |                                 |                                 |
| 2021               | 2023                    | 3,311,353,809          | 33.27/32.46 <sup>2</sup> | 99,048,280    | <i>Unaudited</i>                       |                                 |                                 |
| 2020               | 2022                    | 3,212,190,082          | 33.27                    | 107,285,004   | 98.8%                                  | 1.2%                            | 1.2%                            |
| 2019               | 2021                    | 3,153,873,769          | 33.11                    | 104,927,574   | 98.9%                                  | 1.1%                            | 0.5%                            |
| 2018               | 2020                    | 3,105,965,090          | 32.38                    | 100,912,792   | 98.9%                                  | 1.1%                            | 0.1%                            |
| 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%                            |

<sup>1</sup> The mill rate for real estate and personal property is 33.60 and for motor vehicles 32.46 for fiscal year ending June 30, 2024.

<sup>2</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>1,2</sup>**

| Name of Taxpayer                           | Nature of Business           | Assessed             | Percent of Net     |
|--|------------------------------|----------------------|--------------------|
|  |                              | Valuation            | Taxable Grand List |
| Eversource.....                            | Utility.....                 | \$131,052,760        | 5.23%              |
| Connecticut General Life Insurance Co..... | Insurance.....               | 69,013,280           | 2.75%              |
| Trader Joes East Inc.....                  | Shopping Center.....         | 43,671,530           | 1.74%              |
| Church Home of Hartford Inc.....           | Retirement Facility.....     | 39,668,860           | 1.58%              |
| AMCAP Copaco LLC.....                      | Shopping Center.....         | 39,640,370           | 1.58%              |
| HG Conn Realty Corp.....                   | Commercial Real Estate.....  | 34,226,220           | 1.37%              |
| Bloomfield Owner LLC.....                  | Residential Real Estate..... | 33,250,000           | 1.33%              |
| Niagara Bottling LLC.....                  | Water Bottling Company.....  | 32,390,880           | 1.29%              |
| Duncaster Inc.....                         | Assisted Living.....         | 30,486,030           | 1.22%              |
| RV VI Heirloom LLC.....                    | Commercial Real Estate.....  | 29,996,400           | 1.20%              |
| <b>Total.....</b>                          |                              | <b>\$483,396,330</b> | <b>19.28%</b>      |

<sup>1</sup> Based on a 10/1/22 Net Taxable Grand List of \$2,506,681,916.

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

Source: Town of Bloomfield.

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**TEN LARGEST TAXPAYERS – TOWN OF EAST HARTFORD <sup>1,2</sup>**

| <u>Name of Taxpayer</u>                | <u>Nature of Business</u>      | <u>Assessed<br/>Valuation</u> | <u>Percent of Net<br/>Taxable Grand List</u> |
|--|--------------------------------|-------------------------------|--|
| United Technologies Corp/Raytheon..... | Manufacturing.....             | \$577,199,920                 | 16.41%                                       |
| Goodwin College.....                   | Education.....                 | 159,181,040                   | 4.52%  |
| Connecticut Light & Power.....         | Utility.....                   | 52,624,250                    | 1.50%  |
| Coca-Cola Bottling Co.....             | Beverage Mfg./Distributor..... | 41,694,822                    | 1.19%  |
| Woodcliff Estate.....                  | Apartments.....                | 37,266,100                    | 1.06%  |
| Connecticut Natural Gas Corp.....      | Utility.....                   | 35,852,140                    | 1.02%  |
| Barrington Group.....                  | Industrial.....                | 24,858,690                    | 0.71%  |
| Milton East.....                       | Offices.....                   | 21,779,690                    | 0.62%  |
| Cabela's Inc.....                      | Retail.....                    | 21,375,870                    | 0.61%  |
| Summerfield Housing.....               | Apartments.....                | 21,328,070                    | 0.61%  |
| <b>Total.....</b>                      |                                | <b>\$993,160,592</b>          | <b>28.23%</b>                                |

<sup>1</sup> Based on a 10/1/22 Net Taxable Grand List of \$3,518,026,168.

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

Source: Town of East Hartford.

**TEN LARGEST TAXPAYERS – CITY OF HARTFORD <sup>1,2</sup>**

| <u>Name of Taxpayer</u>                      | <u>Nature of Business</u> | <u>Assessed<br/>Valuation</u> | <u>Percent of Net<br/>Taxable Grand List</u> |
|--|---------------------------|-------------------------------|--|
| Eversource.....                              | Utility.....              | \$233,935,120                 | 4.78%  |
| Travelers Indemnity Co. Affiliate.....       | Insurance.....            | 133,061,780                   | 2.72%  |
| Hartford Fire Insurance & Twin City Ins..... | Insurance.....            | 114,585,990                   | 2.34%  |
| Aetna Life Insurance Co. & Annuity.....      | Insurance.....            | 106,399,990                   | 2.17%  |
| Shelbourne Entities.....                     | Utility.....              | 81,359,702                    | 1.66%  |
| Hartford Hospital & HHMOB Corp.....          | Hospital.....             | 57,494,700                    | 1.17%  |
| RP Asylum LLC.....                           | Real Estate.....          | 54,026,180                    | 1.10%  |
| Constitution Plaza Holding LLC.....          | Office Complex.....       | 47,994,680                    | 0.98%  |
| Mac-State Square LLC.....                    | Office Complex.....       | 47,060,440                    | 0.96%  |
| LS Gold, LLC.....                            | Office Complex.....       | 39,233,420                    | 0.80%  |
| <b>Total.....</b>                            |                           | <b>\$915,152,002</b>          | <b>18.69%</b>                                |

<sup>1</sup> Based on a 10/1/22 Net Taxable Grand List of \$4,896,911,900.

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

Source: City of Hartford.

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**TEN LARGEST TAXPAYERS – TOWN OF NEWINGTON <sup>1,2</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.....              | \$79,367,590              | 2.77%                                    |
| Brixmor GA Turnpike Plaza LLC.....           | Shopping Center.....      | 20,150,380                | 0.70%                                    |
| Newington Gross LLC.....                     | Shopping Center.....      | 19,529,360                | 0.68%                                    |
| TLG Newington LLC.....                       | Shopping Center.....      | 18,547,440                | 0.65%                                    |
| Newington VF LLC.....                        | Shopping Center.....      | 18,200,000                | 0.63%                                    |
| IREIT Newington Fair LLC.....                | Shopping Center.....      | 16,404,710                | 0.57%                                    |
| 475 Willard Associates LLC (Shelbourne)..... | Manufacturing.....        | 15,374,940                | 0.54%                                    |
| Hayes Kaufman Newington Assoc. LLC.....      | Real Estate.....          | 14,280,000                | 0.50%                                    |
| Connecticut Natrual Gas.....                 | Utility.....              | 13,358,410                | 0.47%                                    |
| Target Corporation.....                      | Shopping Center.....      | 11,134,430                | 0.39%                                    |
| <b>Total.....</b>                            |                           | <b>\$226,347,260</b>      | <b>7.89%</b>                             |

<sup>1</sup> Based on a 10/1/22 Net Taxable Grand List of \$2,867,257,043.

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

Source: Town of Newington.

**TEN LARGEST TAXPAYERS – TOWN OF ROCKY HILL <sup>1,2</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.....                | \$40,363,820              | 1.75%                                    |
| RP Glenbrook LLC.....                    | Warehouse.....                 | 31,269,490                | 1.36%                                    |
| Connecticut Natural Gas Corporation..... | Utility.....                   | 30,996,630                | 1.35%                                    |
| MKS - 500 Enterprise LLC.....            | Real Estate.....               | 26,364,440                | 1.14%                                    |
| Connecticut Light & Power.....           | Utility.....                   | 26,210,520                | 1.14%                                    |
| Henkel Corporation.....                  | Manufacturer of Adhesives..... | 25,610,410                | 1.11%                                    |
| BJS Wholesale Club Inc.....              | Retail Wholesale Club.....     | 24,113,100                | 1.05%                                    |
| Churchill Property Portfolio.....        | Real Estate.....               | 17,500,000                | 0.76%                                    |
| Stepney Place.....                       | Real Estate.....               | 13,966,190                | 0.61%                                    |
| EIP Rocky Hill Brook LLC.....            | Real Estate.....               | 13,670,930                | 0.59%                                    |
| <b>Total.....</b>                        |                                | <b>\$250,065,530</b>      | <b>10.85%</b>                            |

<sup>1</sup> Based on a 10/1/22 Net Taxable Grand List of \$2,304,414,554.

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

Source: Town of Rocky Hill.

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**TEN LARGEST TAXPAYERS – TOWN OF WEST HARTFORD <sup>1,2</sup>**

| <u>Name of Taxpayer</u>                  | <u>Nature of Business</u> | <u>Assessed<br/>Valuation</u> | <u>Percent of Net<br/>Taxable Grand List</u> |
|--|---------------------------|-------------------------------|--|
| Eversource.....                          | Utility.....              | \$61,814,320                  | 0.86%  |
| FW CT - Corbins Corner.....              | Retail, Office.....       | 47,159,700                    | 0.65%  |
| West Farms Mall.....                     | Shopping Mall.....        | 44,350,220                    | 0.61%  |
| Sof-Ix Blueback Square Holdings LP.....  | Real Estate.....          | 37,771,010                    | 0.52%  |
| Town Center West Associates.....         | Office.....               | 29,503,900                    | 0.41%  |
| SF West Hartford Property Owner LLC..... | Real Estate.....          | 28,901,180                    | 0.40%  |
| Steele Road LLC.....                     | Real Estate.....          | 26,128,830                    | 0.36%  |
| ALNIC LLC.....                           | Supermarket.....          | 23,128,910                    | 0.32%  |
| E&A Northeast Limited Partnership.....   | Shopping Center.....      | 21,772,240                    | 0.30%  |
| ER West Hartford LLC.....                | Apartments.....           | 21,122,460                    | 0.29%  |
| <b>Total.....</b>                        |                           | <b>\$341,652,770</b>          | <b>4.73%</b>                                 |

<sup>1</sup> Based on a 10/1/22 Net Taxable Grand List of \$7,222,008,042

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

Source: Town of West Hartford.

**TEN LARGEST TAXPAYERS – TOWN OF WETHERSFIELD <sup>1,2</sup>**

| <u>Name of Taxpayer</u>                 | <u>Nature of Business</u> | <u>Assessed<br/>Valuation</u> | <u>Percent of Net<br/>Taxable Grand List</u> |
|---|---------------------------|-------------------------------|--|
| Wethersfield Apartments Assoc. LLC..... | Apartments.....           | \$23,310,000                  | 0.95%  |
| Eversource.....                         | Utility.....              | 21,066,050                    | 0.86%  |
| Executive Square LTD Partnership.....   | Apartments.....           | 19,335,050                    | 0.79%  |
| Connecticut Natural Gas.....            | Utility.....              | 18,895,500                    | 0.77%  |
| Wethersfield Shopping Center LLC.....   | Shopping Center.....      | 14,700,000                    | 0.60%  |
| Cedar-Jordan Lane LLC.....              | Shopping Center.....      | 14,525,000                    | 0.59%  |
| 100 Great Meadow Road.....              | Real Estate.....          | 12,980,370                    | 0.53%  |
| Wethersfield Folly Brook LLC.....       | Real Estate.....          | 9,243,670                     | 0.38%  |
| Goodwin Gardens LLC.....                | Apartments.....           | 8,448,140                     | 0.34%  |
| Borden Wethersfield 1178 LLC.....       | Real Estate.....          | 8,134,610                     | 0.33%  |
| <b>Total.....</b>                       |                           | <b>\$150,638,390</b>          | <b>6.14%</b>                                 |

<sup>1</sup> Based on a 10/1/22 Net Taxable Grand List of \$2,455,304,299.

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

Source: Town of Wethersfield.

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**TEN LARGEST TAXPAYERS – TOWN OF WINDSOR <sup>1,2</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.....            | \$324,904,005             | 9.14%                                    |
| Eversource.....                          | Utility.....                | 100,661,275               | 2.83%                                    |
| Industrial Realty Trust.....             | Real Estate.....            | 86,203,530                | 2.43%                                    |
| Walgreens.....                           | Pharmacy.....               | 78,089,116                | 2.20%                                    |
| CIGNA.....                               | Insurance.....              | 56,516,952                | 1.59%                                    |
| Voya Retirement Insurance.....           | Finance.....                | 55,911,140                | 1.57%                                    |
| Dollar Tree Distribution Inc.....        | Real Estate.....            | 54,699,990                | 1.54%                                    |
| Hartford Financial Corporation.....      | Finance.....                | 51,232,202                | 1.44%                                    |
| Cellco/Verizon Wireless.....             | Information Technology..... | 39,917,489                | 1.12%                                    |
| Addison Property Owner LLC.....          | Real Estate.....            | 31,164,485                | 0.88%                                    |
| <b>Total.....</b>                        |                             | <b>\$879,300,184</b>      | <b>24.74%</b>                            |

<sup>1</sup> Based on a 10/1/22 Net Taxable Grand List of \$3,554,500,551.

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

Source: Town of Windsor.

**EQUALIZED NET GRAND LIST**

| <u>Town of Bloomfield <sup>1</sup></u> |                                 |                 | <u>Town of East Hartford <sup>1</sup></u> |                                 |                 |
|--|---------------------------------|-----------------|---|---------------------------------|-----------------|
| <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> |
| 2021                                   | \$4,201,955,646                 | 8.97%           | 2021                                      | \$4,991,573,883                 | -5.28%          |
| 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%           |

| <u>City of Hartford <sup>1</sup></u> |                                 |                 | <u>Town of Newington <sup>1</sup></u> |                                 |                 |
|--------------------------------------|---------------------------------|-----------------|---------------------------------------|---------------------------------|-----------------|
| <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> |
| 2021                                 | \$6,837,896,972                 | -15.19%         | 2021                                  | \$5,270,222,837                 | 33.37%          |
| 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%           |

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

| Town of Rocky Hill <sup>1</sup> |                          |          | Town of West Hartford <sup>1</sup> |                          |          |
|---------------------------------|--------------------------|----------|------------------------------------|--------------------------|----------|
| Grand List of 10/1              | Equalized Net Grand List | % Growth | Grand List of 10/1                 | Equalized Net Grand List | % Growth |
| 2021                            | \$4,218,943,446          | 12.01%   | 2021                               | \$12,084,417,020         | 11.16%   |
| 2020                            | 3,766,723,871            | 12.85%   | 2020                               | 10,870,763,470           | 7.55%    |
| 2019                            | 3,337,771,481            | 5.75%    | 2019                               | 10,107,519,211           | 2.34%    |
| 2018                            | 3,156,173,943            | 1.72%    | 2018                               | 9,876,620,438            | 2.82%    |
| 2017                            | 3,102,901,837            | 2.30%    | 2017                               | 9,605,646,775            | 7.83%    |
| 2016                            | 3,033,011,924            | -0.87%   | 2016                               | 8,907,859,189            | -3.72%   |
| 2015                            | 3,059,763,412            | -4.18%   | 2015                               | 9,251,991,620            | -0.77%   |
| 2014                            | 3,193,390,993            | 12.39%   | 2014                               | 9,323,512,094            | 1.83%    |
| 2013                            | 2,841,314,800            | 2.02%    | 2013                               | 9,156,172,567            | 1.33%    |
| 2012                            | 2,784,951,675            | 1.59%    | 2012                               | 9,035,908,810            | 7.56%    |

| Town of Wethersfield <sup>1</sup> |                          |          | Town of Windsor <sup>1</sup> |                          |          |
|-----------------------------------|--------------------------|----------|------------------------------|--------------------------|----------|
| Grand List of 10/1                | Equalized Net Grand List | % Growth | Grand List of 10/1           | Equalized Net Grand List | % Growth |
| 2021                              | \$4,380,281,987          | 7.86%    | 2021                         | \$6,023,893,043          | 14.06%   |
| 2020                              | 4,060,971,655            | 16.70%   | 2020                         | 5,281,482,794            | -1.62%   |
| 2019                              | 3,479,972,719            | 4.89%    | 2019                         | 5,368,290,587            | 20.89%   |
| 2018                              | 3,317,732,536            | -1.82%   | 2018                         | 4,440,713,889            | -1.72%   |
| 2017                              | 3,379,119,934            | -0.40%   | 2017                         | 4,518,598,159            | 6.51%    |
| 2016                              | 3,392,683,688            | 6.86%    | 2016                         | 4,242,507,812            | -4.45%   |
| 2015                              | 3,174,823,747            | 2.27%    | 2015                         | 4,440,057,842            | 4.25%    |
| 2014                              | 3,104,460,582            | -1.54%   | 2014                         | 4,259,039,357            | 5.21%    |
| 2013                              | 3,153,114,691            | 0.19%    | 2013                         | 4,047,961,669            | 0.54%    |
| 2012                              | 3,147,128,675            | 0.02%    | 2012                         | 4,026,160,993            | 0.00%    |

<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, 2018 through December 31, 2022 and for the Member Municipalities for fiscal years ended June 30, 2018 through June 30, 2022, 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. 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 budgetary control is alternately achieved through the capital budgeting processes for both the 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, 2022) \$24,908,434, 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 three supplemental grant appropriations totaling \$226,200,000, 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, 2022, 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 that 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 MDERS 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 general 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 is eligible to receive 100% of the pension that the employee would have been entitled to. Annual pension payments are determined at 2% times years of service (subject to a maximum of 32 years) times final average earnings.

| <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                               |  |                                   |                               |
| 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%                          |
| 2022                              | \$9,141,064                                  | \$9,141,064                       | 100%                          |

The District implemented GASB Statement No. 67 effective in Fiscal Year 2014. The following net pension liability of the District at December 31, 2022, determined by an actuarial valuation as of January 1, 2022 and based on actuarial assumptions as of that date, were as follows.

| <b>GASB 67 Schedules</b>   |               |
|--|---------------|
| Total pension liability at December 31, 2022....                 | \$328,618,905 |
| Plan fiduciary net position.....                                 | 230,813,515   |
| District's net pension liability.....                            | \$97,805,390  |
| Plan fiduciary net position as % of total pension liability..... | 70.24%        |

The following presents the net pension liability, calculated using the discount rate of 6.625% 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 (5.625%) or 1-percentage-point higher (7.625%) than the current rate.

|   | <b>1% Decrease</b> | <b>Current</b>  | <b>1% Increase</b> |
|---|--------------------|-----------------|--------------------|
|   | <b>(5.625%)</b>    | <b>Discount</b> | <b>(7.625%)</b>    |
|   | <b>(5.625%)</b>    | <b>(6.625%)</b> | <b>(7.625%)</b>    |
| District Plan's net pension liability<br>as of December 31, 2022..... | \$134,133,772      | \$97,805,390    | \$66,865,067       |

*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. For retired employees hired prior to June 5, 2018, spouses and eligible dependents are covered on medical and dental insurance if the retiree declares at least a 90% pension annuity. Spouses and dependents of retirees hired on or after June 5, 2018 are not eligible for coverage on the retiree’s medical and dental insurance. 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, 2022. The RHP does not issue a stand-alone financial report.

The contribution requirements of the RHP 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 \$32,716,424 as of December 31, 2022. The employee contribution has been discontinued, effective January 1, 2023.

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> |
| 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%                    |
| 2022                              | \$12,003,097                          | \$10,701,005               | 89%                    |

The District implemented GASB Statement No. 74 effective in Fiscal Year 2017. The following net pension liability of the District at December 31, 2022, determined by an actuarial valuation as of January 1, 2022 and based on actuarial assumptions as of that date, were as follows.

| <b>GASB 74 Schedules</b>                                      |               |
|---|---------------|
| Total OPEB liability at December 31, 2022...                  | \$136,127,930 |
| Plan fiduciary net position.....                              | 11,253,347    |
| District's net OPEB liability.....                            | \$124,874,583 |
| Plan fiduciary net position as % of total OPEB liability..... | 8.27%         |

|   | <b>1% Decrease<br/>(5.625%)</b> | <b>Current<br/>Discount<br/>(6.625%)</b> | <b>1% Increase<br/>(7.625%)</b> |
|---|---------------------------------|--|---------------------------------|
| District Plan's net OPEB liability as of December 31, 2022..... | \$141,693,458                   | \$124,874,583                            | \$110,879,007                   |

*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, 2022 were \$0.0.

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**REVENUES AND APPROPRIATIONS  
ADOPTED BUDGET FOR 2023**

|  | <b>Adopted<br/>Budget 2023</b> |
|--|--------------------------------|
| <b>Water Revenues</b>                                  |                                |
| Sale of Water.....                                     | \$91,459,085                   |
| Other Operating Revenue.....                           | 8,871,900                      |
| <b>Total Operating Revenue.....</b>                    | <b>\$100,330,985</b>           |
| Non-Operating Revenue.....                             | 2,364,497                      |
| Contribution from (to) Working Funds.....              | 4,795,335                      |
| <b>Total Water Revenues.....</b>                       | <b>\$107,490,817</b>           |
| <b>Sewer Revenues</b>                                  |                                |
| Tax on Member Municipalities.....                      | \$53,076,600                   |
| Revenue From Other Governmental Agencies.....          | 11,931,000                     |
| Other Sewer Revenues.....                              | 12,429,321                     |
| Sewer User Charge Revenue.....                         | 11,584,900                     |
| <b>Total Operating Revenue.....</b>                    | <b>\$89,021,821</b>            |
| DEEP Contingency.....                                  | 1,980,000                      |
| Contributions from Other Funds.....                    | 6,252,829                      |
| <b>Total Sewer Revenues.....</b>                       | <b>\$97,254,650</b>            |
| <b>Total Water and Sewer Revenues.....</b>             | <b>\$204,745,467</b>           |
| <b>Hydroelectric Revenues.....</b>                     | <b>973,850</b>                 |
| <b>Total Revenues and Other Financing Sources.....</b> | <b>\$205,719,317</b>           |

|   | <b>Adopted 2023</b>  |                      |                       |
|---|----------------------|----------------------|-----------------------|
|   | <b>Water</b>         | <b>Sewer</b>         | <b>Total</b>          |
| <b>Appropriations Water<br/>And Sewer Budgets</b> |                      |                      |                       |
| District Board.....                               | \$ 268,000           | \$ 257,500           | \$ 525,500            |
| Executive Office.....                             | 1,643,383            | 1,578,900            | 3,222,283             |
| Legal.....  | 767,334              | 737,300              | 1,504,634             |
| Administrative Office.....                        | 334,860              | 321,800              | 656,660               |
| Finance.....                                      | 3,156,314            | 3,032,400            | 6,188,714             |
| Information Technology.....                       | 6,254,728            | 3,080,600            | 9,335,328             |
| Engineering and Planning.....                     | 547,677              | 526,100              | 1,073,777             |
| Water Treatment and Supply.....                   | 9,292,383            | -                    | 9,292,383             |
| Water Pollution Control.....                      | -                    | 21,537,206           | 21,537,206            |
| Laboratory Services.....                          | 821,289              | 758,000              | 1,579,289             |
| Maintenance.....                                  | 6,480,813            | 6,226,600            | 12,707,413            |
| Chief Operating Office.....                       | 444,442              | 427,000              | 871,442               |
| Environment, Health and Safety.....               | 516,844              | 496,400              | 1,013,244             |
| Command Center.....                               | 3,999,493            | 2,060,300            | 6,059,793             |
| Operations.....                                   | 10,645,947           | 3,548,700            | 14,194,647            |
| Patrol.....                                       | 1,453,642            | -                    | 1,453,642             |
| Debt Service.....                                 | 38,179,321           | 36,248,080           | 74,427,401            |
| Employee Benefits.....                            | 14,335,989           | 11,729,500           | 26,065,489            |
| General Insurance.....                            | 1,337,837            | 891,900              | 2,229,737             |
| Taxes and Fees.....                               | 3,810,500            | -                    | 3,810,500             |
| Special Agreements and Programs.....              | 3,200,021            | 1,816,364            | 5,016,385             |
| Contingency.....                                  | -                    | 1,980,000            | 1,980,000             |
| <b>Total Water and Sewer Budgets.....</b>         | <b>\$107,490,817</b> | <b>\$ 97,254,650</b> | <b>\$ 204,745,467</b> |
| <b>Hydroelectric Budget.....</b>                  | <b>973,850</b>       | <b>-</b>             | <b>973,850</b>        |
| <b>Total Appropriations.....</b>                  | <b>\$108,464,667</b> | <b>\$ 97,254,650</b> | <b>\$ 205,719,317</b> |

**SOURCES OF FUNDS  
ADOPTED BUDGET FOR 2023**

| <b>Sale of Water by User</b>                                 | <b>Adopted<br/>Budget 2023</b> |
|--|--------------------------------|
| Domestic.....  | 31.63%                         |
| Commercial.....  | 8.34                           |
| Industrial.....  | 1.79                           |
| Public Authority.....  | 2.00                           |
| Other Water Companies.....                                   | 0.91                           |
| <b>Total</b> .....   | <b>44.67%</b>                  |
| <b><u>Sewer Revenues Paid By Member Municipality Tax</u></b> |                                |
| Hartford.....  | 6.80                           |
| East Hartford.....   | 3.04                           |
| Newington.....   | 2.33                           |
| Wethersfield.....  | 2.08                           |
| Windsor.....   | 2.30                           |
| Bloomfield.....  | 1.87                           |
| Rocky Hill.....  | 1.61                           |
| West Hartford.....   | 5.88                           |
| <b>Total</b> .....   | <b>25.91%</b>                  |
| <b><u>Other Sources of Funds for Sewer &amp; Water</u></b>   |                                |
| Other Sewer & Water Revenues.....                            | 28.95%                         |
| <b>Total Sources of Funds for Sewer &amp; Water</b> .....    | <b>99.53%</b>                  |
| <b><u>Sources of Funds for All Projects</u></b>              |                                |
| Water Revenues.....  | 52.25                          |
| Sewer Revenues.....  | 47.28                          |
| Hydroelectric Revenues.....                                  | 0.47                           |
| <b>Total</b> .....   | <b>100.00%</b>                 |

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

|  | <b>Fiscal Year 2021-22</b> |                              |   | <b>Fiscal Year</b>                    |
|--|----------------------------|------------------------------|---|---------------------------------------|
|  | <b>Final<br/>Budget</b>    | <b>Actual<br/>Operations</b> | <b>Variance<br/>Favorable<br/>(Unfavorable)</b> | <b>2022-23<br/>Adopted<br/>Budget</b> |
| <b>REVENUES</b>  |                            |                              |   |                                       |
| Taxation - Member Towns.....                               | \$ 53,076,600              | \$ 53,076,600                | \$ -  | \$53,076,600                          |
| Sewer User Fees.....                                       | 22,171,802                 | 22,346,873                   | 175,071   | 11,584,900                            |
| Intergovernmental.....                                     | 10,931,000                 | 10,747,754                   | (183,246)                                       | 11,931,000                            |
| Income from Investment.....                                | 40,000                     | 513,679                      | 473,679   | 153,000                               |
| Other Revenues.....  | 9,302,100                  | 9,935,516                    | 633,416   | 12,276,321                            |
| Transfers In.....  | 4,680,000                  | -                            | (4,680,000)                                     | 8,232,829                             |
| <b>TOTAL REVENUES .....</b>                                | <b>\$100,201,502</b>       | <b>\$ 96,620,422</b>         | <b>\$ (3,581,080)</b>                           | <b>\$97,254,650</b>                   |
| <b>EXPENDITURES</b>  |                            |                              |   |                                       |
| General Government .....                                   | 7,857,300                  | 6,926,123                    | 931,177   | \$9,504,900                           |
| Engineering and Planning.....                              | 535,600                    | 451,965                      | 83,635  | 526,100                               |
| Operations.....  | 6,687,700                  | 6,377,006                    | 310,694   | 6,036,000                             |
| Plants and Maintenance.....                                | 28,783,802                 | 24,290,306                   | 4,493,496                                       | 28,521,806                            |
| Employee Benefits and Other.....                           | 19,239,600                 | 19,043,327                   | 196,273   | 14,437,764                            |
| Contingency.....   | 1,980,000                  | -                            | 1,980,000                                       | 1,980,000                             |
| Debt Service.....  | 35,117,500                 | 34,772,147                   | 345,353   | 36,248,080                            |
| <b>TOTAL EXPENDITURES .....</b>                            | <b>\$100,201,502</b>       | <b>\$ 91,860,874</b>         | <b>\$ 8,340,628</b>                             | <b>\$ 97,254,650</b>                  |
| Excess (deficiency) of revenues<br>over expenditures ..... | \$ -                       | \$ 4,759,548                 | \$ 4,759,548                                    | \$ -                                  |

Source: Audit Report 2022; Budget 2023.

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

| FISCAL YEAR ENDED:   | 2022                | 2021                | 2020                | 2019                | 2018                |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>ASSETS</b>  |                     |                     |                     |                     |                     |
| Cash and cash equivalents .....  | \$29,214,376        | \$26,945,085        | \$28,834,678        | \$21,964,836        | \$16,212,716        |
| Receivables, Net of Allowance for Uncollectibles..                                     | 6,191,192           | 5,443,211           | 6,127,738           | 5,153,260           | 9,960,629           |
| Due From Other Funds.....  | -                   | 18,602              | 57,270              | -                   | -                   |
| Inventory.....   | -                   | -                   | -                   | 2,916,842           | 2,560,251           |
| Supplies.....  | 4,142,113           | 3,457,138           | 3,028,814           | -                   | -                   |
| Prepaid Items.....   | 596,836             | 662,737             | 686,634             | 487,010             | 505,071             |
| <b>TOTAL ASSETS.....</b>   | <b>\$40,144,517</b> | <b>\$36,526,773</b> | <b>\$38,735,134</b> | <b>\$30,521,948</b> | <b>\$29,238,667</b> |
| <b>LIABILITIES</b>   |                     |                     |                     |                     |                     |
| Accounts Payable & Accrued Items.....  | \$ 2,069,681        | \$ 2,299,046        | \$ 2,255,485        | \$ 1,596,059        | \$ 1,940,605        |
| Premium on bond anticipation notes payable.....  | -                   | -                   | -                   | -                   | -                   |
| Customer Advances for Construction.....  | 1,089,243           | 690,351             | 893,974             | 822,170             | 1,006,119           |
| <b>Total Liabilities .....</b>   | <b>3,158,924</b>    | <b>2,989,397</b>    | <b>3,149,459</b>    | <b>2,418,229</b>    | <b>2,946,724</b>    |
| <b>DEFERRED INFLOWS OF RESOURCES</b>   |                     |                     |                     |                     |                     |
| Unavailable Revenue - Special Assessments.....   | 73,858              | -                   | -                   | -                   | -                   |
| Unavailable Revenue - Sewer User Fees.....   | 3,104,216           | 3,827,551           | -                   | -                   | -                   |
| <b>TOTAL DEFERRED INFLOWS.....</b>   | <b>3,178,074</b>    | <b>3,827,551</b>    | <b>-</b>            | <b>-</b>            | <b>-</b>            |
| <b>FUND BALANCE</b>  |                     |                     |                     |                     |                     |
| Nonspendable .....   | 4,738,949           | 4,119,875           | 3,715,448           | 3,403,852           | 3,065,322           |
| Restricted .....   | -                   | -                   | -                   | -                   | -                   |
| Committed .....  | -                   | -                   | -                   | -                   | -                   |
| Assigned .....   | -                   | -                   | -                   | -                   | -                   |
| Unassigned .....   | 29,068,570          | 25,589,950          | 31,870,227          | 24,699,867          | 23,226,621          |
| <b>TOTAL FUND BALANCE.....</b>   | <b>33,807,519</b>   | <b>29,709,825</b>   | <b>35,585,675</b>   | <b>28,103,719</b>   | <b>26,291,943</b>   |
| <b>TOTAL LIABILITIES, DEFERRED<br/>INFLOWS OF RESOURCES AND<br/>FUND BALANCES.....</b> |                     |                     |                     |                     |                     |
|  | <b>\$40,144,517</b> | <b>\$36,526,773</b> | <b>\$38,735,134</b> | <b>\$30,521,948</b> | <b>\$29,238,667</b> |

Source: Audit Reports 2018-2022.

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

| <b>FISCAL YEAR ENDED:</b>                       | <b>2022</b>             | <b>2021</b>                      | <b>2020</b>         | <b>2019</b>         | <b>2018</b>         |
|---|-------------------------|----------------------------------|---------------------|---------------------|---------------------|
| <b>REVENUES:</b>                                |                         |                                  |                     |                     |                     |
| Taxation - Member Towns.....                    | \$53,076,600            | \$51,475,700                     | \$51,475,700        | \$48,153,100        | \$45,004,000        |
| Sewer User Fees.....                            | 21,914,777              | 17,322,000                       | 20,404,896          | 15,670,998          | 9,804,814           |
| Intergovernmental .....                         | 10,052,027              | 10,178,011                       | 10,111,198          | 5,514,708           | 5,819,727           |
| Investment Income.....                          | 513,679                 | 30,581                           | 145,404             | 734,871             | 655,763             |
| Other Revenues.....                             | 4,545,071               | 2,742,962                        | 1,287,228           | 5,582,358           | 7,613,648           |
| Transfers In.....                               | 1,000,469               | 531,209                          | -                   | -                   | -                   |
| <b>Total Revenues<br/>and Transfers In.....</b> | <b>\$91,102,623</b>     | <b>\$82,280,463</b>              | <b>\$83,424,426</b> | <b>\$75,656,035</b> | <b>\$68,897,952</b> |
| <b>EXPENDITURES:</b>                            |                         |                                  |                     |                     |                     |
| General Government.....                         | \$11,223,405            | \$5,002,410                      | \$4,446,417         | \$4,548,043         | \$4,762,419         |
| Engineering & Planning.....                     | -                       | -                                | -                   | -                   | -                   |
| Operations.....                                 | 10,114,533              | 4,463,088                        | 3,573,467           | 3,745,528           | 3,918,542           |
| Plants & Maintenance.....                       | 30,926,380 <sup>2</sup> | 20,753,614                       | 19,643,333          | 18,150,755          | 15,144,347          |
| Employee Benefits & Other...                    | -                       | 18,298,717                       | 16,194,956          | 15,335,071          | 11,162,192          |
| Debt Service.....                               | 18,882                  | 223,958                          | -                   | -                   | -                   |
| Transfers Out.....                              | 34,721,729              | 36,035,881                       | 32,084,297          | 32,064,862          | 27,213,487          |
| <b>Total Expenditures.....</b>                  | <b>\$87,004,929</b>     | <b>\$84,777,668</b>              | <b>\$75,942,470</b> | <b>\$73,844,259</b> | <b>\$62,200,987</b> |
| <b>Results from Operations.....</b>             | <b>\$4,097,694</b>      | <b>(\$2,497,205)</b>             | <b>\$7,481,956</b>  | <b>\$1,811,776</b>  | <b>\$6,696,965</b>  |
| <b>Fund Balance, January 1.....</b>             | <b>\$29,709,825</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>Fund Balance, December 31.....</b>           | <b>\$33,807,519</b>     | <b>\$29,709,825</b>              | <b>\$35,585,675</b> | <b>\$28,103,719</b> | <b>\$26,291,943</b> |

<sup>1</sup> Restated.

<sup>2</sup> Includes employee benefits.

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

| <b>FISCAL YEAR ENDED:</b>  | <b>2022</b>         | <b>2021</b>         | <b>2020</b>         | <b>2019</b>         | <b>2018</b>         |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|
| Nonspendable.....  | \$4,738,949         | \$4,119,875         | \$3,715,448         | \$3,403,852         | \$3,065,322         |
| Unassigned.....  | 29,068,570          | 25,589,950          | 31,870,227          | 24,699,867          | 23,226,621          |
| <b>Total Fund Balance</b>  | <b>\$33,807,519</b> | <b>\$29,709,825</b> | <b>\$35,585,675</b> | <b>\$28,103,719</b> | <b>\$26,291,943</b> |
| <b>Unassigned Fund Balance<br/>As % of Total Expenditures.....</b> | <b>33.41%</b>       | <b>30.18%</b>       | <b>41.97%</b>       | <b>33.45%</b>       | <b>37.34%</b>       |

Source: Audit Reports 2018-2022.

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

| <u>Member Municipality</u> | <u>Budget</u>       |               | <u>Actual</u>       |               | <u>Actual</u>       |               |
|----------------------------|---------------------|---------------|---------------------|---------------|---------------------|---------------|
|                            | <u>2023</u>         | <u>%</u>      | <u>2022</u>         | <u>%</u>      | <u>2021</u>         | <u>%</u>      |
| Bloomfield                 | \$ 3,831,630        | 7.22          | \$ 3,868,400        | 7.29          | \$ 3,808,100        | 7.40          |
| East Hartford              | 6,227,300           | 11.73         | 6,264,400           | 11.80         | 6,015,200           | 11.69         |
| Hartford                   | 13,923,310          | 26.23         | 14,067,500          | 26.50         | 13,169,100          | 25.58         |
| Newington                  | 4,776,720           | 9.00          | 4,799,100           | 9.04          | 4,681,000           | 9.09          |
| Rocky Hill                 | 3,294,640           | 6.21          | 3,206,800           | 6.04          | 3,171,200           | 6.16          |
| West Hartford              | 12,043,810          | 22.69         | 11,919,300          | 22.47         | 11,865,500          | 23.05         |
| Wethersfield               | 4,266,270           | 8.04          | 4,252,500           | 8.01          | 4,214,100           | 8.19          |
| Windsor                    | 4,712,920           | 8.88          | 4,698,600           | 8.85          | 4,551,500           | 8.84          |
| <b>Total</b>               | <b>\$53,076,600</b> | <b>100.0%</b> | <b>\$53,076,600</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>2020</u>         | <u>%</u>      | <u>2019</u>         | <u>%</u>      | <u>2018</u>         | <u>%</u>      |
| Bloomfield                 | \$ 3,879,300        | 7.54          | \$ 3,488,600        | 7.24          | \$ 3,256,200        | 7.24          |
| East Hartford              | 6,089,300           | 11.83         | 5,775,200           | 11.99         | 5,486,600           | 12.19         |
| Hartford                   | 13,035,400          | 25.32         | 12,372,000          | 25.69         | 11,550,400          | 25.67         |
| Newington                  | 4,623,100           | 8.98          | 4,318,900           | 8.97          | 4,120,900           | 9.16          |
| Rocky Hill                 | 3,144,100           | 6.11          | 2,909,600           | 6.04          | 2,712,500           | 6.03          |
| West Hartford              | 11,852,100          | 23.02         | 11,034,500          | 22.93         | 10,168,100          | 22.58         |
| Wethersfield               | 4,240,800           | 8.24          | 3,979,400           | 8.26          | 3,707,800           | 8.24          |
| Windsor                    | 4,611,600           | 8.96          | 4,274,900           | 8.88          | 4,001,500           | 8.89          |
| <b>Total</b>               | <b>\$51,475,700</b> | <b>100.0%</b> | <b>\$48,153,100</b> | <b>100.0%</b> | <b>\$45,004,000</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<br>Budget <sup>1</sup> |                      |                      |                      |                       |                                   |
|---|--------------------------------|----------------------|----------------------|----------------------|-----------------------|-----------------------------------|
|   | 2023                           | 2022                 | 2021                 | 2020                 | 2019                  | 2018                              |
| <b>Operating Revenues:</b>                    |                                |                      |                      |                      |                       |                                   |
| Water Sales.....                              | \$91,459,085                   | \$97,188,550         | \$93,404,849         | \$98,277,039         | \$86,566,574          | \$74,795,863                      |
| Other Operating Revenues.....                 | 8,871,900                      | 8,121,257            | 7,869,933            | 7,427,376            | 5,491,192             | 3,631,305                         |
| <b>Total Operating Revenue.....</b>           | <b>\$100,330,985</b>           | <b>\$105,309,807</b> | <b>\$101,274,782</b> | <b>\$105,704,415</b> | <b>\$92,057,766</b>   | <b>\$78,427,168</b>               |
| <b>Total Operating Expenses.....</b>          | <b>107,490,817</b>             | <b>70,755,175</b>    | <b>63,408,511</b>    | <b>67,216,489</b>    | <b>93,666,059</b>     | <b>113,268,096</b>                |
| Operating Income (Loss).....                  | (7,159,832)                    | 34,554,632           | 37,866,271           | 38,487,926           | (1,608,293)           | (34,840,928)                      |
| <b>Non-operating Revenues.....</b>            | <b>7,159,832</b>               | <b>3,035,726</b>     | <b>502,294</b>       | <b>1,065,377</b>     | <b>(5,315,658)</b>    | <b>(32,807)</b>                   |
| Income (Loss) Before Interest &               |                                |                      |                      |                      |                       |                                   |
| Fiscal Charges & Operating Transfers.....     | -                              | 37,590,358           | 38,368,565           | 39,553,303           | (6,923,951)           | (34,873,735)                      |
| Interest & Fiscal Charges.....                | -                              | (9,762,218)          | (5,223,626)          | (11,112,851)         | (11,287,082)          | (9,573,365)                       |
| <b>Income Before Operating Transfers.....</b> | <b>-</b>                       | <b>\$27,828,140</b>  | <b>\$33,144,939</b>  | <b>\$28,440,452</b>  | <b>(\$18,211,033)</b> | <b>(\$44,447,100)</b>             |
| <b>Transfers</b>                              |                                |                      |                      |                      |                       |                                   |
| Grants & Contributions.....                   |                                | \$5,761,906          | \$5,828,453          | \$6,651,401          | \$15,921,555          | \$22,060,020                      |
| <b>Net Operating Transfers</b>                |                                | <b>-</b>             | <b>-</b>             | <b>15,266,267</b>    | <b>(26,146,960)</b>   | <b>(17,088,617)</b>               |
| <b>Net Income (Loss).....</b>                 |                                | <b>\$33,590,046</b>  | <b>\$38,973,392</b>  | <b>\$50,358,120</b>  | <b>(\$28,436,438)</b> | <b>(\$39,475,697)</b>             |
| <b>Net Assets, January 1.....</b>             |                                | <b>\$177,706,871</b> | <b>\$138,733,479</b> | <b>\$88,375,359</b>  | <b>\$116,811,797</b>  | <b>\$156,287,494</b> <sup>2</sup> |
| <b>Net Assets, December 31.....</b>           |                                | <b>\$211,296,917</b> | <b>\$177,706,871</b> | <b>\$138,733,479</b> | <b>\$88,375,359</b>   | <b>\$116,811,797</b>              |

<sup>1</sup> Budgetary Basis.

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

Source: Audit Reports 2018-2022; Adopted Budget 2023.

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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<br>Budget <sup>1</sup> |                    |                    |                    |                      |                                 |
|---|--------------------------------|--------------------|--------------------|--------------------|----------------------|---------------------------------|
|   | 2023                           | 2022               | 2021               | 2020               | 2019                 | 2018                            |
| <b>Operating Revenues:</b>                    |                                |                    |                    |                    |                      |                                 |
| Energy Sales.....                             | \$868,500                      | \$1,074,746        | \$941,491          | \$471,876          | \$816,141            | \$1,288,293                     |
| Miscellaneous.....                            | 1,605,350                      | -                  | -                  | -                  | -                    | -                               |
| <b>Total Operating Revenue.....</b>           | <b>\$2,473,850</b>             | <b>\$1,074,746</b> | <b>\$941,491</b>   | <b>\$471,876</b>   | <b>\$816,141</b>     | <b>\$1,288,293</b>              |
| <b>Total Operating Expenses</b>               | <b>\$2,473,850</b>             | <b>\$257,130</b>   | <b>\$289,595</b>   | <b>\$432,713</b>   | <b>\$688,775</b>     | <b>\$247,281</b>                |
| <b>Operating Income (Loss)</b>                | <b>\$0</b>                     | <b>\$817,616</b>   | <b>\$651,896</b>   | <b>\$39,163</b>    | <b>\$127,366</b>     | <b>\$1,041,012</b>              |
| <b>Non-operating Revenues (Expenses).....</b> | <b>\$0</b>                     | <b>\$0</b>         | <b>\$0</b>         | <b>(\$878,871)</b> | <b>(\$1,428,032)</b> | <b>\$0</b>                      |
| <b>Income Before Operating Transfers.....</b> | <b>\$0</b>                     | <b>\$817,616</b>   | <b>\$651,896</b>   | <b>(\$839,708)</b> | <b>(\$1,300,666)</b> | <b>\$1,041,012</b>              |
| Net Operating Transfers.....                  | -                              | -                  | -                  | -                  | 1,066,000            | -                               |
| <b>Net Income (Loss).....</b>                 | <b>\$0</b>                     | <b>\$817,616</b>   | <b>\$651,896</b>   | <b>(\$839,708)</b> | <b>(\$234,666)</b>   | <b>\$1,041,012</b>              |
| <b>Net Assets, January 1.....</b>             |                                | <b>\$8,277,899</b> | <b>\$7,626,003</b> | <b>\$8,465,711</b> | <b>\$8,700,377</b>   | <b>\$7,659,365</b> <sup>2</sup> |
| <b>Net Assets, December 31.....</b>           |                                | <b>\$9,095,515</b> | <b>\$8,277,899</b> | <b>\$7,626,003</b> | <b>\$8,465,711</b>   | <b>\$8,700,377</b>              |

<sup>1</sup> Budgetary Basis.

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

Source: Audit Reports 2018-2022; Adopted Budget 2023.

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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  |                      |  | Fiscal Year                  | Fiscal Year                  | Fiscal Year                  |
|--|----------------------|----------------------|--|------------------------------|------------------------------|------------------------------|
|  | Final<br>Budget      | Actual<br>Operations | Variance<br>Favorable<br>(Unfavorable) | 2021-22<br>Adopted<br>Budget | 2022-23<br>Adopted<br>Budget | 2023-24<br>Adopted<br>Budget |
| <b>REVENUES</b>  |                      |                      |  |                              |                              |                              |
| Property Taxes.....  | \$ 80,502,940        | \$ 83,803,559        | \$ 3,300,619                           | \$84,293,036                 | \$83,220,376                 | \$89,916,288                 |
| Interest on Investments.....                               | 150,000              | 100,773              | (49,227)                               | 100,000                      | 100,000                      | 525,000                      |
| Intergovernmental.....                                     | 6,449,510            | 6,676,434            | 226,924                                | 6,492,563                    | 7,217,418                    | 7,362,527                    |
| Charges for Services.....                                  | 1,867,700            | 3,018,698            | 1,150,998                              | 2,131,701                    | 2,203,330                    | 2,817,731                    |
| Other Revenues.....  | 1,058,762            | 1,318,929            | 260,167                                | 171,000                      | 818,180                      | 278,000                      |
| Transfers In.....  | 950,000              | 200,000              | (750,000)                              | 3,500,000                    | 10,734,319                   | 4,292,238                    |
| <b>TOTAL REVENUES .....</b>                                | <b>\$ 90,978,912</b> | <b>\$ 95,118,393</b> | <b>\$ 4,139,481</b>                    | <b>\$96,688,300</b>          | <b>\$104,293,623</b>         | <b>\$105,191,784</b>         |
| <b>EXPENDITURES</b>  |                      |                      |  |                              |                              |                              |
| Administration.....  | \$ 4,357,074         | \$ 4,342,826         | \$ 14,248                              | \$4,731,356                  | \$5,162,325                  | \$5,561,688                  |
| Boards and Agencies.....                                   | 203,394              | 194,296              | 9,098                                  | 183,462                      | 204,161                      | 292,717                      |
| Planning and Development.....                              | 1,485,647            | 1,469,694            | 15,953                                 | 1,580,210                    | 1,794,522                    | 1,396,112                    |
| Public Safety.....   | 10,074,248           | 10,047,515           | 26,733                                 | 10,636,939                   | 11,112,014                   | 11,746,534                   |
| Public Works.....  | 5,381,272            | 5,334,651            | 46,621                                 | 5,838,676                    | 6,206,989                    | 6,932,740                    |
| Leisure Services.....                                      | 874,758              | 871,033              | 3,725                                  | 1,055,392                    | 1,219,888                    | 1,313,653                    |
| Public Libraries.....                                      | 2,115,020            | 2,106,621            | 8,399                                  | 2,183,495                    | 2,324,062                    | 2,343,620                    |
| Human Services.....  | 2,192,471            | 2,138,693            | 53,778                                 | 2,306,794                    | 2,453,256                    | 2,691,219                    |
| Fixed Charges.....   | 14,203,064           | 14,204,360           | (1,296)                                | 13,376,717                   | 14,742,807                   | 14,039,580                   |
| Miscellaneous Charges.....                                 | 196,000              | 141,783              | 54,217                                 | 214,000                      | 224,000                      | 268,200                      |
| Education.....   | 44,899,111           | 44,901,417           | (2,306)                                | 46,738,567                   | 48,841,803                   | 51,772,311                   |
| Debt Service.....  | 7,801,467            | 7,768,430            | 33,037                                 | 7,042,632                    | 6,807,797                    | 6,833,410                    |
| 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>\$ 96,688,300</b>         | <b>\$ 104,293,623</b>        | <b>\$105,191,784</b>         |
| Excess (deficiency) of revenues<br>over expenditures ..... | \$ (3,659,941)       | \$ 741,747           | \$ 4,401,688                           | \$ -                         | \$ -                         | \$ -                         |

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

Source: Audit Report 2021; Budgets 2022, 2023 and 2024.

**GENERAL FUND BALANCE SHEET<sup>1</sup>**  
**Town of Bloomfield**  
Summary of Audited Assets and Liabilities  
**(GAAP Basis)**

| FISCAL YEAR ENDED:   | 2021                | 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.....  | 13,425,856          | 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>\$58,062,534</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.....  | 18,325,035          | 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>22,369,758</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<br/>INFLOWS OF RESOURCES AND<br/>FUND BALANCES.....</b> | <b>\$58,062,534</b> | <b>\$49,651,882</b> | <b>\$48,985,332</b> | <b>\$43,229,330</b> | <b>\$38,582,928</b> |

<sup>1</sup> The fiscal year ending, June 30, 2022 audit has not been completed for the Town of Bloomfield, Connecticut.  
Source: Audit Reports 2017-2021.

**GENERAL FUND REVENUES AND EXPENDITURES <sup>8</sup>**

**Town of Bloomfield**

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.....                       | \$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>7</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 the refunding bond issuance.

<sup>3</sup> Includes \$9,815,139 payment to refund 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> Includes \$483,491 premium on bond issuance.

**ANALYSIS OF GENERAL FUND EQUITY**

**Town of Bloomfield**

(GAAP BASIS)

| <b>FISCAL YEAR ENDED:</b>         | <b>2021</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</b>    |                     |                     |                     |                     |                     |
| <b>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>8</sup> The fiscal year ending, June 30, 2022 audit has not been completed for the Town of Bloomfield, Connecticut.

Source: Audit Reports 2017-2021.

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

|  | Fiscal Year 2021-22  |                      |  | Fiscal Year                  | Fiscal Year                  |
|--|----------------------|----------------------|--|------------------------------|------------------------------|
|  | Final<br>Budget      | Actual<br>Operations | Variance<br>Favorable<br>(Unfavorable) | 2022-23<br>Adopted<br>Budget | 2023-24<br>Adopted<br>Budget |
| <b>REVENUES</b>  |                      |                      |  |                              |                              |
| General Property Taxes.....                                | \$140,152,000        | \$138,978,000        | \$ (1,174,000)                         | \$137,898,219                | \$144,833,348                |
| Licenses and Fees.....                                     | 2,011,000            | 2,059,000            | 48,000                                 | 1,402,310                    | 1,912,310                    |
| Intergovernmental Revenues.....                            | 55,082,000           | 57,496,000           | 2,414,000                              | 60,184,511                   | 58,792,763                   |
| Charges for Services.....                                  | 2,114,000            | 2,520,000            | 406,000                                | 3,769,698                    | 3,961,598                    |
| Interest from Investments.....                             | 425,000              | 87,000               | (338,000)                              | 50,000                       | 680,000                      |
| Fines and Forfeits.....                                    | 50,000               | 76,000               | 26,000                                 | 57,500                       | 57,500                       |
| Other Revenues.....  | 3,980,000            | 738,000              | (3,242,000)                            | 1,059,839                    | 835,374                      |
| Transfers In.....  | 436,000              | 1,230,000            | 794,000                                | 10,000                       | 10,000                       |
| <b>TOTAL REVENUES .....</b>                                | <b>\$204,250,000</b> | <b>\$203,184,000</b> | <b>\$ (1,066,000)</b>                  | <b>\$204,432,077</b>         | <b>\$211,082,893</b>         |
| <b>EXPENDITURES</b>  |                      |                      |  |                              |                              |
| General Government .....                                   | \$ 50,518,000        | \$ 50,234,000        | \$ 284,000                             | \$42,411,559                 | \$43,870,325                 |
| Public Safety.....   | 32,817,000           | 32,658,000           | 159,000                                | 32,073,291                   | 32,805,254                   |
| Inspection and Permits.....                                | 726,000              | 723,000              | 3,000                                  | 909,926                      | 828,831                      |
| Public Works.....  | 10,210,000           | 10,133,000           | 77,000                                 | 17,195,446                   | 20,742,437                   |
| Parks and Recreation.....                                  | 3,426,000            | 3,378,000            | 48,000                                 | 3,587,421                    | 1,952,092                    |
| Health and Social Services.....                            | 1,528,000            | 1,506,000            | 22,000                                 | 1,570,636                    | 1,695,641                    |
| Education.....   | 94,179,000           | 94,137,000           | 42,000                                 | 95,993,863                   | 98,078,871                   |
| Contingency.....   |                      |                      |  | 449,088                      | 300,000                      |
| Capital Improvements.....                                  |                      |                      |  | 2,135,667                    | 2,088,583                    |
| Debt Service.....  | 10,846,000           | 10,846,000           | -                                      | 8,105,180                    | 8,720,859                    |
| <b>TOTAL EXPENDITURES .....</b>                            | <b>\$204,250,000</b> | <b>\$203,615,000</b> | <b>\$ 635,000</b>                      | <b>\$204,432,077</b>         | <b>\$211,082,893</b>         |
| Excess (deficiency) of revenues<br>over expenditures ..... | \$ -                 | \$ (431,000)         | \$ (431,000)                           | \$ -                         | \$ -                         |

Source: Audit Report 2022; Budgets 2023 and 2024.

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

| FISCAL YEAR ENDED:   | 2022                | 2021                | 2020                | 2019                | 2018                |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>ASSETS</b>  |                     |                     |                     |                     |                     |
| Cash and cash equivalents .....  | \$13,915,000        | \$27,818,000        | \$18,014,000        | \$33,707,000        | \$27,198,000        |
| Investments.....   | 269,000             | 282,000             | 271,000             | 266,000             | 247,000             |
| Receivables, net.....  | 6,119,000           | 7,348,000           | 6,819,000           | 5,499,000           | 5,121,000           |
| Due from other funds.....  | 25,953,000          | 20,447,000          | 9,508,000           | 1,392,000           | 8,620,000           |
| Other Assets.....  | 416,000             | 1,558,000           | 2,023,000           | 1,910,000           | 3,588,000           |
| <b>TOTAL ASSETS.....</b>   | <b>\$46,672,000</b> | <b>\$57,453,000</b> | <b>\$36,635,000</b> | <b>\$42,774,000</b> | <b>\$44,774,000</b> |
| <b>LIABILITIES</b>   |                     |                     |                     |                     |                     |
| Accounts Payable .....   | \$ 8,923,000        | \$ 8,116,000        | \$ 5,725,000        | \$ 4,089,000        | \$ 4,181,000        |
| Due to other funds.....  | 6,476,000           | 14,139,000          | 1,730,000           | 4,579,000           | 5,038,000           |
| Unearned Revenue.....  | -                   | -                   | -                   | 25,000              | 50,000              |
| <b>Total Liabilities .....</b>   | <b>15,399,000</b>   | <b>22,255,000</b>   | <b>7,455,000</b>    | <b>8,693,000</b>    | <b>9,269,000</b>    |
| <b>DEFERRED INFLOWS OF RESOURCES</b>   |                     |                     |                     |                     |                     |
| Advance property tax collections.....  | 2,945,000           | 5,690,000           | 1,005,000           | 6,209,000           | 7,578,000           |
| Unavailable Revenue - property taxes.....  | 4,315,000           | 4,673,000           | 4,660,000           | 3,286,000           | 3,145,000           |
| Unavailable Revenue - other receivables.....   | 591,000             | 332,000             | 325,000             | 176,000             | 183,000             |
| <b>TOTAL DEFERRED INFLOWS.....</b>   | <b>7,851,000</b>    | <b>10,695,000</b>   | <b>5,990,000</b>    | <b>9,671,000</b>    | <b>10,906,000</b>   |
| <b>FUND BALANCE</b>  |                     |                     |                     |                     |                     |
| Nonspendable .....   | 316,000             | 1,408,000           | 1,873,000           | 1,760,000           | 3,437,000           |
| Restricted .....   | -                   | -                   | -                   | -                   | -                   |
| Committed .....  | -                   | -                   | -                   | -                   | -                   |
| Assigned .....   | 468,000             | 1,211,000           | 1,484,000           | 703,000             | 1,051,000           |
| Unassigned .....   | 22,638,000          | 21,884,000          | 19,833,000          | 21,947,000          | 20,111,000          |
| <b>TOTAL FUND BALANCE.....</b>   | <b>23,422,000</b>   | <b>24,503,000</b>   | <b>23,190,000</b>   | <b>24,410,000</b>   | <b>24,599,000</b>   |
| <b>TOTAL LIABILITIES, DEFERRED<br/>INFLOWS OF RESOURCES AND<br/>FUND BALANCES.....</b> | <b>\$46,672,000</b> | <b>\$57,453,000</b> | <b>\$36,635,000</b> | <b>\$42,774,000</b> | <b>\$44,774,000</b> |

Source: Audit Reports 2018-2022.

**GENERAL FUND REVENUES AND EXPENDITURES**

**Town of East Hartford**

Summary of Audited Revenues and Expenditures

(GAAP BASIS)

| <b>FISCAL YEAR ENDED:</b>                        | <b>2022</b>          | <b>2021</b>          | <b>2020</b>          | <b>2019</b>          | <b>2018</b>          |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|
| <b>REVENUES:</b>                                 |                      |                      |                      |                      |                      |
| Property Taxes.....                              | \$138,978,000        | \$139,364,000        | \$134,810,000        | \$135,079,000        | \$128,413,000        |
| Licenses and permits.....                        | \$2,059,000          | \$1,776,000          | \$1,531,000          | \$2,515,000          | 2,948,000            |
| Intergovernmental.....                           | 77,730,000           | 72,016,000           | 73,509,000           | 61,193,000           | 77,839,000           |
| Charges for services.....                        | 12,808,000           | 11,427,000           | 13,473,000           | 10,362,000           | 9,977,000            |
| Investment income (loss).....                    | 87,000               | 20,000               | 409,000              | 670,000              | 364,000              |
| Other local revenues.....                        | 495,000              | 631,000              | 985,000              | 768,000              | 1,880,000            |
| Transfers In.....                                | 1,230,000            | 852,000              | 2,772,000            | 1,270,000            | 497,000              |
| <b>Total Revenues and Transfers In.....</b>      | <b>\$233,387,000</b> | <b>\$226,086,000</b> | <b>\$227,489,000</b> | <b>\$211,857,000</b> | <b>\$221,918,000</b> |
| <b>EXPENDITURES:</b>                             |                      |                      |                      |                      |                      |
| General Government.....                          | \$50,576,000         | \$45,775,000         | \$47,600,000         | \$45,037,000         | \$39,923,000         |
| Public Safety.....                               | 32,530,000           | 31,085,000           | 30,132,000           | 29,701,000           | 28,862,000           |
| Inspection/Permits.....                          | 723,000              | 689,000              | 694,000              | 718,000              | 691,000              |
| Public Works.....                                | 10,257,000           | 10,876,000           | 10,677,000           | 10,325,000           | 9,175,000            |
| Parks and Recreation.....                        | 3,318,000            | 3,066,000            | 3,012,000            | 3,427,000            | 3,254,000            |
| Health and Social Services.....                  | 4,900,000            | 3,966,000            | 4,101,000            | 4,357,000            | 4,550,000            |
| Debt Service.....                                | 10,856,000           | 11,070,000           | 10,912,000           | 10,516,000           | 10,133,000           |
| Education.....                                   | 118,799,000          | 116,451,000          | 120,280,000          | 106,944,000          | 119,545,000          |
| Transfers Out.....                               | 2,509,000            | 1,795,000            | 1,301,000            | 1,021,000            | 1,969,000            |
| <b>Total Expenditures and Transfers Out.....</b> | <b>\$234,468,000</b> | <b>\$224,773,000</b> | <b>\$228,709,000</b> | <b>\$212,046,000</b> | <b>\$218,102,000</b> |
| <b>Results from Operations.....</b>              | <b>(\$1,081,000)</b> | <b>\$1,313,000</b>   | <b>(\$1,220,000)</b> | <b>(\$189,000)</b>   | <b>\$3,816,000</b>   |
| <b>Fund Balance, July 1.....</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>Fund Balance, June 30.....</b>                | <b>\$23,422,000</b>  | <b>\$24,503,000</b>  | <b>\$23,190,000</b>  | <b>\$24,410,000</b>  | <b>\$24,599,000</b>  |

**ANALYSIS OF GENERAL FUND EQUITY**

**Town of East Hartford**

(GAAP BASIS)

| <b>FISCAL YEAR ENDED:</b>                                 | <b>2022</b>         | <b>2021</b>         | <b>2020</b>         | <b>2019</b>         | <b>2018</b>         |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|
| Nonspendable.....   | \$316,000           | \$1,408,000         | \$1,873,000         | \$1,760,000         | \$3,437,000         |
| Assigned.....   | 468,000             | 1,211,000           | 1,484,000           | 703,000             | 1,051,000           |
| Unassigned.....   | 22,638,000          | 21,884,000          | 19,833,000          | 21,947,000          | 20,111,000          |
| <b>Total Fund Balance.....</b>                            | <b>\$23,422,000</b> | <b>\$24,503,000</b> | <b>\$23,190,000</b> | <b>\$24,410,000</b> | <b>\$24,599,000</b> |
| <b>Unassigned Fund Balance As % of Total Expenditures</b> | <b>9.66%</b>        | <b>9.74%</b>        | <b>8.67%</b>        | <b>10.35%</b>       | <b>9.22%</b>        |

Source: Audit Reports 2017-2021.

**COMPARATIVE GENERAL FUND OPERATING STATEMENT**

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

|  | Fiscal Year 2021-22  |                      |  | Fiscal Year                  | Fiscal Year                  |
|--|----------------------|----------------------|--|------------------------------|------------------------------|
|  | Final<br>Budget      | Actual<br>Operations | Variance<br>Favorable<br>(Unfavorable) | 2022-23<br>Adopted<br>Budget | 2023-24<br>Adopted<br>Budget |
| <b>REVENUES</b>  |                      |                      |  |                              |                              |
| General Property Taxes.....                                | \$288,722,000        | \$295,135,000        | \$ 6,413,000                           | \$285,792,269                | \$292,019,388                |
| Other Local Taxes.....                                     | 1,241,000            | 2,638,000            | 1,397,000                              | 8,955,000                    | 8,604,128                    |
| Licenses, Permits and Fees.....                            | 6,166,000            | 6,226,000            | 60,000                                 | 6,119,012                    | 6,595,671                    |
| Fines, Forfeits and Penalties.....                         | 147,000              | 193,000              | 46,000                                 | 154,100                      | 153,840                      |
| Income from Investments.....                               | 248,000              | 830,000              | 582,000                                | 362,000                      | 6,769,335                    |
| Use of Money and Property.....                             | 974,000              | 413,000              | (561,000)                              | 809,054                      | 709,680                      |
| Intergovernmental Revenues.....                            | 280,055,000          | 278,275,000          | (1,780,000)                            | 288,532,177                  | 294,045,484                  |
| Charges for Services.....                                  | 1,820,000            | 2,304,000            | 484,000                                | 3,150,266                    | 3,777,049                    |
| Reimbursements.....  | 92,000               | 81,000               | (11,000)                               | 89,653                       | 89,653                       |
| Other Revenues.....  | 194,000              | 398,000              | 204,000                                | 55,200                       | 276,081                      |
| Transfers In.....  | 15,193,000           | 4,719,000            | (10,474,000)                           | 5,556,000                    | 6,130,800                    |
| <b>TOTAL REVENUES .....</b>                                | <b>\$594,852,000</b> | <b>\$591,212,000</b> | <b>\$ (3,640,000)</b>                  | <b>\$599,574,731</b>         | <b>\$619,171,109</b>         |
| <b>EXPENDITURES</b>  |                      |                      |  |                              |                              |
| General Government .....                                   | 21,336,000           | 17,500,000           | 3,836,000                              | \$22,305,174                 | \$25,276,663                 |
| Public Safety.....   | 91,625,000           | 91,112,000           | 513,000                                | 94,363,115                   | 100,061,591                  |
| Public Works.....  | 17,934,000           | 17,331,000           | 603,000                                | 19,124,731                   | 21,503,825                   |
| Development Services.....                                  | 5,976,000            | 4,912,000            | 1,064,000                              | 6,048,086                    | 6,825,654                    |
| Health and Human Services.....                             | 5,588,000            | 4,100,000            | 1,488,000                              | 5,477,402                    | 5,758,563                    |
| Education.....   | 284,013,000          | 281,438,000          | 2,575,000                              | 284,013,274                  | 284,013,274                  |
| Benefits and Insurance.....                                | 68,986,000           | 68,812,000           | 174,000                                | 98,671,066                   | 101,207,991                  |
| Debt Service.....  | 56,709,000           | 56,709,000           | -                                      | 15,284,900                   | 17,397,994                   |
| Other Sundry Items.....                                    | 42,686,000           | 40,407,000           | 2,279,000                              | 54,286,983                   | 57,125,554                   |
| <b>TOTAL EXPENDITURES .....</b>                            | <b>\$594,853,000</b> | <b>\$582,321,000</b> | <b>\$ 12,532,000</b>                   | <b>\$599,574,731</b>         | <b>\$619,171,109</b>         |
| Excess (deficiency) of revenues<br>over expenditures ..... | \$ (1,000)           | \$ 8,891,000         | \$ 8,892,000                           | \$ -                         | \$ -                         |

Source: Audit Report 2022; Budgets 2023 and 2024.

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

| FISCAL YEAR ENDED:   | 2022                 | 2021                 | 2020                 | 2019                 | 2018                 |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|
| <b>ASSETS</b>  |                      |                      |                      |                      |                      |
| Cash and cash equivalents .....  | \$ 97,446,000        | \$ 78,032,000        | \$ 71,922,000        | \$ 64,770,000        | \$ 42,152,000        |
| Receivables, net.....  | 92,358,000           | 100,741,000          | 99,061,000           | 92,578,000           | 89,960,000           |
| Prepaid Items.....   |                      |                      |                      | 1,199,000            | -                    |
| Due from other funds.....  | 3,166,000            | 4,293,000            | 3,212,000            | 3,294,000            | 3,539,000            |
| <b>TOTAL ASSETS.....</b>   | <b>\$192,970,000</b> | <b>\$183,066,000</b> | <b>\$174,195,000</b> | <b>\$161,841,000</b> | <b>\$135,651,000</b> |
| <b>LIABILITIES</b>   |                      |                      |                      |                      |                      |
| Accounts Payable and accrued liabilities.....  | \$ 63,573,000        | \$ 56,948,000        | \$ 46,660,000        | \$ 45,125,000        | \$ 43,193,000        |
| Tax Anticipation note payable.....   | -                    | -                    | -                    | -                    | -                    |
| Due to other funds.....  | -                    | -                    | -                    | 12,474,000           | -                    |
| Unearned Revenue.....  | 197,000              | 207,000              | 208,000              | 198,000              | 207,000              |
| <b>Total Liabilities .....</b>   | <b>63,770,000</b>    | <b>57,155,000</b>    | <b>46,868,000</b>    | <b>57,797,000</b>    | <b>43,400,000</b>    |
| <b>DEFERRED INFLOWS OF RESOURCES</b>   |                      |                      |                      |                      |                      |
| Unavailable Revenue - property taxes.....  | 80,989,000           | 89,151,000           | 93,167,000           | 88,525,000           | 87,367,000           |
| Unavailable Revenue - other receivables.....   | 4,836,000            | 3,447,000            | 3,238,000            | 2,887,000            | -                    |
| Deferred inflows related to leases.....  | 2,475,000            |                      |                      |                      |                      |
| Advance property tax collections.....  | 2,175,000            | 1,467,000            | 1,100,000            | 47,000               | -                    |
| <b>TOTAL DEFERRED INFLOWS.....</b>   | <b>90,475,000</b>    | <b>94,065,000</b>    | <b>97,505,000</b>    | <b>91,459,000</b>    | <b>87,367,000</b>    |
| <b>FUND BALANCE</b>  |                      |                      |                      |                      |                      |
| Nonspendable .....   | -                    | -                    | -                    | -                    | -                    |
| Restricted .....   | -                    | -                    | -                    | -                    | -                    |
| Committed .....  | 5,680,000            | 5,680,000            | 5,680,000            | 2,933,000            | -                    |
| Assigned .....   | 4,163,000            | -                    | 5,262,000            | -                    | -                    |
| Unassigned .....   | 28,882,000           | 26,166,000           | 18,880,000           | 9,652,000            | 4,884,000            |
| <b>TOTAL FUND BALANCE.....</b>   | <b>38,725,000</b>    | <b>31,846,000</b>    | <b>29,822,000</b>    | <b>12,585,000</b>    | <b>4,884,000</b>     |
| <b>TOTAL LIABILITIES, DEFERRED<br/>INFLOWS OF RESOURCES AND<br/>FUND BALANCES.....</b> | <b>\$192,970,000</b> | <b>\$183,066,000</b> | <b>\$174,195,000</b> | <b>\$161,841,000</b> | <b>\$135,651,000</b> |

Source: Audit Reports 2018-2022.

**GENERAL FUND REVENUES AND EXPENDITURES**

**City of Hartford**

Summary of Audited Revenues and Expenditures  
(GAAP BASIS)

| <b>FISCAL YEAR ENDED:</b>                        | <b>2022</b>          | <b>2021</b>          | <b>2020</b>          | <b>2019</b>          | <b>2018</b>                     |
|--|----------------------|----------------------|----------------------|----------------------|---------------------------------|
| <b>REVENUES:</b>                                 |                      |                      |                      |                      |                                 |
| Property Taxes.....                              | \$297,771,000        | \$299,217,000        | \$280,410,000        | \$278,967,000        | \$283,758,000                   |
| Licenses and Permits.....                        | 6,419,000            | 8,459,000            | 6,579,000            | 6,630,000            | 6,218,000                       |
| Investment Income.....                           | 830,000              | 240,000              | 2,418,000            | 327,441,000          | 1,403,000                       |
| Intergovernmental.....                           | 373,404,000          | 350,660,000          | 349,114,000          | 2,255,000            | 360,400,000                     |
| Charges for Services.....                        | 2,304,000            | 2,267,000            | 2,042,000            | 1,153,000            | 2,344,000                       |
| Use of Property.....                             | 413,000              | 694,000              | 943,000              | 3,121,000            | 979,000                         |
| Other Revenues.....                              | 481,000              | 9,740,000            | 11,081,000           | 10,380,000           | 1,447,000                       |
| Transfers In.....                                | 13,180,000           | 6,719,000            | 6,393,000            | 6,949,000            | 13,644,000                      |
| <b>Total Revenues and Transfers In.....</b>      | <b>\$694,802,000</b> | <b>\$677,996,000</b> | <b>\$658,980,000</b> | <b>\$636,896,000</b> | <b>\$670,193,000</b>            |
| <b>EXPENDITURES:</b>                             |                      |                      |                      |                      |                                 |
| General Government.....                          | \$13,918,000         | \$14,114,000         | \$12,916,000         | \$12,991,000         | \$13,334,000                    |
| Public Safety.....                               | 91,112,000           | 80,040,000           | 77,805,000           | 75,775,000           | 81,237,000                      |
| Public Works.....                                | 17,215,000           | 14,998,000           | 14,076,000           | 13,176,000           | 12,212,000                      |
| Development and Community ...                    | 4,637,000            | 3,856,000            | 3,642,000            | 3,290,000            | 3,380,000                       |
| Human Services.....                              | 3,896,000            | 3,338,000            | 4,453,000            | 2,645,000            | 3,800,000                       |
| Library.....                                     | 0                    | 0                    | 0                    | 0                    | 0                               |
| Education.....                                   | 315,522,000          | 313,407,000          | 324,546,000          | 301,665,000          | 351,430,000                     |
| Recreation and Culture.....                      | 10,329,000           | 9,245,000            | 9,519,000            | 9,360,000            | 9,199,000                       |
| Benefits and Insurance.....                      | 70,963,000           | 88,895,000           | 81,326,000           | 87,260,000           | 93,366,000                      |
| Debt Service.....                                | 122,000              | 123,000              | 95,000               | 401,000              | 398,000                         |
| Other.....                                       | 37,265,000           | 33,294,000           | 30,668,000           | 33,525,000           | 31,286,000                      |
| Transfers Out.....                               | 122,944,000          | 114,662,000          | 82,697,000           | 89,107,000           | 70,177,000                      |
| <b>Total Expenditures and Transfers Out.....</b> | <b>\$687,923,000</b> | <b>\$675,972,000</b> | <b>\$641,743,000</b> | <b>\$629,195,000</b> | <b>\$669,819,000</b>            |
| <b>Results from Operations.....</b>              | <b>\$6,879,000</b>   | <b>\$2,024,000</b>   | <b>\$17,237,000</b>  | <b>\$7,701,000</b>   | <b>\$374,000</b>                |
| <b>Fund Balance, July 1.....</b>                 | <b>\$31,846,000</b>  | <b>\$29,822,000</b>  | <b>\$12,585,000</b>  | <b>\$4,884,000</b>   | <b>\$4,510,000</b> <sup>1</sup> |
| <b>Fund Balance, June 30.....</b>                | <b>\$38,725,000</b>  | <b>\$31,846,000</b>  | <b>\$29,822,000</b>  | <b>\$12,585,000</b>  | <b>\$4,884,000</b>              |

<sup>1</sup>Restated

**ANALYSIS OF GENERAL FUND EQUITY**

**City of Hartford**

(GAAP BASIS)

|   | <b>2022</b>         | <b>2021</b>         | <b>2020</b>         | <b>2019</b>         | <b>2018</b>        |
|---|---------------------|---------------------|---------------------|---------------------|--------------------|
| Assigned.....   | \$4,163,000         | \$0                 | \$5,262,000         | \$0                 | \$0                |
| Committed.....  | 5,680,000           | 5,680,000           | 5,680,000           | 2,933,000           | 0                  |
| Unassigned.....   | 28,882,000          | 26,166,000          | 18,880,000          | 9,652,000           | 4,884,000          |
| <b>Total Fund Balance .....</b>                           | <b>\$38,725,000</b> | <b>\$31,846,000</b> | <b>\$29,822,000</b> | <b>\$12,585,000</b> | <b>\$4,884,000</b> |
| <b>Unassigned Fund Balance As % of Total Expenditures</b> | <b>4.20%</b>        | <b>3.87%</b>        | <b>2.94%</b>        | <b>1.53%</b>        | <b>0.73%</b>       |

Source: Audit Reports 2018-2022.

## ***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 obligation. 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. In fiscal year ended June 30, 2022 the City received \$54,678,000 in contract assistance.

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 2021-22  |                      |  | Fiscal Year                  | Fiscal Year                  |
|--|----------------------|----------------------|--|------------------------------|------------------------------|
|  | Final<br>Budget      | Actual<br>Operations | Variance<br>Favorable<br>(Unfavorable) | 2022-23<br>Adopted<br>Budget | 2023-24<br>Adopted<br>Budget |
| <b>REVENUES</b>  |                      |                      |  |                              |                              |
| Property Taxes.....  | \$107,357,000        | \$107,095,000        | \$ (262,000)                           | \$107,307,322                | \$107,766,257                |
| Interest and Liens.....                                    | 350,000              | 374,000              | 24,000                                 | 350,000                      | 350,000                      |
| Payments in lieu of taxes.....                             | 2,001,000            | 3,776,000            | 1,775,000                              | 5,486,292                    | 5,830,057                    |
| Licenses and permits.....                                  | 358,000              | 613,000              | 255,000                                | 359,500                      | 784,500                      |
| Rentals.....   | 100,000              | 104,000              | 4,000                                  | 100,000                      | 100,000                      |
| Investment Income.....                                     | 100,000              | (108,000)            | (208,000)                              | 100,000                      | 250,000                      |
| Fines.....   | 22,000               | 24,000               | 2,000                                  | 22,000                       | 22,000                       |
| Charges for services.....                                  | 534,000              | 1,063,000            | 529,000                                | 651,600                      | 648,600                      |
| Refunds and reimbursements.....                            | 30,000               | 545,000              | 515,000                                |                              | 22,000                       |
| Intergovernmental.....                                     | 15,816,000           | 16,652,000           | 836,000                                | 16,384,535                   | 17,456,014                   |
| Miscellaneous Revenues.....                                | 65,000               | 311,000              | 246,000                                | 103,268                      | 211,649                      |
| Transfers In.....  | 172,000              | 172,000              | -                                      | 3,158,894                    | 4,071,496                    |
| <b>TOTAL REVENUES .....</b>                                | <b>\$126,905,000</b> | <b>\$130,621,000</b> | <b>\$ 3,716,000</b>                    | <b>\$134,023,411</b>         | <b>\$137,512,573</b>         |
| <b>EXPENDITURES</b>  |                      |                      |  |                              |                              |
| General Government .....                                   | 5,968,000            | 5,494,000            | 474,000                                | \$6,431,049                  | \$6,536,306                  |
| Public Safety.....   | 9,480,000            | 9,173,000            | 307,000                                | 9,789,718                    | 10,273,855                   |
| Public Works.....  | 5,275,000            | 5,045,000            | 230,000                                | 5,563,359                    | 5,749,364                    |
| Community Planning and Development..                       | 550,000              | 534,000              | 16,000                                 | 662,161                      | 658,826                      |
| Health and Community Services.....                         | 1,282,000            | 1,222,000            | 60,000                                 | 1,323,279                    | 1,368,483                    |
| Library.....   | 1,740,000            | 1,618,000            | 122,000                                | 1,782,256                    | 1,891,048                    |
| Parks and Recreation.....                                  | 1,881,000            | 1,729,000            | 152,000                                | 1,899,432                    | 2,162,019                    |
| Education.....   | 76,768,000           | 76,693,000           | 75,000                                 | 78,630,124                   | 82,199,830                   |
| Miscellaneous.....   | 16,183,000           | 15,853,000           | 330,000                                | 17,836,548                   | 18,348,310                   |
| Debt Service.....  | 2,672,000            | 2,671,000            | 1,000                                  | 2,528,070                    | 3,395,132                    |
| Transfers Out.....   | 8,179,000            | 7,783,000            | 396,000                                | 7,577,415                    | 4,929,400                    |
| <b>TOTAL EXPENDITURES .....</b>                            | <b>\$129,978,000</b> | <b>\$127,815,000</b> | <b>\$ 2,163,000</b>                    | <b>\$134,023,411</b>         | <b>\$137,512,573</b>         |
| Excess (deficiency) of revenues<br>over expenditures ..... | \$ (3,073,000)       | \$ 2,806,000         | \$ 5,879,000                           | \$ -                         | \$ -                         |

Source: Audit Report 2022; Budgets 2023 and 2024.

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

| <b>FISCAL YEAR ENDED:</b>  | <b>2022</b>         | <b>2021</b>         | <b>2020</b>         | <b>2019</b>         | <b>2018</b>         |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>ASSETS</b>  |                     |                     |                     |                     |                     |
| Cash and cash equivalents .....  | \$40,053,000        | \$38,007,000        | \$34,841,000        | \$30,392,000        | \$26,282,000        |
| Investments.....   | 2,195,000           | 2,605,000           | 2,335,000           | -                   | -                   |
| Receivables, net.....  | 1,808,000           | 1,211,000           | 1,057,000           | 1,633,000           | 1,616,000           |
| Due from other funds.....  | 74,000              | -                   | 8,000               | 194,000             | 826,000             |
| Prepays.....   | 4,000               | -                   | -                   | -                   | -                   |
| <b>TOTAL ASSETS.....</b>   | <b>\$44,134,000</b> | <b>\$41,823,000</b> | <b>\$38,241,000</b> | <b>\$32,219,000</b> | <b>\$28,724,000</b> |
| <b>LIABILITIES</b>   |                     |                     |                     |                     |                     |
| Accounts Payable .....   | \$ 4,592,000        | \$ 4,711,000        | \$ 5,533,000        | \$ 5,049,000        | \$ 5,572,000        |
| Due to other funds.....  | -                   | -                   | -                   | -                   | -                   |
| Unearned Revenue.....  | -                   | -                   | -                   | -                   | 18,000              |
| <b>Total Liabilities .....</b>   | <b>4,592,000</b>    | <b>4,711,000</b>    | <b>5,533,000</b>    | <b>5,049,000</b>    | <b>5,590,000</b>    |
| <b>DEFERRED INFLOWS OF RESOURCES</b>   |                     |                     |                     |                     |                     |
| Unavailable Revenue - property taxes.....  | 1,003,000           | 706,000             | 719,000             | 1,046,000           | 1,152,000           |
| Deferred Infows related to Leases.....   | 345,000             | -                   | -                   | -                   | -                   |
| Advance property tax collections.....  | 615,000             | 243,000             | 33,000              | 555,000             | 437,000             |
| <b>TOTAL DEFERRED INFLOWS.....</b>   | <b>1,963,000</b>    | <b>949,000</b>      | <b>752,000</b>      | <b>1,601,000</b>    | <b>1,589,000</b>    |
| <b>FUND BALANCE</b>  |                     |                     |                     |                     |                     |
| Nonspendable .....   | -                   | -                   | -                   | -                   | -                   |
| Restricted .....   | -                   | -                   | -                   | -                   | -                   |
| Committed .....  | 2,691,000           | 2,361,000           | 2,361,000           | 1,025,000           | 297,000             |
| Assigned .....   | 6,105,000           | 6,674,000           | 7,620,000           | 5,286,000           | 5,970,000           |
| Unassigned .....   | 28,783,000          | 27,128,000          | 21,975,000          | 19,258,000          | 15,278,000          |
| <b>TOTAL FUND BALANCE.....</b>   | <b>37,579,000</b>   | <b>36,163,000</b>   | <b>31,956,000</b>   | <b>25,569,000</b>   | <b>21,545,000</b>   |
| <b>TOTAL LIABILITIES, DEFERRED<br/>INFLOWS OF RESOURCES AND<br/>FUND BALANCES.....</b> | <b>\$44,134,000</b> | <b>\$41,823,000</b> | <b>\$38,241,000</b> | <b>\$32,219,000</b> | <b>\$28,724,000</b> |

Source: Audit Reports 2018-2022.

**GENERAL FUND REVENUES AND EXPENDITURES**

**Town of Newington**

Summary of Audited Revenues and Expenditures  
(GAAP BASIS)

| <b>FISCAL YEAR ENDED:</b>                        | <b>2022</b>          | <b>2021</b>          | <b>2020</b>          | <b>2019</b>          | <b>2018</b>          |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|
| <b>REVENUES:</b>                                 |                      |                      |                      |                      |                      |
| Property Taxes.....                              | \$107,469,000        | \$105,253,000        | \$106,053,000        | \$102,616,000        | \$95,968,000         |
| Payment in Lieu of Taxes.....                    | 3,776,000            | 1,999,000            | 2,000,000            | 2,002,000            | 968,000              |
| Licenses, Fees and Permits.....                  | 613,000              | 446,000              | 307,000              | 296,000              | 289,000              |
| Intergovernmental.....                           | 27,901,000           | 26,660,000           | 26,775,000           | 19,825,000           | 27,920,000           |
| Rental.....                                      | 104,000              | 97,000               | 101,000              | 102,000              | 107,000              |
| Income on Investments.....                       | (108,000)            | 299,000              | 566,000              | 791,000              | 378,000              |
| Fines.....                                       | 24,000               | 19,000               | 26,000               | 27,000               | 29,000               |
| Charges for Services.....                        | 1,063,000            | 850,000              | 640,000              | 566,000              | 627,000              |
| Refunds and Reimbursements.....                  | 0                    | 0                    | 0                    | 0                    | 0                    |
| Other.....                                       | 552,000              | 343,000              | 103,000              | 61,000               | 200,000              |
| Transfers In <sup>2</sup> .....                  | 172,000              | 160,000              | 159,000              | 149,000              | 124,000              |
| <b>Total Revenues and Transfers In.....</b>      | <b>\$141,566,000</b> | <b>\$136,126,000</b> | <b>\$136,730,000</b> | <b>\$126,435,000</b> | <b>\$126,610,000</b> |
| <b>EXPENDITURES:</b>                             |                      |                      |                      |                      |                      |
| General Government.....                          | \$5,482,000          | \$5,190,000          | \$5,047,000          | \$5,066,000          | \$4,709,000          |
| Public Safety.....                               | 9,178,000            | 8,935,000            | 8,407,000            | 8,729,000            | 8,345,000            |
| Public Works.....                                | 5,051,000            | 5,212,000            | 5,018,000            | 4,965,000            | 4,732,000            |
| Community Planning & Develop..                   | 535,000              | 555,000              | 536,000              | 547,000              | 551,000              |
| Health and Human Services.....                   | 1,230,000            | 1,060,000            | 1,243,000            | 1,221,000            | 1,163,000            |
| Library.....                                     | 1,614,000            | 1,612,000            | 1,721,000            | 1,770,000            | 1,726,000            |
| Parks and Recreation.....                        | 1,729,000            | 1,888,000            | 1,700,000            | 1,668,000            | 1,614,000            |
| Education.....                                   | 88,142,000           | 84,606,000           | 83,358,000           | 77,976,000           | 84,487,000           |
| Miscellaneous.....                               | 15,715,000           | 16,205,000           | 16,204,000           | 15,829,000           | 14,791,000           |
| Debt Service.....                                | 3,546,000            | 2,751,000            | 1,686,000            | 786,000              | 1,151,000            |
| Transfers Out.....                               | 7,928,000            | 3,905,000            | 5,423,000            | 3,854,000            | 3,040,000            |
| <b>Total Expenditures and Transfers Out.....</b> | <b>\$140,150,000</b> | <b>\$131,919,000</b> | <b>\$130,343,000</b> | <b>\$122,411,000</b> | <b>\$126,309,000</b> |
| <b>Results from Operations.....</b>              | <b>\$1,416,000</b>   | <b>\$4,207,000</b>   | <b>\$6,387,000</b>   | <b>\$4,024,000</b>   | <b>\$301,000</b>     |
| <b>Fund Balance, July 1.....</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>Fund Balance, June 30.....</b>                | <b>\$37,579,000</b>  | <b>\$36,163,000</b>  | <b>\$31,956,000</b>  | <b>\$25,569,000</b>  | <b>\$21,545,000</b>  |

**ANALYSIS OF GENERAL FUND EQUITY**

**Town of Newington**

(GAAP BASIS)

| <b>FISCAL YEAR ENDED:</b>                                 | <b>2022</b>         | <b>2021</b>         | <b>2020</b>         | <b>2019</b>         | <b>2018</b>         |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|
| Committed.....  | \$2,691,000         | \$2,361,000         | \$2,361,000         | \$1,025,000         | \$297,000           |
| Assigned.....   | 6,105,000           | 6,674,000           | 7,620,000           | 5,286,000           | 5,970,000           |
| Unassigned.....   | 28,783,000          | 27,128,000          | 21,975,000          | 19,258,000          | 15,278,000          |
| <b>Total Fund Balance</b>                                 | <b>\$37,579,000</b> | <b>\$36,163,000</b> | <b>\$31,956,000</b> | <b>\$25,569,000</b> | <b>\$21,545,000</b> |
| <b>Unassigned Fund Balance As % of Total Expenditures</b> | <b>20.54%</b>       | <b>20.56%</b>       | <b>16.86%</b>       | <b>15.73%</b>       | <b>12.10%</b>       |

Source: Audit Reports 2018-2022.

**COMPARATIVE GENERAL FUND OPERATING STATEMENT**

**Town of Rocky Hill  
Budget and Actual  
(Budgetary Basis)**

|  | Fiscal Year 2021-22 |                      |  | Fiscal Year                  | Fiscal Year                  |
|--|---------------------|----------------------|--|------------------------------|------------------------------|
|  | Final<br>Budget     | Actual<br>Operations | Variance<br>Favorable<br>(Unfavorable) | 2022-23<br>Adopted<br>Budget | 2023-24<br>Adopted<br>Budget |
| <b>REVENUES</b>  |                     |                      |  |                              |                              |
| Property Taxes .....                                       | \$ 77,060,906       | \$ 76,664,404        | \$ (396,502)                           | \$ 79,225,432                | \$ 82,725,819                |
| Intergovernmental .....                                    | 7,382,621           | 7,411,864            | 29,243                                 | 8,246,262                    | 8,879,787                    |
| Licenses and Permits.....                                  | 566,200             | 612,437              | 46,237                                 | 566,200                      | 748,700                      |
| Interest of Investments .....                              | 122,000             | 30,560               | (91,440)                               | 25,000                       | 300,000                      |
| Charges for Services .....                                 | 471,500             | 476,372              | 4,872                                  | 514,755                      | 334,000                      |
| Parking Fines.....   | 3,000               | 1,720                | (1,280)                                | 2,000                        | 2,000                        |
| Other.....   | 511,238             | 615,394              | 104,156                                | 444,000                      | 608,000                      |
| Transfers In.....  | 1,407,416           | 1,407,416            | -                                      | 2,776,749                    | 1,640,000                    |
| Use of Fund Balance.....                                   | 1,132,021           | -                    | (1,132,021)                            | 450,000                      | -                            |
| <b>TOTAL REVENUES .....</b>                                | <b>88,656,902</b>   | <b>87,220,167</b>    | <b>(1,436,735)</b>                     | <b>92,250,398</b>            | <b>95,238,306</b>            |
| <b>EXPENDITURES</b>  |                     |                      |  |                              |                              |
| General Government .....                                   | 2,953,235           | 2,901,712            | 51,523                                 | 3,883,017                    | 3,473,731                    |
| Public Safety .....  | 7,943,895           | 7,899,578            | 44,317                                 | 8,128,879                    | 8,873,221                    |
| Public Works.....  | 8,094,388           | 8,054,966            | 39,422                                 | 8,493,560                    | 7,448,488                    |
| Community Development.....                                 | -                   | -                    | -                                      | -                            | 1,170,093                    |
| Health and Human Services.....                             | 701,170             | 662,455              | 38,715                                 | 829,014                      | 872,460                      |
| Park, Recreation and Facilities.....                       | 4,260,550           | 4,220,392            | 40,158                                 | 3,625,055                    | 3,676,345                    |
| Library Services.....                                      | 1,069,523           | 1,069,462            | 61                                     | 1,121,466                    | 1,165,938                    |
| Miscellaneous.....   | 6,211,228           | 6,210,562            | 666                                    | 7,045,542                    | 7,712,028                    |
| Capital Outlays.....                                       | 892,727             | 732,495              | 160,232                                | 1,145,783                    | 1,061,896                    |
| Debt Service.....  | 7,929,425           | 7,929,339            | 86                                     | 8,202,185                    | 8,124,953                    |
| Education.....   | 47,263,503          | 47,263,503           | -                                      | 49,775,897                   | 51,659,153                   |
| Transfers Out.....   | 1,337,258           | 1,337,258            | -                                      | -                            | -                            |
| <b>TOTAL EXPENDITURES .....</b>                            | <b>88,656,902</b>   | <b>88,281,722</b>    | <b>375,180</b>                         | <b>92,250,398</b>            | <b>95,238,306</b>            |
| Excess (deficiency) of revenues<br>over expenditures ..... | -                   | (1,061,555)          | (1,061,555)                            | -                            | -                            |

Source: Audit Report 2022; Budgets 2023 and 2024.

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

| <b>FISCAL YEAR ENDED:</b>  | <b>2022</b>         | <b>2021</b>         | <b>2020</b>         | <b>2019</b>         | <b>2018</b>         |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>ASSETS</b>  |                     |                     |                     |                     |                     |
| Cash and cash equivalents .....  | \$12,957,902        | \$15,682,587        | \$22,405,042        | \$25,141,025        | \$20,842,748        |
| Receivables, net.....  | 3,415,099           | 1,684,481           | 955,923             | 772,206             | 1,507,858           |
| Due from Other Funds.....  | 1,713,573           | 784,332             | 392,384             | 571,175             | 1,192,901           |
| Inventory.....   | -                   | -                   | -                   | -                   | -                   |
| <b>TOTAL ASSETS.....</b>   | <b>\$18,086,574</b> | <b>\$18,151,400</b> | <b>\$23,753,349</b> | <b>\$26,484,406</b> | <b>\$23,543,507</b> |
| <b>LIABILITIES</b>   |                     |                     |                     |                     |                     |
| Accounts and Contracts Payable.....  | \$ 1,283,289        | \$ 1,493,917        | \$ 1,079,567        | \$ 958,814          | \$ 1,374,567        |
| Due to Other Funds.....  | 4,973,163           | 7,733,483           | 7,766,314           | 11,290,392          | 9,035,415           |
| Unearned Revenue .....   | -                   | -                   | -                   | -                   | 1,722               |
| Deposit Payable.....   | 271,911             | 331,871             | 413,846             | -                   | -                   |
| <b>Total Liabilities .....</b>   | <b>6,528,363</b>    | <b>9,559,271</b>    | <b>9,259,727</b>    | <b>12,249,206</b>   | <b>10,411,704</b>   |
| <b>DEFERRED INFLOWS OF RESOURCES</b>   |                     |                     |                     |                     |                     |
| Unavailable Revenue - Property Taxes .....   | 1,092,929           | 748,896             | 733,990             | 569,868             | 998,068             |
| Deferred Inflows Related to Leases.....  | 1,902,237           |                     |                     |                     |                     |
| Advance Property Tax Collections.....  | 2,703,491           | 766,023             | 6,123,376           | 7,879,223           | 5,999,728           |
| <b>TOTAL DEFERRED INFLOWS.....</b>   | <b>5,698,657</b>    | <b>1,514,919</b>    | <b>6,857,366</b>    | <b>8,449,091</b>    | <b>6,997,796</b>    |
| <b>FUND BALANCE</b>  |                     |                     |                     |                     |                     |
| Restricted .....   | -                   | -                   | -                   | -                   | -                   |
| Committed .....  | -                   | -                   | -                   | -                   | -                   |
| Assigned .....   | 1,315,159           | 2,153,281           | 2,287,918           | 668,386             | 1,567,594           |
| Unassigned .....   | 4,544,395           | 4,923,929           | 5,348,338           | 5,117,723           | 4,566,413           |
| <b>TOTAL FUND BALANCE.....</b>   | <b>5,859,554</b>    | <b>7,077,210</b>    | <b>7,636,256</b>    | <b>5,786,109</b>    | <b>6,134,007</b>    |
| <b>TOTAL LIABILITIES, DEFERRED<br/>INFLOWS OF RESOURCES AND<br/>FUND BALANCES.....</b> |                     |                     |                     |                     |                     |
|  | <b>\$18,086,574</b> | <b>\$18,151,400</b> | <b>\$23,753,349</b> | <b>\$26,484,406</b> | <b>\$23,543,507</b> |

Source: Audit Reports 2018-2022.

**GENERAL FUND REVENUES AND EXPENDITURES**

**Town of Rocky Hill**

Summary of Audited Revenues and Expenditures  
(GAAP BASIS)

| <b>FISCAL YEAR ENDED:</b>                            | <b>2022</b>          | <b>2021</b>         | <b>2020</b>         | <b>2019</b>         | <b>2018</b>         |
|--|----------------------|---------------------|---------------------|---------------------|---------------------|
| <b>REVENUES:</b>                                     |                      |                     |                     |                     |                     |
| Taxes and Assessments.....                           | \$ 76,664,404        | \$74,898,728        | \$72,368,801        | \$68,994,399        | \$65,847,448        |
| Intergovernmental.....                               | 14,405,514           | 13,817,243          | 12,844,727          | 8,868,613           | 13,901,560          |
| Charges for Services.....                            | 1,019,003            | 1,112,331           | 1,003,548           | 990,903             | 1,353,501           |
| Income on Investments.....                           | 30,560               | 33,733              | 317,076             | 433,539             | 163,106             |
| Miscellaneous.....                                   | 1,145,711            | 1,247,785           | 1,147,639           | 1,205,323           | 921,984             |
| Transfers In.....                                    | 13,625,899           | -                   | -                   | -                   | -                   |
| <b>Total Revenues<br/>and Transfers In.....</b>      | <b>\$106,891,091</b> | <b>\$91,109,820</b> | <b>\$87,681,791</b> | <b>\$80,492,777</b> | <b>\$82,187,599</b> |
| <b>EXPENDITURES:</b>                                 |                      |                     |                     |                     |                     |
| General Government.....                              | \$9,002,588          | \$2,660,238         | \$2,585,465         | \$2,664,972         | \$2,492,107         |
| Public Safety.....                                   | 8,529,102            | 7,242,712           | 7,230,537           | 6,969,341           | 6,574,134           |
| Public Works.....                                    | 8,054,966            | 7,758,904           | 7,264,026           | 7,083,253           | 6,587,320           |
| Health and Human Services.....                       | 662,455              | 634,115             | 632,080             | 656,842             | 585,186             |
| Parks, Recreation and Facilities                     | 4,227,692            | 3,773,819           | 3,719,938           | 3,880,725           | 3,686,552           |
| Library Services.....                                | 1,069,462            | 1,057,674           | 1,025,198           | 1,023,351           | 1,009,221           |
| Education.....                                       | 54,461,607           | 51,806,612          | 50,302,127          | 44,999,956          | 48,763,436          |
| Miscellaneous.....                                   | 0                    | 6,909,299           | 7,377,960           | 7,547,315           | 6,812,816           |
| Capital Outlay.....                                  | 426,126              | 669,633             | 968,524             | 1,332,786           | 1,819,749           |
| Debt Service.....                                    | 8,314,716            | 7,927,303           | 4,504,622           | 4,182,491           | 3,232,311           |
| Transfers Out.....                                   | 13,360,033           | 1,228,557           | 221,167             | 499,643             | 675,415             |
| <b>Total Expenditures and<br/>Transfers Out.....</b> | <b>\$108,108,747</b> | <b>\$91,668,866</b> | <b>\$85,831,644</b> | <b>\$80,840,675</b> | <b>\$82,238,247</b> |
| <b>Results from Operations.....</b>                  | <b>(\$1,217,656)</b> | <b>(\$559,046)</b>  | <b>\$1,850,147</b>  | <b>(\$347,898)</b>  | <b>(\$50,648)</b>   |
| <b>Fund Balance, July 1.....</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>Fund Balance, June 30.....</b>                    | <b>\$5,859,554</b>   | <b>\$7,077,210</b>  | <b>\$7,636,256</b>  | <b>\$5,786,109</b>  | <b>\$6,134,007</b>  |

**ANALYSIS OF GENERAL FUND EQUITY**

**Town of Rocky Hill**

(GAAP BASIS)

| <b>FISCAL YEAR ENDED:</b>                                     | <b>2022</b>        | <b>2021</b>        | <b>2020</b>        | <b>2019</b>        | <b>2018</b>        |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|
| Assigned.....   | \$1,315,159        | \$2,153,281        | \$2,287,918        | \$668,386          | \$1,567,594        |
| Unassigned.....   | 4,544,395          | 4,923,929          | 5,348,338          | 5,117,723          | 4,566,413          |
| <b>Total Fund Balance</b>                                     | <b>\$5,859,554</b> | <b>\$7,077,210</b> | <b>\$7,636,256</b> | <b>\$5,786,109</b> | <b>\$6,134,007</b> |
| <b>Unassigned Fund Balance<br/>As % of Total Expenditures</b> | <b>4.20%</b>       | <b>5.37%</b>       | <b>6.23%</b>       | <b>6.33%</b>       | <b>5.55%</b>       |

Source: Audit Reports 2018-2022.

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

|  | Fiscal Year 2021-22 |                      |  | Fiscal Year                  | Fiscal Year                  |
|--|---------------------|----------------------|--|------------------------------|------------------------------|
|  | Final<br>Budget     | Actual<br>Operations | Variance<br>Favorable<br>(Unfavorable) | 2022-23<br>Adopted<br>Budget | 2023-24<br>Adopted<br>Budget |
| <b>REVENUES</b>  |                     |                      |  |                              |                              |
| Property Taxes .....                                       | \$273,051,000       | \$272,803,000        | \$ (248,000)                           | \$283,062,250                | \$288,120,669                |
| Intergovernmental .....                                    | 30,369,000          | 31,067,000           | 698,000                                | 25,783,244                   | 32,331,426                   |
| Charges for Services .....                                 | 6,644,000           | 7,125,000            | 481,000                                | 6,786,357                    | 7,194,185                    |
| Interest and Investment Income.....                        | 430,000             | 209,000              | (221,000)                              | 275,000                      | 2,250,000                    |
| Miscellaneous Revenues.....                                | 825,000             | 881,000              | 56,000                                 | 574,300                      | 582,200                      |
| Transfers In.....  | 526,000             | 508,000              | (18,000)                               | 601,000                      | 712,184                      |
| Use of Fund Balance.....                                   | -                   | -                    | -                                      | -                            | -                            |
| <b>TOTAL REVENUES .....</b>                                | <b>311,845,000</b>  | <b>312,593,000</b>   | <b>748,000</b>                         | <b>317,082,151</b>           | <b>331,190,664</b>           |
| <b>EXPENDITURES</b>  |                     |                      |  |                              |                              |
| General Government .....                                   | 7,040,000           | 6,917,000            | 123,000                                | 7,641,094                    | 7,927,383                    |
| Public Safety .....  | 32,390,000          | 32,390,000           | -                                      | 31,384,039                   | 33,197,456                   |
| Community Development.....                                 | 2,548,000           | 2,548,000            | -                                      | 2,877,957                    | 3,172,936                    |
| Public Works.....  | 11,473,000          | 11,465,000           | 8,000                                  | 12,883,927                   | 13,523,585                   |
| Plant and Facility Services.....                           | 2,291,000           | 2,291,000            | -                                      | 2,536,291                    | 2,654,040                    |
| Library.....   | 3,152,000           | 3,152,000            | -                                      | 3,491,934                    | 3,611,759                    |
| Leisure and Social Services.....                           | 3,494,000           | 3,494,000            | -                                      | 3,395,877                    | 3,829,514                    |
| Education.....   | 175,556,000         | 175,499,000          | 57,000                                 | 181,187,018                  | 190,191,121                  |
| Debt and Sundry.....                                       | 54,447,000          | 54,047,000           | 400,000                                | 69,662,431                   | 71,052,536                   |
| Transfers Out.....   | 19,454,000          | 19,499,000           | (45,000)                               | 2,021,583                    | 2,030,334                    |
| <b>TOTAL EXPENDITURES .....</b>                            | <b>311,845,000</b>  | <b>311,302,000</b>   | <b>543,000</b>                         | <b>317,082,151</b>           | <b>331,190,664</b>           |
| Excess (deficiency) of revenues<br>over expenditures ..... | -                   | 1,291,000            | 1,291,000                              | -                            | -                            |

Source: Audit Report 2022; Budgets 2023 and 2024.

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

| FISCAL YEAR ENDED:   | 2022                | 2021                | 2020                | 2019                | 2018                |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>ASSETS</b>  |                     |                     |                     |                     |                     |
| Cash and cash equivalents .....  | \$47,440,000        | \$46,130,000        | \$42,431,000        | \$38,718,000        | \$41,047,000        |
| Investments.....   | 26,478,000          | -                   | 1,252,000           | 5,729,000           | 8,900,000           |
| Receivables, net.....  | 9,912,000           | 3,783,000           | 3,154,000           | 3,065,000           | 3,336,000           |
| Due from Other Funds.....  | 9,299,000           | 7,932,000           | 12,374,000          | 9,102,000           | 2,494,000           |
| Prepaid Assets.....  | 64,000              |                     |                     |                     |                     |
| Inventories.....   | 31,000              | 242,000             | 298,000             | 263,000             | 289,000             |
| <b>TOTAL ASSETS.....</b>   | <b>\$93,224,000</b> | <b>\$58,087,000</b> | <b>\$59,509,000</b> | <b>\$56,877,000</b> | <b>\$56,066,000</b> |
| <b>LIABILITIES</b>   |                     |                     |                     |                     |                     |
| Accounts and Other Payables.....   | \$ 2,825,000        | \$ 3,328,000        | \$ 2,170,000        | \$ 3,322,000        | \$ 2,640,000        |
| Payroll Liabilities.....   | 5,891,000           | 9,929,000           | 6,543,000           | 6,193,000           | 8,142,000           |
| Due to Other Funds.....  | -                   | -                   | -                   | -                   | -                   |
| Other Liabilities.....   | 2,494,000           | 1,179,000           | 1,049,000           | 874,000             | 888,000             |
| Unearned Revenue.....  | 3,013,000           | 1,500,000           | 1,740,000           | 3,051,000           | 2,478,000           |
| <b>Total Liabilities .....</b>   | <b>14,223,000</b>   | <b>15,936,000</b>   | <b>11,502,000</b>   | <b>13,440,000</b>   | <b>14,148,000</b>   |
| <b>DEFERRED INFLOWS OF RESOURCES</b>   |                     |                     |                     |                     |                     |
| Unavailable Revenue - Property Taxes .....   | 2,743,000           | 2,037,000           | 2,289,000           | 2,153,000           | 2,006,000           |
| Unavailable Revenue - School Building Grants ....                                      | -                   |                     |                     |                     |                     |
| Lease Receivable.....  | 5,731,000           |                     |                     |                     |                     |
| Advance Property Tax Collections.....  | 14,899,000          | 10,764,000          | 15,585,000          | 14,257,000          | 13,685,000          |
| <b>TOTAL DEFERRED INFLOWS.....</b>   | <b>23,373,000</b>   | <b>12,801,000</b>   | <b>17,874,000</b>   | <b>16,410,000</b>   | <b>15,691,000</b>   |
| <b>FUND BALANCE</b>  |                     |                     |                     |                     |                     |
| Nonspendable .....   | 31,000              | 242,000             | 298,000             | 263,000             | 289,000             |
| Restricted .....   | -                   | -                   | -                   | -                   | -                   |
| Committed .....  | 26,497,000          | -                   | -                   | -                   | -                   |
| Assigned .....   | 347,000             | 1,898,000           | 4,647,000           | 389,000             | 500,000             |
| Unassigned .....   | 28,753,000          | 27,210,000          | 25,188,000          | 26,375,000          | 25,438,000          |
| <b>TOTAL FUND BALANCE.....</b>   | <b>55,628,000</b>   | <b>29,350,000</b>   | <b>30,133,000</b>   | <b>27,027,000</b>   | <b>26,227,000</b>   |
| <b>TOTAL LIABILITIES, DEFERRED<br/>INFLOWS OF RESOURCES AND<br/>FUND BALANCES.....</b> | <b>\$93,224,000</b> | <b>\$58,087,000</b> | <b>\$59,509,000</b> | <b>\$56,877,000</b> | <b>\$56,066,000</b> |

Source: Audit Reports 2018-2022.

**GENERAL FUND REVENUES AND EXPENDITURES**

**Town of West Hartford**

Summary of Audited Revenues and Expenditures

(GAAP BASIS)

| <b>FISCAL YEAR ENDED:</b>                        | <b>2022</b>                     | <b>2021</b>                    | <b>2020</b>          | <b>2019</b>          | <b>2018</b>          |
|--|---------------------------------|--------------------------------|----------------------|----------------------|----------------------|
| <b>REVENUES:</b>                                 |                                 |                                |                      |                      |                      |
| Property Taxes.....                              | \$272,803,000                   | \$267,506,000                  | \$265,957,000        | \$258,047,000        | \$253,000,000        |
| Intergovernmental.....                           | 55,859,000                      | 54,513,000                     | 53,272,000           | 39,827,000           | 57,711,000           |
| Charges for Services.....                        | 7,171,000                       | 6,330,000                      | 5,807,000            | 5,768,000            | 5,579,000            |
| Income on Investments.....                       | (214,000)                       | 188,000                        | 1,287,000            | 1,714,000            | 987,000              |
| Miscellaneous.....                               | 933,000                         | 715,000                        | 1,161,000            | 930,000              | 1,154,000            |
| Transfers In.....                                | <u>330,403,000</u> <sup>1</sup> | <u>24,066,000</u> <sup>2</sup> | <u>44,756,000</u>    | <u>396,000</u>       | <u>3,577,000</u>     |
| <b>Total Revenues.....</b>                       | <b>\$666,955,000</b>            | <b>\$353,318,000</b>           | <b>\$372,240,000</b> | <b>\$306,682,000</b> | <b>\$322,008,000</b> |
| <b>EXPENDITURES:</b>                             |                                 |                                |                      |                      |                      |
| Current:   |                                 |                                |                      |                      |                      |
| General Governemt.....                           | \$6,915,000                     | \$6,570,000                    | \$6,316,000          | \$6,236,000          | \$5,954,000          |
| Public Safety.....                               | 32,359,000                      | 31,522,000                     | 30,251,000           | 28,971,000           | 26,530,000           |
| Community Maintenance..                          | 16,318,000                      | 15,661,000                     | 14,396,000           | 15,464,000           | 15,198,000           |
| Human and Cultural.....                          | 6,636,000                       | 5,210,000                      | 6,001,000            | 6,256,000            | 6,324,000            |
| Education.....                                   | 206,035,000                     | 198,867,000                    | 194,575,000          | 178,489,000          | 194,291,000          |
| Debt and Sundry.....                             | 353,815,000 <sup>4</sup>        | 54,170,000                     | 53,010,000           | 47,679,000           | 46,427,000           |
| Capital Outlay.....                              | -                               | -                              | -                    | -                    | 34,000               |
| Transfers Out.....                               | <u>18,599,000</u>               | <u>42,101,000</u> <sup>3</sup> | <u>64,585,000</u>    | <u>22,787,000</u>    | <u>23,568,000</u>    |
| <b>Total Expenditures and Transfers Out.....</b> | <b>\$640,677,000</b>            | <b>\$354,101,000</b>           | <b>\$369,134,000</b> | <b>\$305,882,000</b> | <b>\$318,326,000</b> |
| <b>Results from Operations..</b>                 | <b>\$26,278,000</b>             | <b>(\$783,000)</b>             | <b>\$3,106,000</b>   | <b>\$800,000</b>     | <b>\$3,682,000</b>   |
| <b>Fund Balance, July 1.....</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>Fund Balance, June 30.....</b>                | <b>\$55,628,000</b>             | <b>\$29,350,000</b>            | <b>\$30,133,000</b>  | <b>\$27,027,000</b>  | <b>\$26,227,000</b>  |

<sup>1</sup> Includes \$324,275,000 issuance of Pension Bonds.

<sup>2</sup> Includes \$21,620,000 refunding bonds issued and \$1,548,000 premium on refunding bond issuance.

<sup>3</sup> Includes \$22,968,000 payment to refunded bond escrow agent.

<sup>4</sup> Includes deposit of \$323,000,000 in Pension Bond Proceeds.

**ANALYSIS OF GENERAL FUND EQUITY**

**Town of West Hartford**

(GAAP BASIS)

| <b>FISCAL YEAR ENDED:</b>                                | <b>2022</b>         | <b>2021</b>         | <b>2020</b>         | <b>2019</b>         | <b>2018</b>         |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|
| Nonspendable.....  | \$31,000            | \$242,000           | \$298,000           | \$263,000           | \$289,000           |
| Committed.....   | 26,497,000          | -                   | -                   | -                   | -                   |
| Assigned.....  | 347,000             | 1,898,000           | 4,647,000           | 389,000             | 500,000             |
| Unassigned.....  | <u>28,753,000</u>   | <u>27,210,000</u>   | <u>25,188,000</u>   | <u>26,375,000</u>   | <u>25,438,000</u>   |
| <b>Total Fund Balance</b>                                | <b>\$55,628,000</b> | <b>\$29,350,000</b> | <b>\$30,133,000</b> | <b>\$27,027,000</b> | <b>\$26,227,000</b> |
| <b>Unassigned Fund Balance As % of Total Expenditure</b> | <b><u>4.49%</u></b> | <b><u>7.68%</u></b> | <b><u>6.82%</u></b> | <b><u>8.62%</u></b> | <b><u>7.99%</u></b> |

Source: Audit Reports 2018-2022.

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

|  | Fiscal Year 2020-21  |                      |  | Fiscal Year<br>2021-22<br>Adopted<br>Budget | Fiscal Year<br>2022-23<br>Adopted<br>Budget | Fiscal Year<br>2023-24<br>Adopted<br>Budget |
|--|----------------------|----------------------|--|---|---|---|
|  | Final<br>Budget      | Actual<br>Operations | Variance<br>Favorable<br>(Unfavorable) |   |   |   |
| <b>REVENUES</b>  |                      |                      |  |   |   |   |
| Property Taxes .....                                       | \$ 93,315,495        | \$ 93,974,398        | \$ 658,903                             | \$ 94,294,101                               | \$ 95,811,317                               | \$ 98,285,946                               |
| Intergovernmental .....                                    | 11,419,606           | 11,895,266           | 475,660                                | 12,183,017                                  | 14,726,437                                  | 16,328,669                                  |
| Licenses and Permits.....                                  | 464,500              | 653,754              | 189,254                                | 468,700                                     | 481,632                                     | 502,344                                     |
| Charges for Services .....                                 | 1,032,275            | 1,199,743            | 167,468                                | 917,300                                     | 1,003,507                                   | 1,089,600                                   |
| Fines and Penalties.....                                   | 19,100               | 17,787               | (1,313)                                | 14,000                                      | 23,735                                      | 21,252                                      |
| Interest on Investments.....                               | 345,000              | 33,837               | (311,163)                              | 100,000                                     | 50,000                                      | 800,000                                     |
| Other Revenues.....  | 29,000               | 89,761               | 60,761                                 | 27,000                                      | 15,000                                      | 30,000                                      |
| Transfers In.....  | 100,000              | 100,000              | -                                      | 150,000                                     | 150,000                                     | 152,000                                     |
| Use of Fund Balance.....                                   | 2,005,000            | -                    | (2,005,000)                            | 1,580,000                                   | 1,218,000                                   | 1,200,000                                   |
| <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>\$118,409,811</b>                        |
| <b>EXPENDITURES</b>  |                      |                      |  |   |   |   |
| General Government .....                                   | \$ 4,360,158         | \$ 4,260,247         | \$ 99,911                              | \$ 4,483,365                                | \$ 4,869,532                                | \$ 5,205,144                                |
| Public Safety .....  | 11,619,213           | 11,564,359           | 54,854                                 | 12,220,683                                  | 13,250,917                                  | 14,008,967                                  |
| Public Works.....  | 14,275,897           | 14,198,821           | 77,076                                 | 14,871,927                                  | 15,417,595                                  | 16,711,867                                  |
| Social Services.....                                       | 876,429              | 794,207              | 82,222                                 | 710,896                                     | 906,507                                     | 928,349                                     |
| Library .....  | 2,011,421            | 1,959,384            | 52,037                                 | 2,057,555                                   | 2,136,887                                   | 2,162,331                                   |
| Recreation and Parks.....                                  | 1,787,740            | 1,764,638            | 23,102                                 | 1,895,480                                   | 2,054,397                                   | 2,239,366                                   |
| Contingency.....   | 50,170               | -                    | 50,170                                 | 340,000                                     | 340,000                                     | 340,000                                     |
| Insurance.....   | 675,670              | 661,480              | 14,190                                 | 696,464                                     | 733,858                                     | 741,100                                     |
| Metropolitan District Commission....                       | 4,418,218            | 4,418,218            | -                                      | 4,246,750                                   | 4,331,700                                   | 4,353,155                                   |
| Debt Service.....  | 5,859,653            | 5,859,652            | 1                                      | 5,918,649                                   | 4,985,922                                   | 4,551,153                                   |
| Education.....   | 56,902,759           | 56,902,759           | -                                      | 57,205,259                                  | 59,869,601                                  | 61,863,166                                  |
| Transfers Out.....   | 5,892,648            | 5,754,034            | 138,614                                | 5,087,090                                   | 4,582,712                                   | 5,305,213                                   |
| <b>TOTAL EXPENDITURES .....</b>                            | <b>\$108,729,976</b> | <b>\$108,137,799</b> | <b>\$ 592,176</b>                      | <b>\$109,734,118</b>                        | <b>\$113,479,628</b>                        | <b>\$118,409,811</b>                        |
| Excess (deficiency) of revenues<br>over expenditures ..... | \$ -                 | \$ (173,253)         | \$ (173,254)                           | \$ -  | \$ -  | \$ -  |

Source: Audit Report 2021; Budgets 2022, 2023 and 2024.

**GENERAL FUND BALANCE SHEET<sup>1</sup>**  
**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 Governments.....  | 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<br/>INFLOWS OF RESOURCES AND<br/>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> |

<sup>1</sup> The fiscal year ending, June 30, 2022 audit has not been completed for the Town of Wethersfield, Connecticut.  
Source: Audit Reports 2017-2021.

**GENERAL FUND REVENUES AND EXPENDITURES<sup>1</sup>**

**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>     |

<sup>1</sup> The fiscal year ending, June 30, 2022 audit has not been completed for the Town of Bloomfield, Connecticut.  
Source: Audit Reports 2018-2022.

**COMPARATIVE GENERAL FUND OPERATING STATEMENT**

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

Fiscal Year 2021-22

|                                       | <b>Final</b>       | <b>Actual</b>      | <b>Variance</b>      | <b>2022-23</b>     | <b>2023-24</b>     |
|---------------------------------------|--------------------|--------------------|----------------------|--------------------|--------------------|
|                                       | <b>Budget</b>      | <b>Operations</b>  | <b>Favorable</b>     | <b>Adopted</b>     | <b>Adopted</b>     |
|                                       |                    |                    | <b>(Unfavorable)</b> | <b>Budget</b>      | <b>Budget</b>      |
| <b>Revenues</b>                       |                    |                    |                      |                    |                    |
| Property Taxes.....                   | \$106,536,200      | \$107,311,715      | \$ 775,515           | \$109,827,320      | \$118,567,080      |
| Licenses and Permits.....             | 732,450            | 1,975,959          | 1,243,509            | 747,850            | 823,740            |
| Fines, Forfeitures and Penalties..... | 34,000             | 18,165             | (15,835)             | 24,000             | 22,000             |
| Other Agencies.....                   | 126,370            | 129,895            | 3,525                | 138,370            | 138,370            |
| Intergovernmental.....                | 15,174,400         | 15,978,268         | 803,868              | 15,517,260         | 16,247,660         |
| Revenues from Use of Assets.....      | 420,000            | 419,107            | (893)                | 993,000            | 2,637,000          |
| Charges for Services.....             | 764,200            | 1,585,879          | 821,679              | 826,500            | 749,900            |
| Other Revenues.....                   | -                  | -                  | -                    | 20,000             | 20,000             |
| Transfers In.....                     | 79,750             | 54,097             | (25,653)             | -                  | -                  |
| Use of Fund Balance.....              | -                  | -                  | -                    | 1,800,000          | -                  |
| <b>Total Revenues.....</b>            | <b>123,867,370</b> | <b>127,473,085</b> | <b>3,605,715</b>     | <b>129,894,300</b> | <b>139,205,750</b> |
| <b>Expenditures</b>                   |                    |                    |                      |                    |                    |
| Current:                              |                    |                    |                      |                    |                    |
| General Government.....               | 1,125,160          | 1,112,780          | 12,380               | 1,219,070          | 1,258,630          |
| Safety Services.....                  | 11,515,520         | 10,869,932         | 645,588              | 12,064,540         | 13,437,180         |
| Public Works.....                     | 6,763,140          | 6,578,850          | 184,290              | 7,106,290          | 7,457,440          |
| Health Services.....                  | 558,930            | 508,539            | 50,391               | 581,980            | 646,360            |
| Human Services.....                   | 456,550            | 449,265            | 7,285                | 516,110            | 556,100            |
| Recreation and Leisure Services.....  | 1,935,700          | 1,901,534          | 34,166               | 2,297,220          | 2,434,500          |
| Education.....                        | 77,626,036         | 77,622,840         | 3,196                | 82,299,420         | 80,184,020         |
| Library Services.....                 | 1,801,510          | 1,714,192          | 87,318               | 1,849,810          | 1,918,210          |
| Development Services.....             | 1,437,150          | 1,424,546          | 12,604               | 1,502,270          | 1,617,230          |
| Information Services.....             | 581,530            | 574,310            | 7,220                | 620,440            | 710,400            |
| Administrative Services.....          | 2,632,640          | 2,573,516          | 59,124               | 2,795,110          | 2,899,760          |
| Community Development.....            | 103,840            | 103,840            | -                    | 104,820            | 490,900            |
| General Services.....                 | 7,758,247          | 7,738,678          | 19,569               | 16,937,220         | 20,033,640         |
| Transfers out.....                    | 11,571,417         | 11,571,417         | -                    | -                  | 5,561,380          |
| Use of Fund Balance.....              | 1,345,000          | 1,345,000          | -                    | -                  | -                  |
| <b>Total Expenditures.....</b>        | <b>127,212,370</b> | <b>126,089,239</b> | <b>1,123,131</b>     | <b>129,894,300</b> | <b>139,205,750</b> |
| Excess (deficiency) of                |                    |                    |                      |                    |                    |
| revenues over expenditures.....       | (3,345,000)        | 1,383,846          | 4,728,846            | -                  | -                  |

Source: Audit Report 2022; Budgets 2023 and 2024.

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

| FISCAL YEAR ENDED:   | 2022                       | 2021                       | 2020                       | 2019                       | 2018                       |
|--|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| <b>ASSETS</b>  |                            |                            |                            |                            |                            |
| Cash and cash equivalents.....   | \$40,380,595               | \$39,271,014               | \$30,410,887               | \$28,764,698               | \$25,613,878               |
| Investments.....   | 3,370,610                  | 5,182,656                  | 7,437,232                  | 7,928,317                  | 8,760,498                  |
| Receivables:   |                            |                            |                            |                            |                            |
| Property taxes.....  | 1,532,753                  | 1,137,590                  | 1,280,826                  | 962,832                    | 1,122,036                  |
| Account receivable.....  | 336,243                    | 254,839                    | 124,185                    | 137,445                    | 316,822                    |
| Lease receivable.....  | 3,640,175                  | -                          | -                          | -                          | -                          |
| Due from other funds.....  | 3,554,699                  | 3,127,733                  | 2,043,688                  | 3,156,747                  | 2,538,894                  |
| Prepays.....   | -                          | -                          | -                          | -                          | 9,830                      |
| Inventory.....   | 11,530                     | 25,587                     | 19,854                     | 26,697                     | 29,194                     |
| <b>Total Assets.....</b>   | <b><u>\$52,826,605</u></b> | <b><u>\$48,999,419</u></b> | <b><u>\$41,316,672</u></b> | <b><u>\$40,976,736</u></b> | <b><u>\$38,391,152</u></b> |
| <b>LIABILITIES</b>   |                            |                            |                            |                            |                            |
| Accounts payable and accrued liabilities.....                                  | \$ 5,406,086               | \$ 6,421,953               | \$ 3,717,499               | \$ 4,718,744               | \$ 4,321,471               |
| Due to other funds.....  | 527,575                    | 100,000                    | 350,000                    | -                          | -                          |
| <b>Total Liabilities.....</b>  | <b><u>5,933,661</u></b>    | <b><u>6,521,953</u></b>    | <b><u>4,067,499</u></b>    | <b><u>4,718,744</u></b>    | <b><u>4,321,471</u></b>    |
| <b>DEFERRED INFLOWS OF RESOURCES</b>   |                            |                            |                            |                            |                            |
| Lease related.....   | 3,640,175                  | -                          | -                          | -                          | -                          |
| Advance tax collections.....   | 3,850,171                  | 4,863,572                  | 4,129,334                  | 4,706,108                  | 5,343,654                  |
| Unavailable resources.....   | 1,374,174                  | 917,110                    | 1,060,815                  | 788,936                    | 960,447                    |
| <b>Total Deferred Inflows of Resources</b>                                     | <b><u>8,864,520</u></b>    | <b><u>5,780,682</u></b>    | <b><u>5,190,149</u></b>    | <b><u>5,495,044</u></b>    | <b><u>6,304,101</u></b>    |
| <b>Fund Balances</b>   |                            |                            |                            |                            |                            |
| Nonspendable.....  | 11,530                     | 25,587                     | 19,854                     | 26,697                     | 39,024                     |
| Assigned.....  | 5,012,784                  | 5,254,990                  | 4,001,808                  | 4,835,637                  | 4,858,090                  |
| Unassigned.....  | 33,014,110                 | 31,416,207                 | 28,037,362                 | 25,900,614                 | 22,868,466                 |
| <b>Total Fund Balances.....</b>  | <b><u>38,038,424</u></b>   | <b><u>36,696,784</u></b>   | <b><u>32,059,024</u></b>   | <b><u>30,762,948</u></b>   | <b><u>27,765,580</u></b>   |
| <b>Total Liabilities, Deferred Inflows of Resources and Fund Balances.....</b> | <b><u>\$52,836,605</u></b> | <b><u>\$48,999,419</u></b> | <b><u>\$41,316,672</u></b> | <b><u>\$40,976,736</u></b> | <b><u>\$38,391,152</u></b> |

Source: Audit Reports 2018-2022.

**GENERAL FUND REVENUES AND EXPENDITURES**

**Town of Windsor**

Summary of Audited Revenues and Expenditures  
(GAAP BASIS)

| <b>FISCAL YEAR ENDED:</b>                            | <b>2022</b>          | <b>2021</b>          | <b>2020</b>          | <b>2019</b>          | <b>2018</b>          |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|
| <b>REVENUES:</b>                                     |                      |                      |                      |                      |                      |
| Property Taxes.....                                  | \$107,311,715        | \$105,227,339        | \$101,117,016        | \$99,113,331         | \$94,339,805         |
| State & Federal Government                           | 25,845,184           | 24,948,952           | 29,923,509           | 19,229,990           | 27,626,039           |
| Charges for Services.....                            | 5,441,025            | 5,751,241            | 3,904,610            | 4,581,911            | 3,678,117            |
| Investment Income.....                               | 79,005               | 131,351              | 1,105,344            | 1,253,851            | 670,091              |
| Transfers In.....                                    | 54,097               | 148,474              | 42,000               | 71,680               | 586,902              |
| <b>Total Revenues<br/>and Transfers In.....</b>      | <b>\$138,731,026</b> | <b>\$136,207,357</b> | <b>\$136,092,479</b> | <b>\$124,250,763</b> | <b>\$126,900,954</b> |
| <b>EXPENDITURES:</b>                                 |                      |                      |                      |                      |                      |
| Education.....                                       | \$84,587,353         | \$80,671,475         | \$85,617,316         | \$73,321,557         | \$79,713,749         |
| General Government.....                              | 15,791,682           | 15,545,300           | 14,456,066           | 13,891,463           | 12,972,718           |
| Culture & Recreation.....                            | 4,887,248            | 4,512,472            | 4,493,386            | 4,456,257            | 4,135,125            |
| Human Services.....                                  | 1,144,377            | 1,035,374            | 1,439,270            | 1,473,415            | 1,487,679            |
| Public Safety.....                                   | 11,832,299           | 11,570,431           | 11,236,341           | 10,836,755           | 10,399,750           |
| Public Works.....                                    | 7,260,397            | 7,346,035            | 6,800,614            | 6,663,418            | 6,398,515            |
| Transfers Out.....                                   | 11,886,030           | 10,888,510           | 10,753,410           | 10,610,530           | 9,194,800            |
| <b>Total Expenditures and<br/>Transfers Out.....</b> | <b>\$137,389,386</b> | <b>\$131,569,597</b> | <b>\$134,796,403</b> | <b>\$121,253,395</b> | <b>\$124,302,336</b> |
| <b>Results from Operations..</b>                     | <b>\$1,341,640</b>   | <b>\$4,637,760</b>   | <b>\$1,296,076</b>   | <b>\$2,997,368</b>   | <b>\$2,598,618</b>   |
| <b>Fund Balance, July 1.....</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>Fund Balance, June 30.....</b>                    | <b>\$38,038,424</b>  | <b>\$36,696,784</b>  | <b>\$32,059,024</b>  | <b>\$30,762,948</b>  | <b>\$27,765,580</b>  |

**ANALYSIS OF GENERAL FUND EQUITY**

**Town of Windsor**

(GAAP BASIS)

| <b>FISCAL YEAR ENDED:</b>                                     | <b>2022</b>         | <b>2021</b>         | <b>2020</b>         | <b>2019</b>         | <b>2018</b>         |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|
| Nonspendable.....   | \$11,530            | \$25,587            | \$19,854            | \$26,697            | \$39,024            |
| Assigned.....   | 5,012,784           | 5,254,990           | 4,001,808           | 4,835,637           | 4,858,090           |
| Unassigned.....   | 33,014,110          | 31,416,207          | 28,037,362          | 25,900,614          | 22,868,466          |
| <b>Total Fund Balance</b>                                     | <b>\$38,038,424</b> | <b>\$36,696,784</b> | <b>\$32,059,024</b> | <b>\$30,762,948</b> | <b>\$27,765,580</b> |
| <b>Unassigned Fund Balance<br/>As % of Total Expenditures</b> | <b>24.03%</b>       | <b>23.88%</b>       | <b>20.80%</b>       | <b>21.36%</b>       | <b>18.40%</b>       |

Source: Audit Reports 2018-2022.

## VIII. DEBT SUMMARY

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

As of August 10, 2023  
(Pro Forma)

| Date     | Purpose  | Rate %    | Original Issue | Debt                        | Date of Fiscal Year Maturity |
|----------|--|-----------|----------------|-----------------------------|------------------------------|
|          |  |           |                | Outstanding As of 8/10/2023 |                              |
| 12/31/04 | CWF (451C).....  | 2.00      | \$3,987,009    | \$166,857                   | 2024                         |
| 10/31/08 | CWF (508C).....  | 2.00      | 1,232,078      | 261,817                     | 2027                         |
| 12/30/08 | CWF (160C).....  | 2.00      | 1,888,557      | 369,842                     | 2027                         |
| 12/31/08 | CWF (578C).....  | 2.00      | 2,042,741      | 410,849                     | 2027                         |
| 02/28/09 | CSL (142).....   | 2.00      | 6,200,000      | 1,420,833                   | 2028                         |
| 09/30/09 | CWF (521C).....  | 2.00      | 4,240,340      | 989,412                     | 2028                         |
| 09/30/09 | CWF (520C).....  | 2.00      | 4,547,580      | 1,174,792                   | 2028                         |
| 09/30/09 | CSL (149).....   | 2.00      | 12,710,000     | 3,283,416                   | 2028                         |
| 01/31/11 | CWF (578CD1).....                                      | 2.00      | 2,619,264      | 971,310                     | 2030                         |
| 08/31/11 | Drinking Water (DWSRF 2010-8008).....                  | 2.06      | 2,579,412      | 913,542                     | 2030                         |
| 02/28/12 | Drinking Water (DWSRF 2010-8009).....                  | 2.06      | 772,079        | 273,444                     | 2030                         |
| 03/31/12 | CSL (166).....   | 2.00      | 21,907,709     | 8,486,771                   | 2030                         |
| 03/31/12 | CWF (619D1).....                                       | 2.00      | 12,600,000     | 4,881,081                   | 2030                         |
| 01/31/13 | CWF (626C).....  | 2.00      | 22,160,848     | 9,418,360                   | 2032                         |
| 01/31/13 | Drinking Water (DWSRF 2010-8009-1).....                | 2.06      | 193,644        | 78,009                      | 2030                         |
| 07/15/14 | Drinking Water (DWSRF 2013-7012).....                  | 2.00      | 2,780,620      | 1,390,310                   | 2033                         |
| 08/06/14 | General Obligation Series A 2014.....                  | 3.00-5.00 | 47,735,000     | 26,235,000                  | 2034                         |
| 08/06/14 | General Obligation Refunding Bonds, Series B 2014..... | 2.00-5.00 | 14,845,000     | 555,000                     | 2024                         |
| 09/30/14 | Drinking Water (DWSRF 2013-7018).....                  | 2.00      | 398,083        | 202,358                     | 2033                         |
| 03/19/15 | General Obligation, Issue of 2015.....                 | 3.00-5.00 | 66,740,000     | 40,145,001                  | 2035                         |
| 03/31/15 | Drinking Water (DWSRF 2014-7026).....                  | 2.00      | 1,691,379      | 944,353                     | 2035                         |
| 06/01/15 | Drinking Water (DWSRF 2013-7013).....                  | 2.00      | 2,713,243      | 1,442,540                   | 2034                         |
| 06/30/15 | Drinking Water (DWSRF 2013-7017).....                  | 2.00      | 2,013,468      | 1,115,797                   | 2034                         |
| 06/30/15 | Drinking Water (DWSRF 2013-7019).....                  | 2.00      | 1,539,774      | 840,460                     | 2034                         |
| 09/30/15 | Drinking Water (DWSRF 2013-7014).....                  | 2.00      | 4,691,464      | 2,736,687                   | 2035                         |
| 11/03/15 | General Obligation, Series B 2015.....                 | 2.00-5.00 | 36,215,000     | 23,530,000                  | 2035                         |
| 12/30/15 | CSL (214).....   | 2.00      | 14,198,442     | 8,459,904                   | 2035                         |
| 01/31/16 | CWF (652-C).....                                       | 2.00      | 25,528,771     | 15,955,482                  | 2036                         |
| 02/18/16 | General Obligation, Series A 2016.....                 | 2.00-5.00 | 33,025,000     | 21,450,000                  | 2036                         |
| 03/31/16 | Drinking Water (DWSRF 2014-7029).....                  | 2.00      | 3,173,899      | 1,799,026                   | 2035                         |
| 04/28/16 | General Obligation Refunding Bonds, Series B 2016..... | 2.00-5.00 | 48,035,000     | 19,010,000                  | 2028                         |
| 04/29/16 | Drinking Water (DWSRF 2014-7021).....                  | 2.00      | 3,809,525      | 2,142,858                   | 2034                         |
| 05/31/16 | Drinking Water (DWSRF 2014-7031).....                  | 2.00      | 3,626,881      | 2,089,434                   | 2035                         |
| 05/31/16 | Drinking Water (DWSRF 2014-7015).....                  | 2.00      | 5,635,824      | 3,246,779                   | 2035                         |
| 07/31/16 | Drinking Water (DWSRF 2014-7030).....                  | 2.00      | 1,892,813      | 1,135,688                   | 2035                         |
| 07/31/16 | CWF (657-C).....                                       | 2.00      | 33,352,916     | 21,679,395                  | 2036                         |
| 09/01/16 | Drinking Water (DWSRF 2014-7033).....                  | 2.00      | 1,501,320      | 954,787                     | 2035                         |
| 09/01/16 | Drinking Water (DWSRF 2016-7035).....                  | 2.00      | 2,203,262      | 1,401,197                   | 2035                         |
| 09/01/16 | Drinking Water (DWSRF 2016-7042).....                  | 2.00      | 825,335        | 524,885                     | 2035                         |
| 12/01/16 | General Obligation, Series C 2016.....                 | 4.00-5.00 | 108,315,000    | 76,440,000                  | 2034                         |
| 12/31/16 | Drinking Water (DWSRF 2014-7032).....                  | 2.00      | 3,162,716      | 2,094,962                   | 2036                         |
| 01/31/17 | CWF (652-C1).....                                      | 2.00      | 27,234,976     | 18,383,609                  | 2037                         |
| 02/28/17 | Drinking Water (DWSRF 2016-7043).....                  | 2.00      | 1,129,379      | 754,521                     | 2036                         |
| 02/28/17 | Drinking Water (DWSRF 2016-7047).....                  | 2.00      | 3,004,951      | 2,007,563                   | 2036                         |
| 04/30/17 | Drinking Water (DWSRF 2016-7044).....                  | 2.00      | 2,754,227      | 1,824,675                   | 2036                         |
| 07/31/17 | CWF (657-C1).....                                      | 2.00      | 40,852,370     | 28,596,659                  | 2037                         |
| 07/31/17 | Drinking Water (DWSRF 2016-7045).....                  | 2.00      | 2,445,859      | 1,650,954                   | 2037                         |
| 01/31/18 | CWF (692-C).....                                       | 2.00      | 46,785,354     | 33,919,383                  | 2038                         |
| 06/29/18 | Drinking Water (DWSRF 2016-7046).....                  | 2.00      | 3,051,182      | 2,199,394                   | 2037                         |
| 07/31/18 | General Obligation, Series 2018.....                   | 3.25-5.00 | 110,770,000    | 83,074,999                  | 2038                         |
| 07/31/18 | CWF (657-C2).....                                      | 2.00      | 52,655,657     | 39,491,743                  | 2038                         |
| 12/03/18 | CWF (215-C).....                                       | 2.00      | 10,306,693     | 7,901,797                   | 2039                         |

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

| Date                             | Purpose   | Rate %      | Original Issue         | Debt                        |  | Date of Fiscal Year Maturity |
|----------------------------------|---|-------------|------------------------|-----------------------------|--|------------------------------|
|                                  |   |             |                        | Outstanding As of 8/10/2023 |  |                              |
| 01/31/19                         | CWF (692-C1).....   | 2.00        | 31,761,844             | 24,615,430                  |  | 2039                         |
| 03/29/19                         | Drinking Water (DWSRF 2018-7061).....                       | 2.00        | 1,892,634              | 1,472,049                   |  | 2039                         |
| 04/30/19                         | CWF (652-C).....  | 2.00        | 21,862,088             | 16,770,918                  |  | 2037                         |
| 04/30/19                         | Drinking Water (DWSRF 2017-7055).....                       | 2.00        | 1,691,022              | 1,322,466                   |  | 2039                         |
| 06/30/19                         | CWF (657-C1).....   | 2.00        | 17,782,244             | 13,707,146                  |  | 2038                         |
| 07/31/19                         | Drinking Water (DWSRF 2018-7062).....                       | 2.00        | 1,814,906              | 1,442,617                   |  | 2039                         |
| 08/08/19                         | General Obligation, Series A 2019.....                      | 4.00-5.00   | 76,500,000             | 61,200,000                  |  | 2039                         |
| 08/08/19                         | General Obligation Refunding Bonds, Series B 2019.....      | 2.375-5.00  | 49,305,000             | 36,835,000                  |  | 2035                         |
| 08/08/19                         | General Obligation Refunding Bonds, Series C 2019.....      | 4.00-5.00   | 32,070,000             | 28,085,000                  |  | 2040                         |
| 02/28/20                         | CWF (697DC).....  | 2.00        | 15,019,750             | 11,640,306                  |  | 2039                         |
| 04/30/20                         | CWF (692-C2).....   | 2.00        | 33,394,334             | 27,483,832                  |  | 2039                         |
| 05/31/20                         | CWF (691-C).....  | 2.00        | 190,810                | 159,824                     |  | 2039                         |
| 07/31/20                         | CWF (221-CSL).....  | 2.00        | 2,091,106              | 1,769,398                   |  | 2040                         |
| 08/08/20                         | Clean Water Projects Revenue Bonds, 2020A.....              | 5.00        | 55,010,000             | 46,725,000                  |  | 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              | 1,740,659                   |  | 2040                         |
| 01/31/21                         | CWF 692-C3.....   | 2.00        | 17,875,420             | 15,640,992                  |  | 2041                         |
| 01/31/21                         | Drinking Water (DWSRF 2020-7086).....                       | 2.00        | 1,334,309              | 1,166,119                   |  | 2039                         |
| 06/30/21                         | CWF 657-C4.....   | 2.00        | 5,408,501              | 4,414,174                   |  | 2040                         |
| 06/30/21                         | CWF 219-CSL.....  | 2.00        | 27,333,273             | 24,413,052                  |  | 2040                         |
| 08/31/21                         | General Obligation, Series A 2021.....                      | 4.00-5.00   | 130,810,000            | 126,595,000                 |  | 2041                         |
| 08/31/21                         | General Obligation Refunding Bonds, Series B 2021.....      | 5.00        | 15,235,000             | 12,760,000                  |  | 2033                         |
| 11/03/21                         | Clean Water Projects Revenue Bonds, 2021A.....              | 4.00-5.00   | 66,030,000             | 56,380,000                  |  | 2041                         |
| 11/03/21                         | Clean Water Projects Revenue Ref. Bonds Taxable, 2021B..... | 0.415-2.786 | 135,410,000            | 129,970,000                 |  | 2042                         |
| 01/31/22                         | Drinking Water (DWSRF 2020-7088).....                       | 2.00        | 2,274,924              | 2,099,930                   |  | 2042                         |
| 05/31/22                         | CWF 692-C4.....   | 2.00        | 24,949,781             | 23,494,377                  |  | 2042                         |
| 08/30/22                         | General Obligation, Issue of 2022.....                      | 5.00        | 74,380,000             | 71,860,000                  |  | 2042                         |
| 03/31/23                         | CWF 683-D.....  | 2.00        | 730,606                | 718,117                     |  | 2042                         |
| 03/31/23                         | Drinking Water (DWSRF 2021-7092).....                       | 2.00        | 3,071,879              | 3,019,368                   |  | 2042                         |
| 04/30/23                         | Drinking Water (2021-7093).....                             | 2.00        | 5,642,975              | 5,570,629                   |  | 2042                         |
| 08/10/23                         | General Obligation, Issue of 2023.....                      | 4.00-5.00   | 75,730,000             | 75,730,000                  |  | 2043                         |
| <b>Total Long-Term Debt.....</b> |   |             | <b>\$1,875,035,853</b> | <b>\$1,431,138,937</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 10, 2023, the aggregate amount of its IFOs will total \$138,105,079, of which the District will have drawn \$35,143,966.

### **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 10, 2023

(Pro Forma)

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

| Fiscal Year<br>Ending | Outstanding<br>Principal | Interest              | This Issue of Bonds  |                      | Total                 | Cumulative<br>Percent<br>Retired |
|-----------------------|--------------------------|-----------------------|----------------------|----------------------|-----------------------|----------------------------------|
|                       |                          |                       | Principal            | Interest             |                       |                                  |
| 2023                  | \$ 12,580,000            | \$ 6,023,841          | \$ -                 | \$ -                 | \$ 18,603,841         | 1.79%                            |
| 2024                  | 41,500,000               | 26,780,531            | 2,380,000            | 3,531,889            | 74,192,420            | 8.03%                            |
| 2025                  | 42,700,000               | 24,914,875            | 2,405,000            | 3,503,450            | 73,523,325            | 14.44%                           |
| 2026                  | 43,150,000               | 22,912,025            | 2,530,000            | 3,383,200            | 71,975,225            | 20.93%                           |
| 2027                  | 43,430,000               | 21,011,450            | 2,655,000            | 3,256,700            | 70,353,150            | 27.48%                           |
| 2028                  | 43,730,000               | 19,147,100            | 2,785,000            | 3,123,950            | 68,786,050            | 34.09%                           |
| 2029                  | 40,560,000               | 17,270,394            | 2,925,000            | 2,984,700            | 63,740,094            | 40.27%                           |
| 2030                  | 40,960,000               | 15,527,206            | 3,075,000            | 2,838,450            | 62,400,656            | 46.53%                           |
| 2031                  | 39,070,000               | 13,648,844            | 3,225,000            | 2,684,700            | 58,628,544            | 52.55%                           |
| 2032                  | 39,535,000               | 11,856,828            | 3,385,000            | 2,523,450            | 57,300,278            | 58.65%                           |
| 2033                  | 40,150,000               | 10,114,844            | 3,555,000            | 2,354,200            | 56,174,044            | 64.86%                           |
| 2034                  | 39,330,000               | 8,423,644             | 3,735,000            | 2,176,450            | 53,665,094            | 70.98%                           |
| 2035                  | 31,105,000               | 6,759,706             | 3,920,000            | 1,989,700            | 43,774,406            | 75.96%                           |
| 2036                  | 24,945,000               | 5,529,425             | 4,115,000            | 1,793,700            | 36,383,125            | 80.09%                           |
| 2037                  | 23,890,000               | 4,475,275             | 4,325,000            | 1,587,950            | 34,278,225            | 84.10%                           |
| 2038                  | 24,520,000               | 3,475,325             | 4,540,000            | 1,371,700            | 33,907,025            | 88.23%                           |
| 2039                  | 19,635,000               | 2,475,600             | 4,765,000            | 1,144,700            | 28,020,300            | 91.70%                           |
| 2040                  | 16,495,000               | 1,641,300             | 5,005,000            | 906,450              | 24,047,750            | 94.76%                           |
| 2041                  | 14,830,000               | 930,150               | 5,255,000            | 656,200              | 21,671,350            | 97.61%                           |
| 2042                  | 5,660,000                | 283,000               | 5,465,000            | 446,000              | 11,854,000            | 99.19%                           |
| 2043                  | -                        | -                     | 5,685,000            | 227,400              | 5,912,400             | 100.00%                          |
| <b>Totals</b>         | <b>\$ 627,775,000</b>    | <b>\$ 223,201,363</b> | <b>\$ 75,730,000</b> | <b>\$ 42,484,939</b> | <b>\$ 969,191,302</b> |                                  |

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

Source: District Officials.

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

| <b>Fiscal Year<br/>Ending 12/31</b> | <b>Outstanding<br/>Principal</b> | <b>Interest</b>      | <b>Total</b>          | <b>Cumulative<br/>Percent<br/>Retired</b> |
|-------------------------------------|----------------------------------|----------------------|-----------------------|---|
| 2023                                | \$ 8,230,000                     | \$ 3,465,506         | \$ 11,695,506         | 2.70%                                     |
| 2024                                | 12,855,000                       | 9,408,470            | 22,263,470            | 6.91%                                     |
| 2025                                | 13,045,000                       | 8,987,633            | 22,032,633            | 11.19%                                    |
| 2026                                | 15,850,000                       | 8,533,212            | 24,383,212            | 16.39%                                    |
| 2027                                | 16,145,000                       | 8,009,731            | 24,154,731            | 21.68%                                    |
| 2028                                | 16,465,000                       | 7,459,799            | 23,924,799            | 27.08%                                    |
| 2029                                | 16,985,000                       | 6,880,556            | 23,865,556            | 32.65%                                    |
| 2030                                | 17,475,000                       | 6,268,704            | 23,743,704            | 38.38%                                    |
| 2031                                | 19,990,000                       | 5,613,567            | 25,603,567            | 44.93%                                    |
| 2032                                | 21,240,000                       | 4,903,027            | 26,143,027            | 51.90%                                    |
| 2033                                | 13,655,000                       | 4,255,341            | 17,910,341            | 56.37%                                    |
| 2034                                | 18,325,000                       | 3,771,376            | 22,096,376            | 62.38%                                    |
| 2035                                | 17,280,000                       | 3,290,017            | 20,570,017            | 68.05%                                    |
| 2036                                | 17,205,000                       | 2,829,823            | 20,034,823            | 73.69%                                    |
| 2037                                | 16,275,000                       | 2,362,463            | 18,637,463            | 79.03%                                    |
| 2038                                | 16,410,000                       | 1,892,107            | 18,302,107            | 84.41%                                    |
| 2039                                | 16,560,000                       | 1,416,097            | 17,976,097            | 89.84%                                    |
| 2040                                | 9,320,000                        | 1,028,978            | 10,348,978            | 92.89%                                    |
| 2041                                | 9,620,000                        | 728,541              | 10,348,541            | 96.05%                                    |
| 2042                                | 9,095,000                        | 434,814              | 9,529,814             | 99.03%                                    |
| 2043                                | 940,000                          | 148,000              | 1,088,000             | 99.34%                                    |
| 2044                                | 985,000                          | 101,000              | 1,086,000             | 99.66%                                    |
| 2045                                | 1,035,000                        | 51,750               | 1,086,750             | 100.00%                                   |
| <b>Totals</b>                       | <b>\$ 304,985,000</b>            | <b>\$ 91,840,512</b> | <b>\$ 396,825,512</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<br/>Ending 12/31</b> | <b>Outstanding<br/>Principal</b> | <b>Interest</b>     | <b>Total</b>         | <b>Cumulative<br/>Percent<br/>Retired</b> |
|-------------------------------------|----------------------------------|---------------------|----------------------|---|
| 2023                                | \$13,136,802                     | \$3,476,016         | \$16,612,818         | 3.11%                                     |
| 2024                                | 31,438,658                       | 7,901,975           | 39,340,633           | 10.55%                                    |
| 2025                                | 31,355,229                       | 7,274,545           | 38,629,775           | 17.97%                                    |
| 2026                                | 31,355,229                       | 6,647,532           | 38,002,762           | 25.38%                                    |
| 2027                                | 31,245,299                       | 6,020,944           | 37,266,243           | 32.78%                                    |
| 2028                                | 30,461,234                       | 5,401,455           | 35,862,689           | 39.98%                                    |
| 2029                                | 29,709,404                       | 4,801,660           | 34,511,064           | 47.01%                                    |
| 2030                                | 29,183,555                       | 4,208,494           | 33,392,049           | 53.92%                                    |
| 2031                                | 27,534,572                       | 3,644,005           | 31,178,577           | 60.43%                                    |
| 2032                                | 26,518,866                       | 3,101,977           | 29,620,843           | 66.71%                                    |
| 2033                                | 26,363,623                       | 2,573,689           | 28,937,311           | 72.95%                                    |
| 2034                                | 26,034,950                       | 2,048,178           | 28,083,128           | 79.11%                                    |
| 2035                                | 24,607,681                       | 1,536,589           | 26,144,270           | 84.93%                                    |
| 2036                                | 21,752,690                       | 1,068,583           | 22,821,273           | 90.07%                                    |
| 2037                                | 17,626,331                       | 668,438             | 18,294,769           | 94.24%                                    |
| 2038                                | 12,136,803                       | 366,360             | 12,503,163           | 97.12%                                    |
| 2039                                | 5,043,836                        | 194,305             | 5,238,141            | 98.31%                                    |
| 2040                                | 4,362,580                        | 101,962             | 4,464,542            | 99.34%                                    |
| 2041                                | 1,874,406                        | 37,484              | 1,911,889            | 99.79%                                    |
| 2042                                | 907,189                          | 6,028               | 913,218              | 100.00%                                   |
| <b>Totals</b>                       | <b>\$422,648,937</b>             | <b>\$61,080,219</b> | <b>\$483,729,156</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<br/>Outstanding<br/>Principal</b> | <b>Total<br/>Interest</b> | <b>Total</b>           |
|--|---------------------------|------------------------|
| <b>\$1,431,138,937</b>                     | <b>\$418,607,031</b>      | <b>\$1,849,745,970</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 10, 2023  
(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<br/>District Debt<sup>1</sup></b> | <b>Net Direct<br/>District Debt<br/>Applicable to<br/>Member<br/>Municipalities<br/>as of 8/10/2023<sup>2</sup></b> | <b>Net Direct<br/>Debt of Member<br/>Municipalities</b> | <b>Underlying Debt<br/>Issued Since<br/>6/30/2022</b> | <b>Underlying Net<br/>Debt Applicable<br/>to District</b> |
|------------------------------|---|---|---|---|---|
| Bloomfield.....              | 7.22  | \$63,893,490  | \$56,765,000  | \$0   | \$56,765,000  |
| East Hartford.....           | 11.73   | 103,841,950   | 46,385,000  | 0   | 46,385,000  |
| Hartford.....                | 26.23   | 232,175,045   | 428,045,000 <sup>3,4</sup>                              | 0   | 428,045,000   |
| Newington.....               | 9.00  | 79,653,127  | 22,620,000  | 10,000,000  | 32,620,000  |
| Rocky Hill.....              | 6.21  | 54,939,033  | 83,510,000  | 4,250,000   | 87,760,000  |
| West Hartford.....           | 22.69   | 200,833,863   | 441,391,000   | 15,000,000  | 456,391,000   |
| Wethersfield.....            | 8.04  | 71,141,232  | 35,730,000  | 0   | 35,730,000  |
| Windsor.....                 | 8.88  | 78,589,244  | 67,235,000  | 9,225,000   | 76,460,000  |
| <b>Totals.....</b>           | <b>100.0%</b>                                     | <b>\$885,066,984</b>  | <b>\$1,181,681,000</b>                                  | <b>\$38,475,000</b>                                   | <b>\$1,220,156,000</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 2022-23.

<sup>2</sup> Includes approximately \$643,650,386 of Interim Funding Obligations (IFO's), Project Loan Obligations (PLO's), General Obligation Bonds and Notes issued pursuant to authorizations totaling \$1.826 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 10, 2023  
(Pro Forma)

**LONG TERM DEBT**

|  |                        |
|--|------------------------|
| Water (Self-Supporting).....               | \$244,340,520          |
| Sewer.....                                 | 253,573,223            |
| Combined Projects <sup>1</sup> .....       | 175,051,493            |
| Clean Water Project <sup>2</sup> .....     | 682,443,700            |
| New Money Bonds ( <i>This Issue</i> )..... | 75,730,000             |
| <b>TOTAL LONG TERM DEBT</b> .....          | <b>\$1,431,138,937</b> |

**SHORT TERM DEBT**

|                                      |                        |
|--------------------------------------|------------------------|
| CWF/DWSRF - IFO's <sup>3</sup> ..... | 138,105,079            |
| <b>TOTAL DIRECT DEBT</b> .....       | <b>\$1,569,244,016</b> |

Less:

|   |                        |
|---|------------------------|
| Debt Not Subject to Debt Limitation <sup>4</sup> .....            | 684,177,032            |
| <b>TOTAL DIRECT NET DEBT</b> .....                                | <b>\$885,066,984</b>   |
| <b>NET UNDERLYING DEBT - Member Municipalities<sup>5</sup>...</b> | <b>1,220,156,000</b>   |
| <b>DIRECT NET DEBT PLUS NET UNDERLYING...</b>                     | <b>\$2,105,222,984</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 \$138,105,079; funds drawn to date total \$35,143,966.

<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 10, 2023  
(Pro Forma)

|   |                  |
|---|------------------|
| Population <sup>1</sup>   | 365,727          |
| Net Taxable Grand List - 10/1/22 @ 70% of full value <sup>2</sup> | \$29,325,104,473 |
| Estimated Full Value <sup>3</sup>                                 | \$41,893,006,390 |
| Equalized Net Taxable Grand List - 2021 <sup>4</sup>              | \$48,009,184,834 |

|                                      | <b>Total<br/>Direct Debt</b>  | <b>Total Net<br/>Direct Debt</b> | <b>Total Overall<br/>Net Debt</b> |
|--------------------------------------|-------------------------------|----------------------------------|-----------------------------------|
|                                      | <b><u>\$1,569,244,016</u></b> | <b><u>\$885,066,984</u></b>      | <b><u>\$2,105,222,984</u></b>     |
| Per Capita.....                      | \$4,290.75                    | \$2,420.02                       | \$5,756.27                        |
| Ratio to Net Taxable Grand List..... | 5.35%                         | 3.02%                            | 7.18%                             |
| Ratio to Estimated Full Value.....   | 3.75%                         | 2.11%                            | 5.03%                             |
| Ratio to Equalized Grand List.....   | 3.27%                         | 1.84%                            | 4.39%                             |

<sup>1</sup> U.S. Census Bureau, 2017-2021 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 2022 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 2022 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, 2022

|  |                      |
|--|----------------------|
| <b>LONG TERM DEBT</b> .....                                    | \$56,765,000         |
| <b>SHORT TERM DEBT</b> .....                                   | <u>0</u>             |
| <b>TOTAL DIRECT DEBT</b> .....                                 | <b>\$56,765,000</b>  |
| <br>   |                      |
| <b>TOTAL NET DIRECT INDEBTEDNESS</b> .....                     | <b>\$56,765,000</b>  |
| <b>NET OVERLAPPING DEBT - MDC 8/10/2023 <sup>1</sup></b> ..... | <u>63,893,490</u>    |
| <b>TOTAL OVERALL DIRECT NET DEBT</b> .....                     | <b>\$120,658,490</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, 2022

|  |                 |
|--|-----------------|
| Population <sup>1</sup>                              | 21,399          |
| Net Taxable Grand List - 10/1/22 @ 70% of full value | \$2,506,681,916 |
| Estimated Full Value                                 | \$3,580,974,166 |
| Equalized Net Taxable Grand List - 2021 <sup>2</sup> | \$4,201,955,646 |
| Money Income per Capita - 2021 <sup>3</sup>          | \$43,961        |

|   | <b>Total<br/>Direct Debt</b> | <b>Total Net<br/>Direct Debt</b> | <b>Total Overall<br/>Net Debt</b> |
|---|------------------------------|----------------------------------|-----------------------------------|
|   | <b>\$56,765,000</b>          | <b>\$56,765,000</b>              | <b>\$120,658,490</b>              |
| Per Capita.....                               | \$2,652.69                   | \$2,652.69                       | \$5,638.51                        |
| Ratio to Net Taxable Grand List.....          | 2.26%                        | 2.26%                            | 4.81%                             |
| Ratio to Estimated Full Value.....            | 1.59%                        | 1.59%                            | 3.37%                             |
| Ratio to Equalized Grand List.....            | 1.35%                        | 1.35%                            | 2.87%                             |
| Debt per Capita to Money Income per Capita... | 6.03%                        | 6.03%                            | 12.83%                            |

<sup>1</sup> U.S. Census Bureau, 2017-2021 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, 2017-2021 American Community Survey, for Town of Bloomfield.

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

As of June 30, 2022

|  |                      |
|--|----------------------|
| <b>LONG TERM DEBT</b> .....                                    | \$46,385,000         |
| <b>SHORT TERM DEBT</b> .....                                   | <u>0</u>             |
| <b>TOTAL DIRECT DEBT</b> .....                                 | <b>\$46,385,000</b>  |
| <br>   |                      |
| <b>TOTAL NET DIRECT INDEBTEDNESS</b> .....                     | <b>\$46,385,000</b>  |
| <b>NET OVERLAPPING DEBT - MDC 8/10/2023 <sup>1</sup></b> ..... | <u>103,841,950</u>   |
| <b>TOTAL OVERALL DIRECT NET DEBT</b> .....                     | <b>\$150,226,950</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 \$2.9 million in Fiscal Year 2023, \$2.6 million in Fiscal Year 2024 and \$2.3 million in subsequent years. The outstanding balance at June 30, 2022 was \$9.9 million.

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

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

As of June 30, 2022

|  |                 |
|--|-----------------|
| Population <sup>1</sup>                              | 50,971          |
| Net Taxable Grand List - 10/1/22 @ 70% of full value | \$3,518,026,168 |
| Estimated Full Value                                 | \$5,025,751,669 |
| Equalized Net Taxable Grand List - 2021 <sup>2</sup> | \$4,991,573,883 |
| Money Income per Capita - 2021 <sup>3</sup>          | \$29,821        |

|   | <b>Total<br/>Direct Debt</b> | <b>Total Net<br/>Direct Debt</b> | <b>Total Overall<br/>Net Debt</b> |
|---|------------------------------|----------------------------------|-----------------------------------|
|   | <b>\$46,385,000</b>          | <b>\$46,385,000</b>              | <b>\$150,226,950</b>              |
| Per Capita.....                               | \$910.03                     | \$910.03                         | \$2,947.30                        |
| Ratio to Net Taxable Grand List.....          | 1.32%                        | 1.32%                            | 4.27%                             |
| Ratio to Estimated Full Value.....            | 0.92%                        | 0.92%                            | 2.99%                             |
| Ratio to Equalized Grand List.....            | 0.93%                        | 0.93%                            | 3.01%                             |
| Debt per Capita to Money Income per Capita... | 3.05%                        | 3.05%                            | 9.88%                             |

<sup>1</sup> U.S. Census Bureau, 2017-2021 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, 2017-2021 American Community Survey, for Town of East Hartford.

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

As of June 30, 2022

|  |                      |
|--|----------------------|
| <b>LONG TERM DEBT</b> .....                                    | \$429,680,000        |
| <b>CWF - PLO</b> .....   | 550,000              |
| <b>SHORT TERM DEBT</b> .....                                   | 0                    |
| <b>TOTAL DIRECT DEBT</b> .....                                 | <b>\$430,230,000</b> |
| Less:  |                      |
| School Construction Grants - State of Conn. <sup>1</sup> ...   | 2,185,000            |
| <b>TOTAL NET DIRECT INDEBTEDNESS</b> .....                     | <b>\$428,045,000</b> |
| <b>NET OVERLAPPING DEBT - MDC 8/10/2023</b> <sup>2</sup> ..... | 232,175,045          |
| <b>TOTAL OVERALL DIRECT NET DEBT</b> .....                     | <b>\$660,220,045</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, 2022 totaled \$59.390 million. (Source: 2022 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, 2022

|  |                 |
|--|-----------------|
| Population <sup>1</sup>                              | 121,562         |
| Net Taxable Grand List - 10/1/22 @ 70% of full value | \$4,896,911,900 |
| Estimated Full Value                                 | \$6,995,588,429 |
| Equalized Net Taxable Grand List - 2021 <sup>2</sup> | \$6,837,896,972 |
| Money Income per Capita - 2021 <sup>3</sup>          | \$22,784        |

|   | <b>Total<br/>Direct Debt</b> | <b>Total Net<br/>Direct Debt</b> | <b>Total Overall<br/>Net Debt</b> |
|---|------------------------------|----------------------------------|-----------------------------------|
|   | <b>\$430,230,000</b>         | <b>\$428,045,000</b>             | <b>\$660,220,045</b>              |
| Per Capita.....                               | \$3,539.18                   | \$3,521.21                       | \$5,431.14                        |
| Ratio to Net Taxable Grand List.....          | 8.79%                        | 8.74%                            | 13.48%                            |
| Ratio to Estimated Full Value.....            | 6.15%                        | 6.12%                            | 9.44%                             |
| Ratio to Equalized Grand List.....            | 6.29%                        | 6.26%                            | 9.66%                             |
| Debt per Capita to Money Income per Capita... | 15.53%                       | 15.45%                           | 23.84%                            |

<sup>1</sup> U.S. Census Bureau, 2017-2021 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, 2017-2021 American Community Survey, for City of Hartford.

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

As of June 30, 2022

|  |                      |
|--|----------------------|
| <b>LONG TERM DEBT</b> .....                                    | \$22,620,000         |
| <b>SHORT TERM DEBT</b> .....                                   | <u>0</u>             |
| <b>TOTAL DIRECT DEBT</b> .....                                 | <b>\$22,620,000</b>  |
| <br>   |                      |
| <b>TOTAL NET DIRECT INDEBTEDNESS</b> .....                     | <b>\$22,620,000</b>  |
| <b>NET OVERLAPPING DEBT - MDC 8/10/2023 <sup>1</sup></b> ..... | <u>79,653,127</u>    |
| <b>TOTAL OVERALL DIRECT NET DEBT</b> .....                     | <b>\$102,273,127</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 Newington issued \$10,000,000 in General Obligation Bonds on June 7, 2023 with a final maturity of June 1, 2043.

Note: Does not include authorized but unissued debt.

**CURRENT DEBT RATIOS – TOWN OF NEWINGTON**

As of June 30, 2022

|  |                 |
|--|-----------------|
| Population <sup>1</sup>                              | 30,493          |
| Net Taxable Grand List - 10/1/22 @ 70% of full value | \$2,867,257,043 |
| Estimated Full Value                                 | \$4,096,081,490 |
| Equalized Net Taxable Grand List - 2021 <sup>2</sup> | \$5,270,222,837 |
| Money Income per Capita - 2021 <sup>3</sup>          | \$43,209        |

|   | <b>Total<br/>Direct Debt</b> | <b>Total Net<br/>Direct Debt</b> | <b>Total Overall<br/>Net Debt</b> |
|---|------------------------------|----------------------------------|-----------------------------------|
|   | <b>\$22,620,000</b>          | <b>\$22,620,000</b>              | <b>\$102,273,127</b>              |
| Per Capita.....                               | \$741.81                     | \$741.81                         | \$3,353.99                        |
| Ratio to Net Taxable Grand List.....          | 0.79%                        | 0.79%                            | 3.57%                             |
| Ratio to Estimated Full Value.....            | 0.55%                        | 0.55%                            | 2.50%                             |
| Ratio to Equalized Grand List.....            | 0.43%                        | 0.43%                            | 1.94%                             |
| Debt per Capita to Money Income per Capita... | 1.72%                        | 1.72%                            | 7.76%                             |

<sup>1</sup> U.S. Census Bureau, 2017-2021 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, 2017-2021 American Community Survey, for Town of Newington.

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

As of June 30, 2022

|  |                      |
|--|----------------------|
| <b>LONG TERM DEBT</b> .....                                    | \$81,260,000         |
| <b>SHORT TERM DEBT</b> .....                                   | 2,250,000            |
| <b>TOTAL DIRECT DEBT</b> .....                                 | <b>\$83,510,000</b>  |
| <b>TOTAL NET DIRECT INDEBTEDNESS</b> .....                     | <b>\$83,510,000</b>  |
| <b>NET OVERLAPPING DEBT - MDC 8/10/2023 <sup>1</sup></b> ..... | 54,939,033           |
| <b>TOTAL OVERALL DIRECT NET DEBT</b> .....                     | <b>\$138,449,033</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 \$4,250,000 in General Obligation Bond Anticipation Notes on July 12, 2022 with a final maturity of July 26, 2023.

Note: Does not include authorized but unissued debt.

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

As of June 30, 2022

|  |                 |
|--|-----------------|
| Population <sup>1</sup>                              | 20,682          |
| Net Taxable Grand List - 10/1/22 @ 70% of full value | \$2,304,414,554 |
| Estimated Full Value                                 | \$3,292,020,791 |
| Equalized Net Taxable Grand List - 2021 <sup>2</sup> | \$4,218,943,446 |
| Money Income per Capita - 2021 <sup>3</sup>          | \$49,145        |

|   | <b>Total<br/>Direct Debt</b> | <b>Total Net<br/>Direct Debt</b> | <b>Total Overall<br/>Net Debt</b> |
|---|------------------------------|----------------------------------|-----------------------------------|
|   | <b><u>\$83,510,000</u></b>   | <b><u>\$83,510,000</u></b>       | <b><u>\$138,449,033</u></b>       |
| Per Capita.....                               | \$4,037.81                   | \$4,037.81                       | \$6,694.18                        |
| Ratio to Net Taxable Grand List.....          | 3.62%                        | 3.62%                            | 6.01%                             |
| Ratio to Estimated Full Value.....            | 2.54%                        | 2.54%                            | 4.21%                             |
| Ratio to Equalized Grand List.....            | 1.98%                        | 1.98%                            | 3.28%                             |
| Debt per Capita to Money Income per Capita... | 8.22%                        | 8.22%                            | 13.62%                            |

<sup>1</sup> U.S. Census Bureau, 2017-2021 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, 2017-2021 American Community Survey, for Town of Rocky Hill.

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

As of June 30, 2022

|  |                      |
|--|----------------------|
| <b>LONG TERM DEBT</b> .....                                    | \$456,585,000        |
| <b>SHORT TERM DEBT</b> .....                                   | <u>0</u>             |
| <b>TOTAL DIRECT DEBT</b> .....                                 | <b>\$456,585,000</b> |
| Less:  |                      |
| School Construction Grants - State of Conn. <sup>1</sup> ...   | <u>15,194,000</u>    |
| <b>TOTAL NET DIRECT INDEBTEDNESS</b> .....                     | <b>\$441,391,000</b> |
| <b>NET OVERLAPPING DEBT</b> - MDC 8/10/2023 <sup>2</sup> ..... | <u>200,833,863</u>   |
| <b>TOTAL OVERALL DIRECT NET DEBT</b> .....                     | <b>\$642,224,863</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 \$15,000,000 Series 2023A General Obligation Bonds on February 23, 2023 with a final maturity of January 15, 2038.

Note: Does not include authorized but unissued debt.

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

As of June 30, 2022

|  |                  |
|--|------------------|
| Population <sup>1</sup>                              | 64,034           |
| Net Taxable Grand List - 10/1/22 @ 70% of full value | \$7,222,008,042  |
| Estimated Full Value                                 | \$10,317,154,346 |
| Equalized Net Taxable Grand List - 2021 <sup>2</sup> | \$12,084,417,020 |
| Money Income per Capita - 2021 <sup>3</sup>          | \$60,530         |

|   | <b>Total<br/>Direct Debt</b> | <b>Total Net<br/>Direct Debt</b> | <b>Total Overall<br/>Net Debt</b> |
|---|------------------------------|----------------------------------|-----------------------------------|
|   | <b><u>\$456,585,000</u></b>  | <b><u>\$441,391,000</u></b>      | <b><u>\$642,224,863</u></b>       |
| Per Capita.....                               | \$7,130.35                   | \$6,893.07                       | \$10,029.44                       |
| Ratio to Net Taxable Grand List.....          | 6.32%                        | 6.11%                            | 8.89%                             |
| Ratio to Estimated Full Value.....            | 4.43%                        | 4.28%                            | 6.22%                             |
| Ratio to Equalized Grand List.....            | 3.78%                        | 3.65%                            | 5.31%                             |
| Debt per Capita to Money Income per Capita... | 11.78%                       | 11.39%                           | 16.57%                            |

<sup>1</sup> U.S. Census Bureau, 2017-2021 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, 2017-2021 American Community Survey, for Town of West Hartford.

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

As of June 30, 2022

|  |                             |
|--|-----------------------------|
| <b>LONG TERM DEBT.....</b>                                   | <b>\$35,640,000</b>         |
| <b>SERIAL NOTE .....</b>                                     | <b>90,000</b>               |
| <b>TOTAL DIRECT DEBT.....</b>                                | <b><u>\$35,730,000</u></b>  |
| <br>   |                             |
| <b>TOTAL NET DIRECT INDEBTEDNESS.....</b>                    | <b>\$35,730,000</b>         |
| <b>NET OVERLAPPING DEBT - MDC 8/10/2023<sup>1</sup>.....</b> | <b>71,141,232</b>           |
| <b>TOTAL OVERALL DIRECT NET DEBT.....</b>                    | <b><u>\$106,871,232</u></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, 2022

|  |                 |
|--|-----------------|
| Population <sup>1</sup>                              | 27,162          |
| Net Taxable Grand List - 10/1/22 @ 70% of full value | \$2,455,304,299 |
| Estimated Full Value                                 | \$3,507,577,570 |
| Equalized Net Taxable Grand List - 2021 <sup>2</sup> | \$4,380,281,987 |
| Money Income per Capita - 2021 <sup>3</sup>          | \$50,217        |

|   | <b>Total<br/>Direct Debt</b> | <b>Total Net<br/>Direct Debt</b> | <b>Total Overall<br/>Net Debt</b> |
|---|------------------------------|----------------------------------|-----------------------------------|
|   | <b>\$35,730,000</b>          | <b>\$35,730,000</b>              | <b>\$106,871,232</b>              |
| Per Capita.....                               | \$1,315.44                   | \$1,315.44                       | \$3,934.59                        |
| Ratio to Net Taxable Grand List.....          | 1.46%                        | 1.46%                            | 4.35%                             |
| Ratio to Estimated Full Value.....            | 1.02%                        | 1.02%                            | 3.05%                             |
| Ratio to Equalized Grand List.....            | 0.82%                        | 0.82%                            | 2.44%                             |
| Debt per Capita to Money Income per Capita... | 2.62%                        | 2.62%                            | 7.84%                             |

<sup>1</sup> U.S. Census Bureau, 2017-2021 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, 2017-2021 American Community Survey, for Town of Wethersfield.

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

As of June 30, 2022

|  |                      |
|--|----------------------|
| <b>LONG TERM DEBT</b> .....                                    | \$67,235,000         |
| <b>SHORT TERM DEBT</b> .....                                   | 0                    |
| <b>TOTAL DIRECT DEBT</b> .....                                 | <b>\$67,235,000</b>  |
| <br>   |                      |
| <b>TOTAL NET DIRECT INDEBTEDNESS</b> .....                     | <b>\$67,235,000</b>  |
| <b>NET OVERLAPPING DEBT - MDC 8/10/2023 <sup>1</sup></b> ..... | 78,589,244           |
| <b>TOTAL OVERALL DIRECT NET DEBT</b> .....                     | <b>\$145,824,244</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 \$9,225,000 in General Obligation Bonds on June 8, 2023 with a final maturity of June 15, 2038.

Note: Does not include authorized but unissued debt.

**CURRENT DEBT RATIOS – TOWN OF WINDSOR**

As of June 30, 2022

|  |                 |
|--|-----------------|
| Population <sup>1</sup>                              | 29,424          |
| Net Taxable Grand List - 10/1/22 @ 70% of full value | \$3,554,500,551 |
| Estimated Full Value                                 | \$5,077,857,930 |
| Equalized Net Taxable Grand List - 2021 <sup>2</sup> | \$6,023,893,043 |
| Money Income per Capita - 2021 <sup>3</sup>          | \$42,832        |

|   | <b>Total<br/>Direct Debt</b> | <b>Total Net<br/>Direct Debt</b> | <b>Total Overall<br/>Net Debt</b> |
|---|------------------------------|----------------------------------|-----------------------------------|
|   | <b>\$67,235,000</b>          | <b>\$67,235,000</b>              | <b>\$145,824,244</b>              |
| Per Capita.....                               | \$2,285.04                   | \$2,285.04                       | \$4,955.96                        |
| Ratio to Net Taxable Grand List.....          | 1.89%                        | 1.89%                            | 4.10%                             |
| Ratio to Estimated Full Value.....            | 1.32%                        | 1.32%                            | 2.87%                             |
| Ratio to Equalized Grand List.....            | 1.12%                        | 1.12%                            | 2.42%                             |
| Debt per Capita to Money Income per Capita... | 5.33%                        | 5.33%                            | 11.57%                            |

<sup>1</sup> U.S. Census Bureau, 2017-2021 American Community Survey, Town of Windsor.

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

<sup>3</sup> U.S. Census Bureau, 2017-2021 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 10, 2023 (Pro Forma)

|   |                               |
|---|-------------------------------|
| <b>COMBINED 2022 NET TAXABLE GRAND LISTS</b>                        |                               |
| <b>OF MEMBER MUNICIPALITIES.....</b>                                | <b>\$29,325,104,473</b>       |
| <br>  |                               |
| <b>DEBT LIMIT - 5% of combined Grand Lists <sup>1</sup>.....</b>    | <b><u>\$1,466,255,224</u></b> |
| <br>  |                               |
| <b>INDEBTEDNESS:</b>  |                               |
| Water General Obligation Bonds.....                                 | \$192,742,460                 |
| DWSRF Project Loan Obligations.....                                 | 51,598,060                    |
| Sewer General Obligation Bonds.....                                 | 231,896,047                   |
| CWF Project Loan Obligations.....                                   | 21,677,176                    |
| Clean Water Project General Obligation Bonds <sup>2</sup> .....     | 28,085,000                    |
| Clean Water Project Revenue Bonds <sup>2</sup> .....                | 304,985,000                   |
| Clean Water Project CWF Project Loan Obligations <sup>2</sup> ..... | 349,373,700                   |
| Combined General Obligation Bonds <sup>3</sup> .....                | 175,051,493                   |
| New Money Bonds ( <i>This Issue</i> ).....                          | <u>75,730,000</u>             |
| <b>TOTAL DIRECT LONG-TERM INDEBTEDNESS.....</b>                     | <b>\$1,431,138,937</b>        |
| <br>  |                               |
| CWF Interim Funding Obligations.....                                | \$132,953,428                 |
| DWSRF Interim Funding Obligations.....                              | <u>5,151,651</u>              |
| <b>TOTAL DIRECT SHORT-TERM INDEBTEDNESS.....</b>                    | <b>\$138,105,079</b>          |
| <br>  |                               |
| <b>TOTAL DIRECT INDEBTEDNESS.....</b>                               | <b>\$1,569,244,016</b>        |
| <br>  |                               |
| Less Outstanding Debt Not Subject to Debt Limitation                |                               |
| Water General Obligation Bonds.....                                 | \$192,742,460                 |
| DWSRF Project Loan Obligations.....                                 | 51,598,060                    |
| DWSRF Interim Funding Obligations.....                              | 5,151,651                     |
| Clean Water Project Revenue Bonds <sup>2</sup> .....                | 304,985,000                   |
| Water's Share of Combined General Obligation Bonds.....             | 89,276,261                    |
| New Money Bonds ( <i>This Issue</i> ).....                          | <u>40,423,600</u>             |
| <b>TOTAL DEBT NOT SUBJECT TO DEBT LIMITATION.....</b>               | <b>\$684,177,032</b>          |
| <br>  |                               |
| <b>TOTAL NET DIRECT INDEBTEDNESS.....</b>                           | <b>\$885,066,984</b>          |
| <br>  |                               |
| <b>DEBT LIMITATION IN EXCESS OF OUTSTANDING INDEBTEDNESS..</b>      | <b><u>\$581,188,240</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 \$1.826 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 10, 2023

(Pro Forma)

| Project                                   | Authorized             | Previously Funded      | Bonds of This Issue   | Debt Authorized but Unissued |                     |                      |                    |                            |
|---|------------------------|------------------------|-----------------------|------------------------------|---------------------|----------------------|--------------------|----------------------------|
|   |                        |                        |                       | General Purpose              | Water               | Sewers               | Hydroelectric      | Total                      |
| Water Capital Improvements.....           | \$215,271,359          | \$82,377,848           | \$37,730,000 *        |                              | \$95,163,511        |                      |                    | \$95,163,511 <sup>2</sup>  |
| Sewer Capital Improvements.....           | 2,253,513,016          | 1,578,830,852          | 32,297,000 *          |                              |                     | 642,385,164          |                    | 642,385,164 <sup>1,2</sup> |
| Combined Funding Capital Improvements.... | 35,742,500             | 15,669,000             | 14,728,000 *          | 5,345,500                    |                     |                      |                    | 5,345,500                  |
| Hydroelectric Capital Improvements.....   | 2,500,250              |                        |                       |                              |                     |                      | 2,500,250          | 2,500,250                  |
| <b>Total.....</b>                         | <b>\$2,507,027,125</b> | <b>\$1,676,877,700</b> | <b>\$84,755,000 *</b> | <b>\$5,345,500</b>           | <b>\$95,163,511</b> | <b>\$642,385,164</b> | <b>\$2,500,250</b> | <b>\$745,394,425</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, \$18.8 million approved by the District Board on September 2, 2020 and \$67.4 million approved by the District Board on May 1, 2023.

<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               | 2022                                | 2021                                | 2020                                | 2019                                | 2018                                |
|------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| Bonds.....                   | \$1,407,305,741                     | \$1,383,397,474                     | \$1,267,296,079                     | \$1,283,094,137                     | \$1,224,500,400                     |
| <b>Short-Term Debt</b>       |                                     |                                     |                                     |                                     |                                     |
| Bond Anticipation Notes..... | 0                                   | 0                                   | 0                                   | 0                                   | 0                                   |
| <b>Total.....</b>            | <b>\$1,407,305,741 <sup>2</sup></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> |

<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 2018-2022.

**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         | 2023 Est.           | 2022 <sup>3</sup>   | 2021                | 2020                | 2019                | 2018                |
|------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Bonds.....             | \$51,590,000        | \$56,765,000        | \$62,530,000        | \$58,395,000        | \$50,900,000        | \$42,830,000        |
| <b>Short-Term Debt</b> |                     |                     |                     |                     |                     |                     |
| BANs/State DECD Note   | 0                   | 0                   | 0                   | 9,730,000           | 7,000,000           | 0                   |
| <b>Total.....</b>      | <b>\$51,590,000</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> |

<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> Unaudited

Source: Annual Audited Financial Statements 2018-2021, Estimate 2023.

**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               | 2023 Est.           | 2022                | 2021                | 2020                | 2019                | 2018                |
|------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Bonds.....                   | \$40,100,000        | \$46,385,000        | \$34,045,000        | \$41,695,000        | \$48,740,000        | \$41,125,000        |
| <b>Short-Term Debt</b>       |                     |                     |                     |                     |                     |                     |
| Bond Anticipation Notes..... | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   |
| <b>Total.....</b>            | <b>\$40,100,000</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> |

<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 2018-2022, Estimate 2023.

**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>2023 Est.</b>     | <b>2022</b>          | <b>2021</b>          | <b>2020</b>          | <b>2019</b>          | <b>2018</b>          |
|------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Bonds/CWF.....               | \$394,304,000        | \$430,230,000        | \$468,053,000        | \$495,227,000        | \$536,889,000        | \$570,537,000        |
| <b>Short-Term Debt</b>       |                      |                      |                      |                      |                      |                      |
| Bond Anticipation Notes..... | 0                    | 0                    | 0                    | 0                    | 0                    | 0                    |
| <b>Total.....</b>            | <b>\$394,304,000</b> | <b>\$430,230,000</b> | <b>\$468,053,000</b> | <b>\$495,227,000</b> | <b>\$536,889,000</b> | <b>\$570,537,000</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.

<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 2018-2022, Estimate 2023.

**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>2023 Est.</b>    | <b>2022</b>         | <b>2021</b>         | <b>2020</b>         | <b>2019</b>         | <b>2018</b>        |
|------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|--------------------|
| Bonds.....                   | \$35,270,000        | \$22,620,000        | \$24,485,000        | \$26,360,000        | \$12,500,000        | \$4,195,000        |
| <b>Short-Term Debt</b>       |                     |                     |                     |                     |                     |                    |
| Bond Anticipation Notes..... | 0                   | 0                   | 0                   | 0                   | 6,000,000           | 0                  |
| <b>Total.....</b>            | <b>\$35,270,000</b> | <b>\$22,620,000</b> | <b>\$24,485,000</b> | <b>\$26,360,000</b> | <b>\$18,500,000</b> | <b>\$4,195,000</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 2018-2022, Estimate 2023.

**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>2023 Est.</b>    | <b>2022</b>         | <b>2021</b>         | <b>2020</b>         | <b>2019</b>         | <b>2018</b>         |
|------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Bonds.....                   | \$76,270,000        | \$81,260,000        | \$77,100,000        | \$82,160,000        | \$47,345,000        | \$50,515,000        |
| <b>Short-Term Debt</b>       |                     |                     |                     |                     |                     |                     |
| Bond Anticipation Notes..... | 4,250,000           | 2,250,000           | 11,350,000          | 2,250,000           | 33,000,000          | 8,000,000           |
| <b>Total.....</b>            | <b>\$80,520,000</b> | <b>\$83,510,000</b> | <b>\$88,450,000</b> | <b>\$84,410,000</b> | <b>\$80,345,000</b> | <b>\$58,515,000</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 2018-2022, Estimate 2023.

**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>2023 Est.</b>     | <b>2022</b>          | <b>2021</b>          | <b>2020</b>          | <b>2019</b>          | <b>2018</b>          |
|------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Bonds.....                   | \$447,480,000        | \$456,585,000        | \$134,160,000        | \$135,210,000        | \$139,675,000        | \$147,085,000        |
| <b>Short-Term Debt</b>       |                      |                      |                      |                      |                      |                      |
| Bond Anticipation Notes..... | 0                    | 0                    | 0                    | 0                    | 0                    | 0                    |
| <b>Total.....</b>            | <b>\$447,480,000</b> | <b>\$456,585,000</b> | <b>\$134,160,000</b> | <b>\$135,210,000</b> | <b>\$139,675,000</b> | <b>\$147,085,000</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 2018-2022, Estimate 2023.

**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>2023 Est.</b>    | <b>2022<sup>3</sup></b> | <b>2021</b>         | <b>2020</b>         | <b>2019</b>         | <b>2018</b>         |
|------------------------|---------------------|-------------------------|---------------------|---------------------|---------------------|---------------------|
| Bonds.....             | \$31,980,000        | \$35,640,000            | \$40,040,000        | \$44,445,000        | \$46,255,000        | \$50,465,000        |
| <b>Short-Term Debt</b> |                     |                         |                     |                     |                     |                     |
| Serial Notes.....      | 0                   | 90,000                  | 85,000              | 175,000             | 260,000             | 345,000             |
| <b>Total.....</b>      | <b>\$31,980,000</b> | <b>\$35,730,000</b>     | <b>\$40,125,000</b> | <b>\$44,620,000</b> | <b>\$46,515,000</b> | <b>\$50,810,000</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.

<sup>3</sup> Unaudited

Source: Annual Audited Financial Statements 2018-2021, Estimate 2023.

**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>2023 Est.</b>    | <b>2022</b>         | <b>2021</b>         | <b>2020</b>         | <b>2019</b>         | <b>2018</b>         |
|------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Bonds.....                   | \$69,410,000        | \$67,235,000        | \$67,250,000        | \$52,140,000        | \$43,090,000        | \$39,105,000        |
| <b>Short-Term Debt</b>       |                     |                     |                     |                     |                     |                     |
| Bond Anticipation Notes..... | 0                   | 0                   | 2,610,000           | 12,500,000          | 11,970,000          | 0                   |
| <b>Total.....</b>            | <b>\$69,410,000</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> |

<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 2018-2022, Estimate 2023.

**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> |
|--------------------------------|---------------------------------------|---|--------------------------------|---|---|-------------------------------|-------------------------------|
| 2022                           | \$26,306,659,480                      | \$37,580,942,114                        | \$1,407,305,741                | 5.35%   | 3.74%   | 365,727                       | \$3,847.97                    |
| 2021                           | 25,953,854,115                        | 37,076,934,450                          | 1,383,397,474                  | 5.33%   | 3.73%   | 365,727                       | 3,782.60                      |
| 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                      |

<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 to Per Capita Income (%)<sup>3</sup></b> |
|-------------------------------|---------------------------|-----------------------------|--------------------------------|---|---|-------------------------------|-------------------------------|--|
| 2023 Est.                     | \$2,423,050,587           | \$3,461,500,839             | \$51,590,000                   | 2.13%   | 1.49%   | 21,399                        | \$2,410.86                    | 5.48%  |
| 2022                          | 2,402,488,570             | 3,432,126,529               | 56,765,000                     | 2.36%   | 1.65%   | 21,399                        | 2,652.69                      | 6.03%  |
| 2021                          | 2,377,731,476             | 3,396,759,251               | 62,530,000                     | 2.63%   | 1.84%   | 21,399                        | 2,922.10                      | 6.65%  |
| 2020                          | 2,155,023,283             | 3,078,604,690               | 68,125,000                     | 3.16%   | 2.21%   | 21,128                        | 3,224.39                      | 7.33%  |
| 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%  |

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

<sup>2</sup> U.S. Census Bureau, 2017-2021 American Community Surveys.

<sup>3</sup> Income per Capita: \$43,961 U.S. Census Bureau, 2017-2021 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 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> |
|-------------------------------|---------------------------|-----------------------------|--------------------------------|--|---|-------------------------------|-------------------------------|---|
| 2023 Est.                     | \$3,493,134,813           | \$4,990,192,590             | \$40,100,000                   | 1.15%  | 0.80%   | 50,971                        | \$786.72                      | 2.64%   |
| 2022                          | 2,807,364,070             | 4,010,520,100               | 46,385,000                     | 1.65%  | 1.16%   | 50,971                        | 910.03                        | 3.05%   |
| 2021                          | 2,794,244,994             | 3,991,778,563               | 34,045,000                     | 1.22%  | 0.85%   | 50,971                        | 667.93                        | 2.24%   |
| 2020                          | 2,783,862,372             | 3,976,946,246               | 41,695,000                     | 1.50%  | 1.05%   | 50,036                        | 833.30                        | 2.79%   |
| 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                        | 2.73%   |

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

<sup>2</sup> U.S. Census Bureau, 2017-2021 American Community Surveys.

<sup>3</sup> Income per Capita: \$29,821 U.S. Census Bureau, 2017-2021 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 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> |
|-------------------------------|---------------------------|-----------------------------|--------------------------------|--|---|-------------------------------|-------------------------------|---|
| 2023 Est.                     | \$4,786,119,941           | \$6,837,314,201             | \$394,304,000                  | 8.24%  | 5.77%   | 121,562                       | \$3,243.65                    | 14.24%  |
| 2022                          | 4,115,886,472             | 5,879,837,817               | 430,230,000                    | 10.45%   | 7.32%   | 121,562                       | 3,539.18                      | 15.53%  |
| 2021                          | 4,036,000,866             | 5,765,715,523               | 468,053,000                    | 11.60%   | 8.12%   | 121,562                       | 3,850.32                      | 16.90%  |
| 2020                          | 4,025,919,645             | 5,751,313,779               | 495,227,000                    | 12.30%   | 8.61%   | 122,549                       | 4,041.05                      | 17.74%  |
| 2019                          | 4,061,916,449             | 5,802,737,784               | 536,889,000                    | 13.22%   | 9.25%   | 123,088                       | 4,361.83                      | 19.14%  |
| 2018                          | 4,068,017,222             | 5,811,453,174               | 570,537,000                    | 14.02%   | 9.82%   | 122,591                       | 4,653.99                      | 20.43%  |

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

<sup>2</sup> U.S. Census Bureau, 2017-2021 American Community Surveys.

<sup>3</sup> Income per Capita: \$22,784 U.S. Census Bureau, 2017-2021 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 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> |
|-------------------------------|---------------------------|-----------------------------|--------------------------------|--|---|-------------------------------|-------------------------------|---|
| 2023 Est.                     | \$2,844,090,904           | \$4,062,987,006             | \$35,270,000                   | 1.24%  | 0.87%   | 30,493                        | \$1,156.66                    | 2.68%   |
| 2022                          | 2,765,341,316             | 3,950,487,594               | 22,620,000                     | 0.82%  | 0.57%   | 30,493                        | 741.81                        | 1.72%   |
| 2021                          | 2,656,844,617             | 3,795,492,310               | 24,485,000                     | 0.92%  | 0.65%   | 30,493                        | 802.97                        | 1.86%   |
| 2020                          | 2,640,307,103             | 3,771,867,290               | 26,360,000                     | 1.00%  | 0.70%   | 30,114                        | 875.34                        | 2.03%   |
| 2019                          | 2,623,718,787             | 3,748,169,696               | 18,500,000                     | 0.71%  | 0.49%   | 30,234                        | 611.89                        | 1.42%   |
| 2018                          | 2,609,986,139             | 3,728,551,627               | 4,195,000                      | 0.16%  | 0.11%   | 30,323                        | 138.34                        | 0.32%   |

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

<sup>2</sup> U.S. Census Bureau, 2017-2021 American Community Surveys.

<sup>3</sup> Income per Capita: \$43,209 U.S. Census Bureau, 2017-2021 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 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> |
|-------------------------------|---------------------------|-----------------------------|--------------------------------|--|---|-------------------------------|-------------------------------|---|
| 2023 Est.                     | \$2,286,850,170           | \$3,266,928,814             | \$80,520,000                   | 3.52%  | 2.46%   | 20,682                        | \$3,893.24                    | 7.92%   |
| 2022                          | 2,243,544,929             | 3,205,064,184               | 83,510,000                     | 3.72%  | 2.61%   | 20,682                        | 4,037.81                      | 8.22%   |
| 2021                          | 2,235,057,168             | 3,192,938,811               | 88,450,000                     | 3.96%  | 2.77%   | 20,682                        | 4,276.67                      | 8.70%   |
| 2020                          | 2,208,948,420             | 3,155,640,600               | 84,410,000                     | 3.82%  | 2.67%   | 20,147                        | 4,189.71                      | 8.53%   |
| 2019                          | 2,094,054,395             | 2,991,506,279               | 80,345,000                     | 3.84%  | 2.69%   | 20,168                        | 3,983.79                      | 8.11%   |
| 2018                          | 2,061,636,790             | 2,945,195,414               | 58,515,000                     | 2.84%  | 1.99%   | 20,137                        | 2,905.84                      | 5.91%   |

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

<sup>2</sup> U.S. Census Bureau, 2017-2021 American Community Surveys.

<sup>3</sup> Income per Capita: \$49,145 U.S. Census Bureau, 2017-2021 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 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> |
|-------------------------------|---------------------------|-----------------------------|--------------------------------|--|---|-------------------------------|-------------------------------|---|
| 2023 Est.                     | \$6,975,273,047           | \$9,964,675,781             | \$447,480,000                  | 6.42%  | 4.49%   | 64,034                        | \$6,988.16                    | 11.54%  |
| 2022                          | 6,394,578,261             | 9,135,111,801               | 456,585,000                    | 7.14%  | 5.00%   | 64,034                        | 7,130.35                      | 11.78%  |
| 2021                          | 6,363,394,009             | 9,090,562,870               | 134,160,000                    | 2.11%  | 1.48%   | 64,034                        | 2,095.14                      | 3.46%   |
| 2020                          | 6,314,734,062             | 9,021,048,660               | 135,210,000                    | 2.14%  | 1.50%   | 63,023                        | 2,145.41                      | 3.54%   |
| 2019                          | 6,285,118,569             | 8,978,740,813               | 139,675,000                    | 2.22%  | 1.56%   | 63,063                        | 2,214.85                      | 3.66%   |
| 2018                          | 6,232,711,742             | 8,903,873,917               | 147,085,000                    | 2.36%  | 1.65%   | 63,127                        | 2,329.99                      | 3.85%   |

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

<sup>2</sup> U.S. Census Bureau, 2017-2021 American Community Surveys.

<sup>3</sup> Income per Capita: \$60,530 U.S. Census Bureau, 2017-2021 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 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> |
|-------------------------------|---------------------------|-----------------------------|--------------------------------|--|---|-------------------------------|-------------------------------|---|
| 2023 Est.                     | \$2,425,972,323           | \$3,465,674,747             | \$31,980,000                   | 1.32%  | 0.92%   | 27,162                        | \$1,177.38                    | 2.34%   |
| 2022                          | 2,365,265,780             | 3,378,951,114               | 35,730,000                     | 1.51%  | 1.06%   | 27,162                        | 1,315.44                      | 2.62%   |
| 2021                          | 2,336,707,216             | 3,338,153,166               | 40,125,000                     | 1.72%  | 1.20%   | 27,162                        | 1,477.25                      | 2.94%   |
| 2020                          | 2,321,469,775             | 3,316,385,393               | 44,620,000                     | 1.92%  | 1.35%   | 26,068                        | 1,711.68                      | 3.41%   |
| 2019                          | 2,251,449,143             | 3,216,355,919               | 46,515,000                     | 2.07%  | 1.45%   | 26,171                        | 1,777.35                      | 3.54%   |
| 2018                          | 2,242,958,976             | 3,204,227,109               | 50,810,000                     | 2.27%  | 1.59%   | 26,267                        | 1,934.37                      | 3.85%   |

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

<sup>2</sup> U.S. Census Bureau, 2017-2021 American Community Survey.

<sup>3</sup> Income per Capita: \$50,217 U.S. Census Bureau, 2017-2021 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> |
|-------------------------------|---------------------------|-----------------------------|--------------------------------|---|---|-------------------------------|-------------------------------|---|
| 2023 Est.                     | \$3,311,353,809           | \$4,730,505,441             | \$69,410,000                   | 2.10%   | 1.47%   | 29,424                        | \$2,358.96                    | 5.51%   |
| 2022                          | 3,212,190,082             | 4,588,842,974               | 67,235,000                     | 2.09%   | 1.47%   | 29,424                        | 2,285.04                      | 5.33%   |
| 2021                          | 3,153,873,769             | 4,505,533,956               | 69,860,000                     | 2.22%   | 1.55%   | 29,424                        | 2,374.25                      | 5.54%   |
| 2020                          | 3,105,965,090             | 4,437,092,986               | 64,640,000                     | 2.08%   | 1.46%   | 28,791                        | 2,245.15                      | 5.24%   |
| 2019                          | 2,959,778,035             | 4,228,254,336               | 55,060,000                     | 1.86%   | 1.30%   | 28,859                        | 1,907.90                      | 4.45%   |
| 2018                          | 2,886,742,186             | 4,123,917,409               | 39,105,000                     | 1.35%   | 0.95%   | 28,917                        | 1,352.32                      | 3.16%   |

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

<sup>2</sup> U.S. Census Bureau, 2017-2021 American Community Survey.

<sup>3</sup> Income per Capita: \$42,832 U.S. Census Bureau, 2017-2021 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> |
|-------------------------------|----------------------------|--|--|
| 2024 Est.                     | \$6,833,410                | \$105,191,784                          | 6.50%  |
| 2023 Est.                     | 6,807,797                  | 104,293,623                            | 6.53%  |
| 2022 Est.                     | 7,042,632                  | 96,688,300                             | 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%  |

Source: Annual Audited Financial Statements 2018-2021, Budgets 2022, 2023 and 2024.

**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> |
|-------------------------------|----------------------------|--|--|
| 2024 Est.                     | \$8,720,859                | \$211,082,893                          | 4.13%  |
| 2023 Est.                     | 8,105,180                  | 204,432,077                            | 3.96%  |
| 2022                          | 10,856,000                 | 234,468,000                            | 4.63%  |
| 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%  |

Source: Annual Audited Financial Statements 2018-2022, Budgets 2023 and 2024.

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

| <b>Fiscal Year<br/>Ended 6/30</b> | <b>Annual<br/>Debt Service</b> | <b>Total<br/>General Fund<br/>Expenditures</b> | <b>Ratio of General<br/>Fund Debt Service<br/>to Total General<br/>Fund Expenditures %</b> |
|-----------------------------------|--------------------------------|--|--|
| 2024 Est.                         | \$17,397,994                   | \$619,171,109                                  | 2.81%  |
| 2023 Est.                         | 15,284,900                     | 599,574,731                                    | 2.55%  |
| 2022                              | 59,495,000                     | 687,923,000                                    | 8.65%  |
| 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%  |

Source: Annual Audited Financial Statements 2018-2022, Budgets 2023 and 2024.

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

| <b>Fiscal Year<br/>Ended 6/30</b> | <b>Annual<br/>Debt Service</b> | <b>Total<br/>General Fund<br/>Expenditures</b> | <b>Ratio of General<br/>Fund Debt Service<br/>to Total General<br/>Fund Expenditures %</b> |
|-----------------------------------|--------------------------------|--|--|
| 2024 Est.                         | \$3,395,132                    | \$137,512,573                                  | 2.47%  |
| 2023 Est.                         | 2,528,070                      | 134,023,411                                    | 1.89%  |
| 2022                              | 3,546,000                      | 140,150,000                                    | 2.53%  |
| 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%  |

Source: Annual Audited Financial Statements 2018-2022, Budgets 2023 and 2024.

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

| <b>Fiscal Year<br/>Ended 6/30</b> | <b>Annual<br/>Debt Service</b> | <b>Total<br/>General Fund<br/>Expenditures</b> | <b>Ratio of General<br/>Fund Debt Service<br/>to Total General<br/>Fund Expenditures %</b> |
|-----------------------------------|--------------------------------|--|--|
| 2024 Est.                         | \$8,124,953                    | \$95,238,306                                   | 8.53%  |
| 2023 Est.                         | 8,202,185                      | 92,250,398                                     | 8.89%  |
| 2022                              | 8,202,185                      | 92,250,398                                     | 8.89%  |
| 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%  |

Source: Annual Audited Financial Statements 2018-2022, Budgets 2023 and 2024.

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

| <b>Fiscal Year<br/>Ended 6/30</b> | <b>Annual<br/>Debt Service</b> | <b>Total<br/>General Fund<br/>Expenditures</b> | <b>Ratio of General<br/>Fund Debt Service<br/>to Total General<br/>Fund Expenditures %</b> |
|-----------------------------------|--------------------------------|--|--|
| 2024 Est.                         | \$16,146,323                   | \$331,190,664                                  | 4.88%  |
| 2023 Est.                         | 16,040,896                     | 317,082,151                                    | 5.06%  |
| 2022                              | 21,517,000                     | 297,803,000 <sup>2</sup>                       | 7.23%  |
| 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%  |

<sup>1</sup> Includes All Governmental Funds, excluding capital outlay. Data is reflected on a modified accrual basis.

<sup>2</sup> Excludes Pension Bond proceeds.

Source: Annual Audited Financial Statements 2018-2022, Budgets 2023 and 2024.

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

| <b>Fiscal Year<br/>Ended 6/30</b> | <b>Annual<br/>Debt Service</b> | <b>Total<br/>General Fund<br/>Expenditures</b> | <b>Ratio of General<br/>Fund Debt Service<br/>to Total General<br/>Fund Expenditures %</b> |
|-----------------------------------|--------------------------------|--|--|
| 2024 Est.                         | \$4,551,153                    | \$118,409,811                                  | 3.84%  |
| 2023 Est.                         | 4,985,922                      | 113,479,628                                    | 4.39%  |
| 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%  |

Source: Annual Audited Financial Statements 2018-2021, Budgets 2022, 2023 and 2024.

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

| <b>Fiscal Year<br/>Ended 6/30</b> | <b>Annual<br/>Debt Service</b> | <b>Total<br/>General Fund<br/>Expenditures</b> | <b>Ratio of General<br/>Fund Debt Service<br/>to Total General<br/>Fund Expenditures %</b> |
|-----------------------------------|--------------------------------|--|--|
| 2024 Est.                         | \$8,324,320                    | \$139,205,750                                  | 5.98%  |
| 2023 Est.                         | 8,081,410                      | 129,894,300                                    | 6.22%  |
| 2022                              | 8,685,693                      | 125,503,356                                    | 6.92%  |
| 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%  |

<sup>1</sup> Includes all Governmental Funds, excluding Capital Expenditures.

Source: Annual Audited Financial Statements 2018-2022, Budgets 2023 and 2024.

## 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 2023, the CIP continues to focus on implementing a comprehensive asset management program for wastewater, water and combined programs.

### FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

|          | 2023                 | 2024                 | 2025                 | 2026                 | 2027                 | Total                 |
|----------|----------------------|----------------------|----------------------|----------------------|----------------------|-----------------------|
| Sewer    | \$ 36,108,000        | \$ 31,825,000        | \$ 15,100,000        | \$ 10,100,000        | \$ 12,100,000        | \$ 105,233,000        |
| Water    | 41,883,000           | 40,850,000           | 40,450,000           | 35,450,000           | 36,450,000           | 195,083,000           |
| Combined | 18,292,500           | 15,835,000           | 16,885,000           | 15,835,000           | 16,885,000           | 83,732,500            |
| Hydro    | 2,000,250            | -                    | -                    | -                    | -                    | 2,000,250             |
|          | <u>\$ 98,283,750</u> | <u>\$ 88,510,000</u> | <u>\$ 72,435,000</u> | <u>\$ 61,385,000</u> | <u>\$ 65,435,000</u> | <u>\$ 386,048,750</u> |

The adopted 2023 CIP Budget is \$98.284M. The CIP Budget is expected to be funded with approximately \$98.284M 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.**

## **APPENDIX A - AUDITED FINANCIAL STATEMENTS**

### **FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022**

*Appendix A - Audited Financial Statements* - is taken from the Annual Report of the Metropolitan District, Hartford County for the Fiscal Year ended December 31, 2022 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, 2022, 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, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of The 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.

***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise The Metropolitan District's basic financial statements. The combining financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual nonmajor fund financial statements and schedules is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

***Other Information***

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

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

Board of Finance  
The Metropolitan District

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated May 19, 2023 on our consideration of The Metropolitan District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of The Metropolitan District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering The Metropolitan District's internal control over financial reporting and compliance.

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

**CliftonLarsonAllen LLP**

West Hartford, Connecticut  
May 19, 2023

**THE METROPOLITAN DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2022**

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, 2022. Please read it in conjunction with the transmittal letter (beginning on page i-vi), basic financial statements (beginning on page 20), and notes to the financial statements (beginning on page 32).

**FINANCIAL HIGHLIGHTS**

*Government-wide financials*

- Total net position of the District at the close of fiscal year 2022 is \$1.177 billion. Of this amount, negative \$72.7 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 \$115.6 million or 10.9% over the prior fiscal year, \$76.5 million in governmental activities and \$39.1 million in business-type activities.
  - Capital assets increased \$78.6 million overall, \$54.3 million in governmental activities and \$24.3 million in business-type activities. These increases are due primarily to construction work in progress, or CIP.
    - ▲ The governmental activities CIP is driven primarily by Clean Water projects totaling \$41.5 million, and
    - ▲ The business-type activities CIP is driven primarily by Wickham Hill Area Water Main Replacement, \$5.3 million; Assessable Water Main Replacements, \$4.1 million; Newington Road Water Main Replacements, \$3.5 million; New Park Avenue Water Main Replacement, \$3.2 million; and Bishop's Corner Water Main Replacement, \$2.9 million.
  - Cash, receivables and other assets increased by \$33.0 million overall, \$21.4 in governmental activities and \$11.6 in business-type activities.
  - Current and long-term liabilities increased by \$24.8 million overall.
    - ▲ Governmental activities increased its liabilities by a net \$11.2 million. This increase was driven by increases of \$9.5 million in current and \$1.7 million in long-term liabilities.
    - ▲ Business-type activities increased its liabilities by net \$13.6 million. This increase was driven by increases of \$3.9 million in current and \$9.7 million in long-term liabilities.
  - Net deferrals increased by \$28.8 million, driven primarily by pension, as follows:
    - ▲ Pension net deferral increased by \$44.9 million, comprised of a \$17.1 million increase in deferred outflows and an \$27.8 million decrease in deferred inflows.
    - ▲ Change of refunding net deferral increased by \$0.1 million, comprised of a \$0.3 million decrease in deferred outflows, offset by a \$0.4 million decrease in deferred inflows.
    - ▲ OPEB net deferral decreased by \$16.2, comprised of a \$6.8 million decrease in deferred outflows and a \$9.4 million increase in deferred inflows.

**THE METROPOLITAN DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2022**

*Fund financials*

- The fund balance for the total Governmental Funds at the close of fiscal year 2022 is \$140.3 million. Of this amount, \$103.7 million is committed for Clean Water and Capital projects, \$29.1 million is unassigned in the General Fund, \$2.7 million is restricted for Debt Service and \$4.7 million is non-spendable inventory and pre-paid items in the General Fund.
- The \$29.1 million unassigned fund balance in the General fund is 32.3% of the \$90.1 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 20-21). 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.

**THE METROPOLITAN DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2022**

***Fund Financial Statements*** (pages 22-31). 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 32-78). 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 80-88). 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.

**THE METROPOLITAN DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
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*Combining Statements and Schedules* ((pages 90-93). 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 96-108). 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 2022 the District's assets exceeded liabilities by a total \$1.177 billion, \$938 million from Governmental Activities and \$239 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 \$115.6 million overall during the fiscal year or 10.9%.

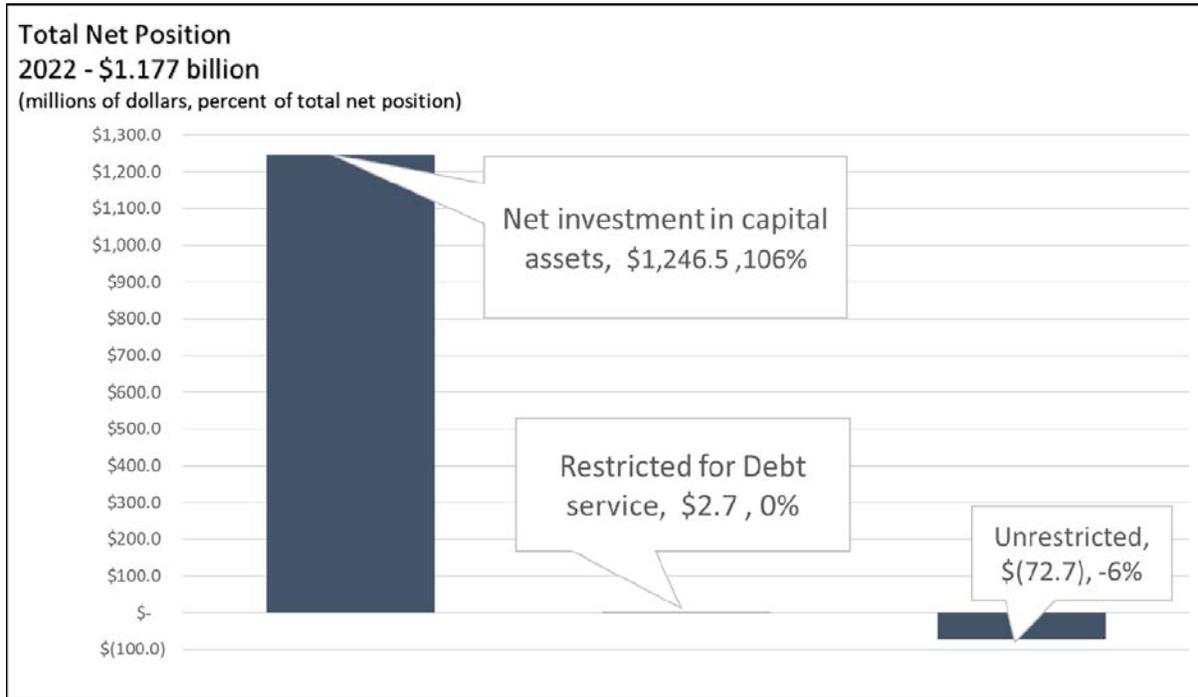
**Statement of Net Position as of December 31st**

|  | 2022                       |                                 |                         | 2021                       |                                 |                         |
|--|----------------------------|---------------------------------|-------------------------|----------------------------|---------------------------------|-------------------------|
|  | Governmental<br>Activities | Business-<br>Type<br>Activities | Total                   | Governmental<br>Activities | Business-<br>Type<br>Activities | Total                   |
| Current and Other Assets                           | \$ 198,827,787             | \$ 124,303,441                  | \$ 323,131,228          | \$ 177,461,348             | \$ 112,688,483                  | \$ 290,149,831          |
| Capital Assets, Net of<br>Accumulated Depreciation | 2,091,607,357              | 704,430,969                     | 2,796,038,326           | 2,037,295,563              | 680,083,154                     | 2,717,378,717           |
| Total Assets                                       | <u>2,290,435,144</u>       | <u>828,734,410</u>              | <u>3,119,169,554</u>    | <u>2,214,756,911</u>       | <u>792,771,637</u>              | <u>3,007,528,548</u>    |
| Deferred Outflows of Resources                     | 27,381,255                 | 35,728,325                      | 63,109,580              | 23,040,774                 | 30,101,961                      | 53,142,735              |
| Current Liabilities                                | 44,271,534                 | 18,484,941                      | 62,756,475              | 34,747,343                 | 14,560,520                      | 49,307,863              |
| Long-Term Liabilities<br>Outstanding               | 1,269,660,200              | 522,683,827                     | 1,792,344,027           | 1,267,981,027              | 512,978,513                     | 1,780,959,540           |
| Total Liabilities                                  | <u>1,313,931,734</u>       | <u>541,168,768</u>              | <u>1,855,100,502</u>    | <u>1,302,728,370</u>       | <u>527,539,033</u>              | <u>1,830,267,403</u>    |
| Deferred Inflows of Resources                      | <u>65,816,562</u>          | <u>84,751,599</u>               | <u>150,568,161</u>      | <u>73,496,973</u>          | <u>95,870,745</u>               | <u>169,367,718</u>      |
| Net Position:                                      |                            |                                 |                         |                            |                                 |                         |
| Net Investment in<br>Capital Assets                | 924,116,642                | 322,397,283                     | 1,246,513,925           | 884,236,060                | 307,558,127                     | 1,191,794,187           |
| Restricted   | 2,747,931                  | -                               | 2,747,931               | 5,200,545                  | -                               | 5,200,545               |
| Unrestricted                                       | <u>11,203,530</u>          | <u>(83,854,915)</u>             | <u>(72,651,385)</u>     | <u>(27,864,263)</u>        | <u>(108,094,307)</u>            | <u>(135,958,570)</u>    |
| Total Net Position                                 | <u>\$ 938,068,103</u>      | <u>\$ 238,542,368</u>           | <u>\$ 1,176,610,471</u> | <u>\$ 861,572,342</u>      | <u>\$ 199,463,820</u>           | <u>\$ 1,061,036,162</u> |

See the Statement of Net Position (page 20) for more detailed information.

**THE METROPOLITAN DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2022**

By far, the largest portion of the District's assets in 2022 is its \$2.8 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 \$76.5 million or 8.9% from the prior year. The Statement of Net Position shows increases of \$54.3 in capital assets, \$6.2 million in cash and receivables, a net \$15.2 million in other assets, and \$12.0 million in net deferrals offset by a net increase of \$11.2 million in current and long-term liabilities.

**Business-Type Activities.** The net position of business-type activities increased \$39.1 million or 19.6% from the prior year. The Statement of Net Position shows increases of \$24.4 in capital assets, \$24.5 million in cash and receivables, and \$16.7 million increase in net deferrals, offset by a \$12.9 million decrease in other assets and a \$13.6 million net increase in current and long-term liabilities.

**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.

**THE METROPOLITAN DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2022**

**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**

|  | 2022                       |                                 |                         | 2021                       |                                 |                         |
|--|----------------------------|---------------------------------|-------------------------|----------------------------|---------------------------------|-------------------------|
|  | Governmental<br>Activities | Business-<br>Type<br>Activities | Total                   | Governmental<br>Activities | Business-<br>Type<br>Activities | Total                   |
| <b>REVENUES</b>  |                            |                                 |                         |                            |                                 |                         |
| Program Revenues:  |                            |                                 |                         |                            |                                 |                         |
| Charges for Services   | \$ 89,065,815              | \$ 106,384,553                  | \$ 195,450,368          | \$ 82,889,800              | \$ 102,216,273                  | \$ 185,106,073          |
| Operating Grants and Contributions                           | 10,560,612                 |                                 | 10,560,612              | 12,406,369                 | -                               | 12,406,369              |
| Capital Grants and Contributions                             | 19,011,971                 | 5,761,906                       | 24,773,877              | 24,472,158                 | 5,828,453                       | 30,300,611              |
| General Revenues:  |                            |                                 |                         |                            |                                 |                         |
| Sewer Taxation - Member Municipalities                       | 53,076,600                 |                                 | 53,076,600              | 51,475,700                 | -                               | 51,475,700              |
| Unrestricted Investment Earnings                             | 1,777,656                  | 1,808,784                       | 3,586,440               | 125,549                    | 66,139                          | 191,688                 |
| Miscellaneous Income   | 217,408                    | 1,435,520                       | 1,652,928               | -                          | 1,149,683                       | 1,149,683               |
| <b>Total Revenues</b>  | <b>173,710,062</b>         | <b>115,390,763</b>              | <b>289,100,825</b>      | <b>171,369,576</b>         | <b>109,260,548</b>              | <b>280,630,124</b>      |
| <b>EXPENSES</b>  |                            |                                 |                         |                            |                                 |                         |
| General Government Operations                                | 6,992,276                  | -                               | 6,992,276               | 9,274,700                  | -                               | 9,274,700               |
| Plants and Maintenance                                       | 17,847,612                 | -                               | 17,847,612              | 20,309,768                 | -                               | 20,309,768              |
| Interest on Long-Term Debt                                   | 43,551,515                 | -                               | 43,551,515              | 49,002,317                 | -                               | 49,002,317              |
| Water  | 28,822,898                 | -                               | 28,822,898              | 23,827,057                 | -                               | 23,827,057              |
| Hydroelectricity   | -                          | 76,055,085                      | 76,055,085              | -                          | 60,552,012                      | 60,552,012              |
| Total Expenses   | -                          | 257,130                         | 257,130                 | -                          | 289,595                         | 289,595                 |
| <b>Total Expenses</b>  | <b>97,214,301</b>          | <b>76,312,215</b>               | <b>173,526,516</b>      | <b>102,413,842</b>         | <b>60,841,607</b>               | <b>163,255,449</b>      |
| <b>EXCESS OF REVENUES OVER EXPENDITURES BEFORE TRANSFERS</b> | <b>76,495,761</b>          | <b>39,078,548</b>               | <b>115,574,309</b>      | <b>68,955,734</b>          | <b>48,418,941</b>               | <b>117,374,675</b>      |
| <b>TRANSFERS</b>   | <b>-</b>                   | <b>-</b>                        | <b>-</b>                | <b>-</b>                   | <b>-</b>                        | <b>-</b>                |
| <b>NET CHANGE IN NET POSITION</b>                            | <b>76,495,761</b>          | <b>39,078,548</b>               | <b>115,574,309</b>      | <b>68,955,734</b>          | <b>48,418,941</b>               | <b>117,374,675</b>      |
| Net Position - Beginning of Year                             | 861,572,342                | 199,463,820                     | 1,061,036,162           | 792,616,608                | 151,044,879                     | 943,661,487             |
| <b>NET POSITION - END OF YEAR</b>                            | <b>\$ 938,068,103</b>      | <b>\$ 238,542,368</b>           | <b>\$ 1,176,610,471</b> | <b>\$ 861,572,342</b>      | <b>\$ 199,463,820</b>           | <b>\$ 1,061,036,162</b> |

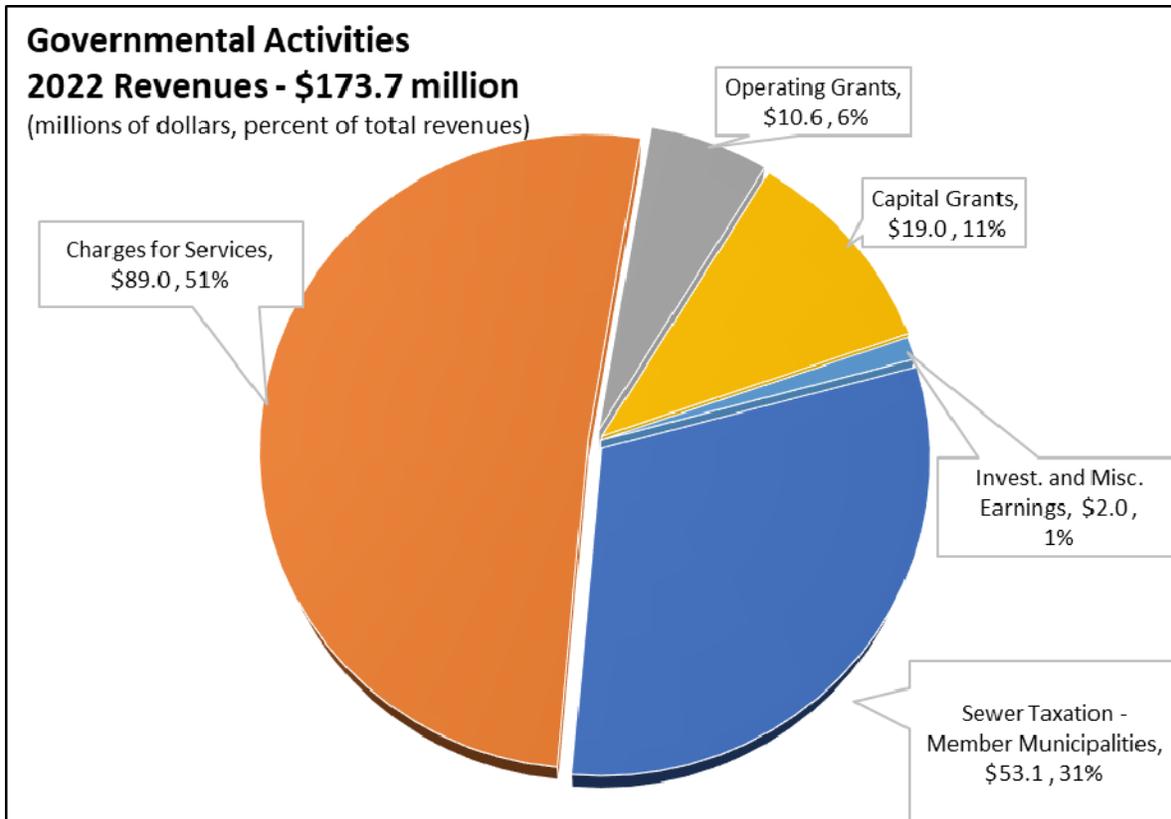
See the Statement of Activities (page 21) for more detailed information.

**THE METROPOLITAN DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2022**

**Governmental Activities**

*Revenues* – increasing by \$2.3 million or 1.4% from \$171.4 million to \$173.7 million:

- An increase of \$6.1 million for Charges for Services due to an additional \$4.1 million in increased sewer user fees and \$2.0 million in Clean Water Project Charge (CWPC) revenue. The CWPC rate did not increase in 2022, remaining at \$4.10/CCF; however, billed consumption increased a half a million CCFs.
- An increase of \$1.9 million due to increases of \$1.7 million of unrestricted investment earnings and \$0.2 million in other miscellaneous income. Higher average daily balances and interest rates drove the higher investment earnings, as follows: 2022 averaged a daily interest rate of 1.22% and daily balance of \$146.1 million, whereas, 2021 averaged a daily interest rate of 0.10% and daily balance of \$130.8 million.
- An increase of \$1.6 million of Sewer Taxation to member municipalities or 3.1%. This tax levied on member towns represented 30.6% of the total governmental activity revenues in 2022, up slightly from 30.0% in 2021.
- A decrease of \$7.3 million in operating and capital grants due to \$1.8 million less operating grants and \$5.5 million less capital grants received in 2022 than in 2021.

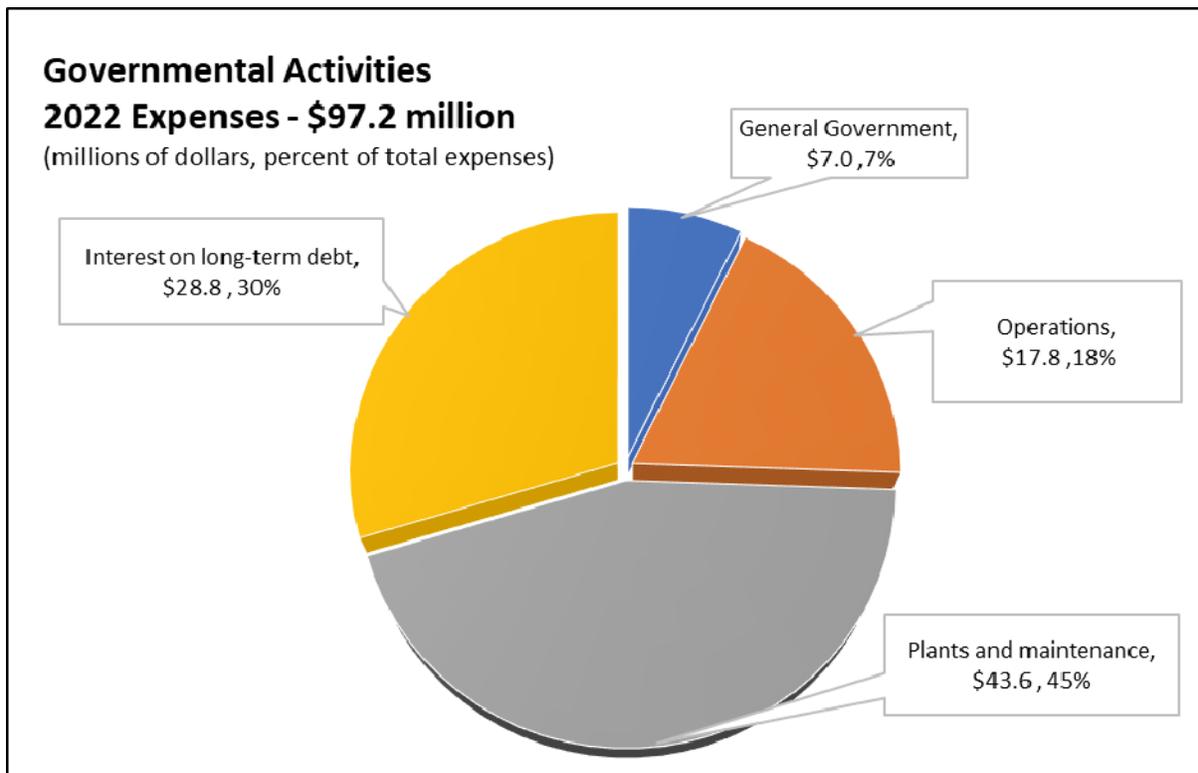


**THE METROPOLITAN DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2022**

*Expenses* – decreased \$5.2 million or 5.1% from \$102.4 million to \$97.2 million:

- Plants and Maintenance decreased by \$5.4 million due to a \$6.3 million allocation of surplus from the Internal Service fund decreasing expenses. This decrease was offset by an expenditure increase of \$0.9 million from Water Pollution Control.
- Operations decreased by \$2.5 million due to \$3.5 million of expense allocation from the Internal Service fund decreasing expenses. This decrease was offset by an expenditure increase of \$1.0 million due to Customer Service expense being moved from General Government to Operations function.
- General Government decreased by \$2.3 million due to a \$4.8 million allocation of surplus from the Internal Service Fund decreasing expenses. This decrease was offset by a net expenditure increases of \$2.5 million several expense categories including the above transfer of Customer Service expense to Operations.
- Interest on long-term debt increased by \$5.0 million in 2022, due primarily to the accounting change of amortizing bond discounts and premiums from the Straight-line to the Effective Interest method last year.

*Note - A total of \$14.6 million worth of Internal Service fund surpluses (Business-type Activities) have been allocated to Governmental Activities decreasing expenses in General Government, Operations, and Plants and Maintenance functional areas. Without this adjustment, the expenses for Governmental Activities would have totaled \$111.8 million (\$97.2 million + \$14.6 million) a \$9.4 million or 9.1% increase over 2021's expense total of \$102.4 million.*

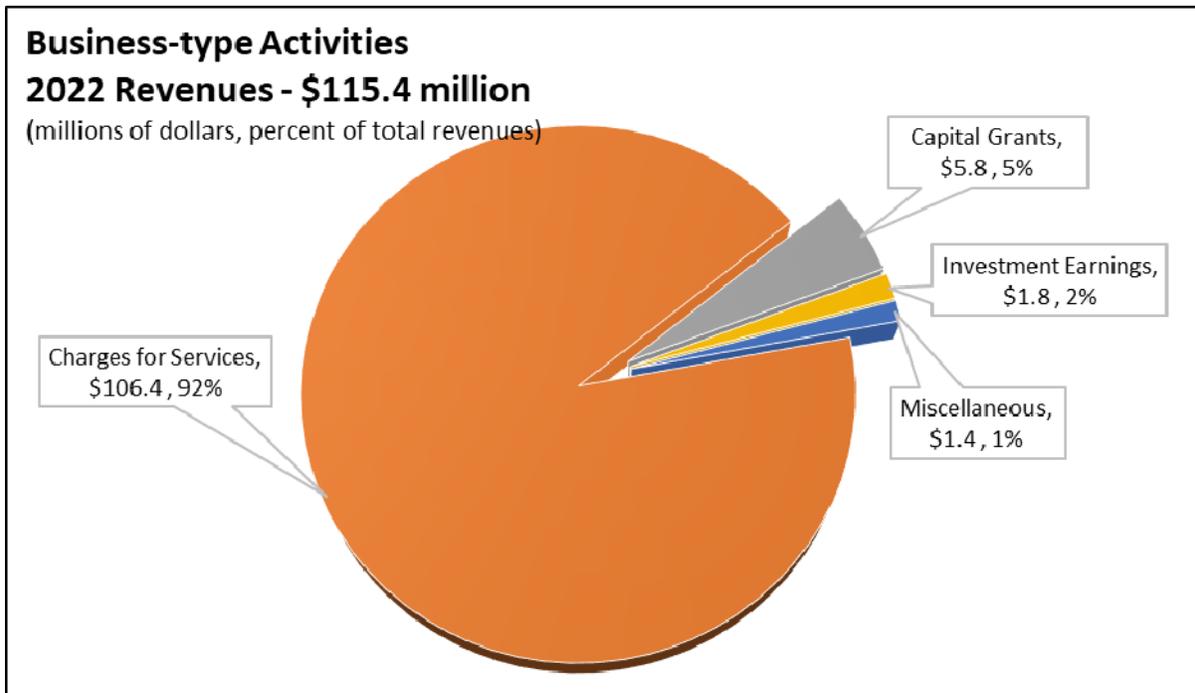


**THE METROPOLITAN DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2022**

**Business-Type Activities**

*Revenues* - increased by \$6.1 million or 5.6% from \$109.3 million to \$115.4 million:

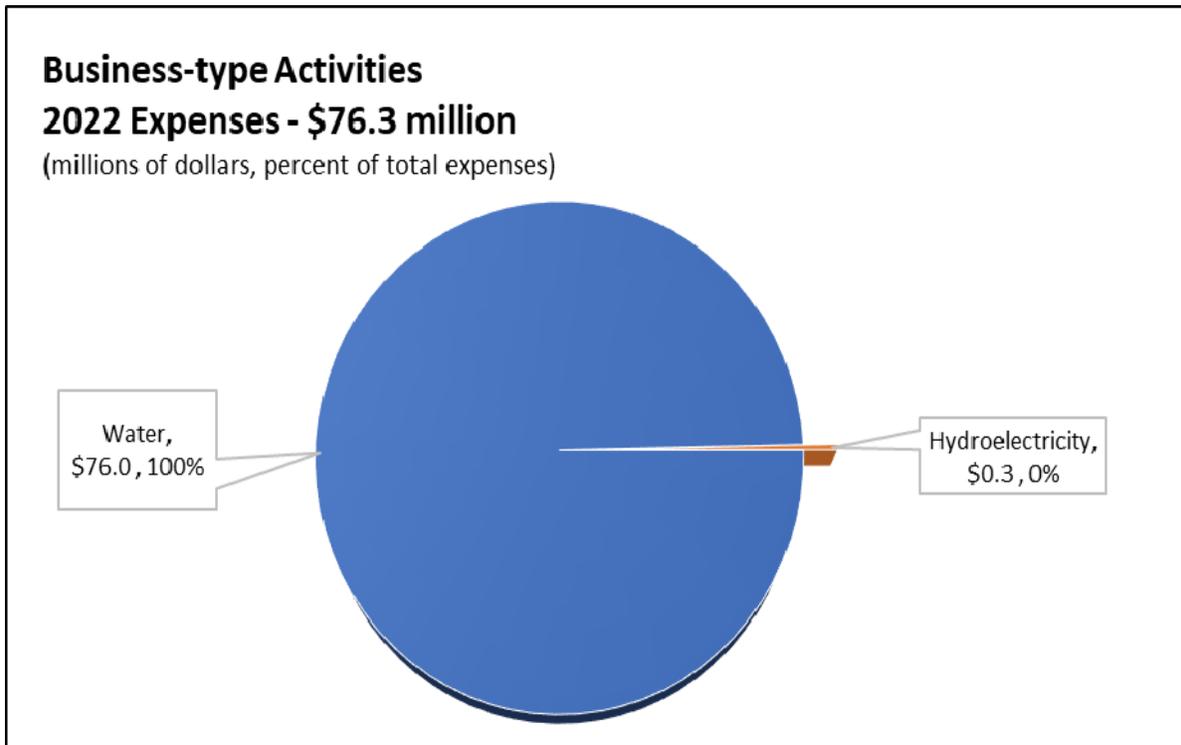
- \$4.2 million or 4.1% increase in charges for services due to \$3.7 million increase in water sales and unbilled sales accrual and \$0.5 million in miscellaneous other revenue,
- \$1.7 million increase in investment earnings due to higher earnings on deposited funds,
- \$0.3 million or 24.9% increase in miscellaneous revenue, offset by
- \$0.1 million or 1.4% decrease in capital grants.



**THE METROPOLITAN DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2022**

*Expenses* – increased by \$15.5 million or 25.4% from \$60.8 million to \$76.3 million:

- The total increase in Business-type expenditures was driven by the Water Utility fund as the Hydroelectricity fund remained relatively flat. These increases included:
  - \$7.3 million increase in operating expenses due to a net \$4.0 million increase in operating expenses driven primarily by increased OPEB and pension contributions and plan liabilities, \$2.2 million in additional depreciation expense, and \$1.1 million in a first year contribution to fund severance payments to retiring employees.
  - \$4.5 million increase in interest and fiscal charges due to \$3.3 million change in year-over-year amortization of bond premium, \$1.8 million increase in bond interest, offset by a \$0.6 million decrease in net other expenses.
  - \$4.1 million increase due to a change in year-over-year transfer of Internal Service fund surplus.
  - \$0.1 million increase in miscellaneous water expenses, offset by a
  - \$0.5 million decrease in loss on disposal of assets



**THE METROPOLITAN DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2022**

**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 2022, the District's governmental funds reported a combined ending fund balance of \$140.3 million, an increase of \$2.8 million over the prior year. This combined fund balance is comprised of \$103.7 million *Committed* for future debt service expenditures in the Clean Water Project and Capital Project funds, \$29.1 million is *Unassigned* in the General Fund, \$2.8 million is *Restricted* in the Debt Service Fund and \$4.7 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 2022, the General Fund total fund balance was \$33.8 million, of which \$29.1 million is unassigned and spendable and \$4.7 million is nonspendable supplies and prepaid assets. This represents a fund balance increase of \$4.1 million or 13.8% over the prior year.

The Debt Service Fund's restricted fund balance of \$2.7 million is due to budgeted transfers from other funds greater than actual debt service paid during the year. This balance will be eliminated in 2023 as the budgeted transfers from other funds will be reduced to amounts less than anticipated debt service payments in 2023.

The Clean Water Project Fund committed fund balance of \$64.9 million decreased by \$5.8 million or 8.2% over the prior year due to a \$4.4 million increase in liabilities and a \$1.4 million decrease in assets. The liability increase was driven by an increase in accounts payable and accrued items offset by lower deferred revenue.

The Capital Project Fund committed fund balance of \$38.8 million represents unspent bonded funds raised current and future projects.

**Proprietary Funds**

The total net position for the Water Utility and Hydroelectric Development funds Fund at the end of 2022 was \$238.5 million, a \$39.1 million or 19.6% increase over the prior year. This increase was driven by:

- \$30.8 million increase in assets
- \$16.7 million increase in net deferrals
- \$ 4.7 million share of Internal Service fund net position, offset by a
- \$13.1 million increase in liabilities

**THE METROPOLITAN DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2022**

**General Fund Budgetary Highlights**

During the 2022 budget year, revenues exceeded expenditures by \$4.7 million. Total revenues and other financing sources were below budget by \$3.6 million or 3.6% which were offset by expenditures being \$8.3 million or 8.3% less than budget.

The District's revenue budget included a \$4.7 million use of fund balance (surplus), comprised of:

- A transfers-in from fund balance 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 2022 for the amount received. However, no payment was received by the District for this receivable during the calendar year.
- An additional \$2.7 million was a budgeted use of fund balance, none of which was necessary because revenues exceed expenditures in 2022.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**

At the end of 2022, the District had invested \$2.8 billion in capital assets, as summarized in the following table. This represents a net increase (including additions, deductions, and depreciation) of \$78.7 million or 2.9%, from the prior year. Governmental capital assets increased \$54.3 million, primarily for projects' construction-in-progress and the Business-type capital assets increased \$24.4 million due to a \$50.1 million increase in infrastructure, \$10.2 million increase in machinery and equipment, and \$5.4 million increase in buildings. These increases were offset by a \$41.3 million decrease in Construction in Progress (CIP). 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**

|                          | 2022                       |                                 |                         | 2021                       |                                 |                         |
|--------------------------|----------------------------|---------------------------------|-------------------------|----------------------------|---------------------------------|-------------------------|
|                          | Governmental<br>Activities | Business-<br>Type<br>Activities | Total                   | Governmental<br>Activities | Business-<br>Type<br>Activities | Total                   |
| Land                     | \$ 10,248,534              | \$ 10,847,885                   | \$ 21,096,419           | \$ 10,326,860              | \$ 10,847,885                   | \$ 21,174,745           |
| Buildings                | 285,617,362                | 102,269,040                     | 387,886,402             | 294,342,724                | 96,902,760                      | 391,245,484             |
| Machinery and Equipment  | 55,320,365                 | 39,453,895                      | 94,774,260              | 47,208,059                 | 29,292,977                      | 76,501,036              |
| Infrastructure           | 720,401,261                | 384,165,478                     | 1,104,566,739           | 700,290,027                | 334,027,972                     | 1,034,317,999           |
| Construction in Progress | 1,020,019,835              | 167,694,671                     | 1,187,714,506           | 985,127,893                | 209,011,560                     | 1,194,139,453           |
| <b>Total</b>             | <b>\$ 2,091,607,357</b>    | <b>\$ 704,430,969</b>           | <b>\$ 2,796,038,326</b> | <b>\$ 2,037,295,563</b>    | <b>\$ 680,083,154</b>           | <b>\$ 2,717,378,717</b> |

Additional information on the District's capital assets can be found in Note 3D on pages 48-50 of this report.

**THE METROPOLITAN DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2022**

**Long-Term Debt**

At the end of 2022, 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.

**Long-term Outstanding Debt  
As of December 31st**

|                                      | 2022                       |                                 |                         | 2021                       |                                 |                         |
|--------------------------------------|----------------------------|---------------------------------|-------------------------|----------------------------|---------------------------------|-------------------------|
|                                      | Governmental<br>Activities | Business-<br>Type<br>Activities | Total                   | Governmental<br>Activities | Business-<br>Type<br>Activities | Total                   |
| General Obligation/<br>Revenue bonds | \$ 741,319,368             | \$ 332,568,572                  | \$ 1,073,887,940        | \$ 736,192,628             | \$ 319,358,871                  | \$ 1,055,551,499        |
| Clean/Drinking Water Loans           | 433,151,230                | 55,810,939                      | 488,962,169             | 435,416,291                | 56,789,941                      | 492,206,232             |
| Compensated absences                 | -                          | -                               | -                       | 2,734,721                  | 3,600,622                       | 6,335,343               |
| Claims and Judgments                 |                            | 6,813,945                       | 6,813,945               | -                          | 6,391,325                       | 6,391,325               |
| Net Pension Liability                | 41,809,131                 | 55,996,259                      | 97,805,390              | 18,129,351                 | 24,557,350                      | 42,686,701              |
| Net OPEB Liability                   | 53,380,471                 | 71,494,112                      | 124,874,583             | 75,508,036                 | 102,280,404                     | 177,788,440             |
| Total                                | <u>\$ 1,269,660,200</u>    | <u>\$ 522,683,827</u>           | <u>\$ 1,792,344,027</u> | <u>\$ 1,267,981,027</u>    | <u>\$ 512,978,513</u>           | <u>\$ 1,780,959,540</u> |

In August of 2022, S&P Global Ratings raised its rating on MDC's outstanding clean water project revenue and revenue refunding bonds to 'AA' from 'AA-' and affirmed its 'AA' rating on MDC's outstanding and upcoming general obligation bonds while maintaining its stable outlook for all rated debt. Also, in August of 2022 Moody's Investor Service reaffirmed its 'Aa2' rating on outstanding clean water project revenue and its 'Aa3' rating on MDC's outstanding and upcoming general obligation bonds while maintaining its stable outlook for all rated debt.

The District Charter limits the amount of general obligation debt it may issue to 5.0% of the combined Grand List of its member towns. The current debt limitation for the District is \$1.5 billion of which the District has \$0.8 billion outstanding leaving an available balance of \$0.7 billion.

Additional information on the District's long-term debt can be found in Note 3E on pages 51-58 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 has returned to pre-Covid levels of approximately 18 million CCFs per year.

All of these factors were considered in preparing the District's 2023 year budget.

**THE METROPOLITAN DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2022**

**Requests for Information**

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Chief Financial Officer, The Metropolitan District.

## **BASIC FINANCIAL STATEMENTS**

**THE METROPOLITAN DISTRICT  
STATEMENT OF NET POSITION  
DECEMBER 31, 2022**

|   | Governmental<br>Activities | Business-Type<br>Activities | Total                   |
|---|----------------------------|-----------------------------|-------------------------|
| <b>ASSETS</b>                                       |                            |                             |                         |
| Cash and Cash Equivalents                           | \$ 143,045,023             | \$ 113,450,973              | \$ 256,495,996          |
| Receivables, Net of Allowance<br>for Uncollectibles | 36,477,327                 | 18,844,713                  | 55,322,040              |
| Due to Fiduciary Funds                              | -                          | 564,136                     | 564,136                 |
| Internal Balances                                   | 14,566,488                 | (14,566,488)                | -                       |
| Supplies  | 4,142,113                  | 4,970,054                   | 9,112,167               |
| Prepaid Items                                       | 596,836                    | 1,040,053                   | 1,636,889               |
| Capital Assets, Nondepreciable                      | 1,030,268,369              | 178,542,556                 | 1,208,810,925           |
| Capital Assets, Net of Accumulated<br>Depreciation  | <u>1,061,338,988</u>       | <u>525,888,413</u>          | <u>1,587,227,401</u>    |
| Total Assets  | <u>2,290,435,144</u>       | <u>828,734,410</u>          | <u>3,119,169,554</u>    |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>               |                            |                             |                         |
| Deferred Outflows - Pension                         | 16,822,672                 | 22,531,123                  | 39,353,795              |
| Deferred Outflows - OPEB                            | 9,408,843                  | 12,601,553                  | 22,010,396              |
| Deferred Charge on Refunding                        | <u>1,149,740</u>           | <u>595,649</u>              | <u>1,745,389</u>        |
| Total Deferred Outflows of Resources                | <u>27,381,255</u>          | <u>35,728,325</u>           | <u>63,109,580</u>       |
| <b>LIABILITIES</b>                                  |                            |                             |                         |
| Accounts Payable and Accrued Items                  | 40,817,137                 | 14,375,489                  | 55,192,626              |
| Customer Advances for Construction                  | 1,089,243                  | 1,131,424                   | 2,220,667               |
| Compensated Absences                                | 2,365,154                  | 2,978,028                   | 5,343,182               |
| Noncurrent Liabilities:                             |                            |                             |                         |
| Due Within One Year                                 | 80,247,383                 | 33,200,309                  | 113,447,692             |
| Due in More Than One Year                           | <u>1,189,412,817</u>       | <u>489,483,518</u>          | <u>1,678,896,335</u>    |
| Total Liabilities                                   | <u>1,313,931,734</u>       | <u>541,168,768</u>          | <u>1,855,100,502</u>    |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                |                            |                             |                         |
| Deferred Inflows - Pension                          | 339,984                    | 455,350                     | 795,334                 |
| Deferred Inflows - OPEB                             | 61,583,417                 | 82,480,572                  | 144,063,989             |
| Deferred Charge on Refunding                        | <u>3,893,161</u>           | <u>1,815,677</u>            | <u>5,708,838</u>        |
| Total Deferred Inflows of Resources                 | <u>65,816,562</u>          | <u>84,751,599</u>           | <u>150,568,161</u>      |
| <b>NET POSITION</b>                                 |                            |                             |                         |
| Net Investment in Capital Assets                    | 924,116,642                | 322,397,283                 | 1,246,513,925           |
| Restricted for:                                     |                            |                             |                         |
| Debt Service  | 2,747,931                  | -                           | 2,747,931               |
| Unrestricted  | <u>11,203,530</u>          | <u>(83,854,915)</u>         | <u>(72,651,385)</u>     |
| Total Net Position                                  | <u>\$ 938,068,103</u>      | <u>\$ 238,542,368</u>       | <u>\$ 1,176,610,471</u> |

See accompanying Notes to Financial Statements.

**THE METROPOLITAN DISTRICT  
STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2022**

| FUNCTION/PROGRAMS                      | Program Revenues         |                       |                                    | Net (Expense) Revenue and Changes in Net Position |                         |                          |                         |
|--|--------------------------|-----------------------|------------------------------------|---|-------------------------|--------------------------|-------------------------|
|  | Expenses                 | Charges for Services  | Operating Grants and Contributions | Capital Grants and Contributions                  | Governmental Activities | Business-Type Activities | Total                   |
|  | Governmental Activities: |                       |                                    |   |                         |                          |                         |
| General Government                     | \$ 6,992,276             | \$ -                  | \$ 10,052,027                      | \$ -  | \$ 3,059,751            | \$ -                     | \$ 3,059,751            |
| Operations                             | 17,847,612               | 83,574,020            | -                                  | -   | 65,726,408              | -                        | 65,726,408              |
| Plants and Maintenance                 | 43,551,515               | 5,491,795             | 508,585                            | 19,011,971  | (18,539,164)            | -                        | (18,539,164)            |
| Interest on Long-Term Debt             | 28,822,898               | -                     | -                                  | -   | (28,822,898)            | -                        | (28,822,898)            |
| Total Governmental Activities          | <u>97,214,301</u>        | <u>89,065,815</u>     | <u>10,560,612</u>                  | <u>19,011,971</u>                                 | <u>21,424,097</u>       | <u>-</u>                 | <u>21,424,097</u>       |
| Business-Type Activities:              |                          |                       |                                    |   |                         |                          |                         |
| Water                                  | 76,055,085               | 105,309,807           | -                                  | 5,761,906   | -                       | 35,016,628               | 35,016,628              |
| Hydroelectricity                       | 257,130                  | 1,074,746             | -                                  | -   | -                       | 817,616                  | 817,616                 |
| Total Business-Type Activities         | <u>76,312,215</u>        | <u>106,384,553</u>    | <u>-</u>                           | <u>5,761,906</u>                                  | <u>-</u>                | <u>35,834,244</u>        | <u>35,834,244</u>       |
| Total                                  | <u>\$ 173,526,516</u>    | <u>\$ 195,450,368</u> | <u>\$ 10,560,612</u>               | <u>\$ 24,773,877</u>                              | 21,424,097              | 35,834,244               | 57,258,341              |
| <b>GENERAL REVENUES</b>                |                          |                       |                                    |   |                         |                          |                         |
| Sewer Taxation - Member Municipalities |                          |                       |                                    |   | 53,076,600              | -                        | 53,076,600              |
| Miscellaneous                          |                          |                       |                                    |   | 217,408                 | 1,435,520                | 1,652,928               |
| Unrestricted Investment Earnings       |                          |                       |                                    |   | 1,777,656               | 1,808,784                | 3,586,440               |
| Total General Revenues                 |                          |                       |                                    |   | <u>55,071,664</u>       | <u>3,244,304</u>         | <u>58,315,968</u>       |
| <b>CHANGE IN NET POSITION</b>          |                          |                       |                                    |   | 76,495,761              | 39,078,548               | 115,574,309             |
| Net Position - Beginning of Year       |                          |                       |                                    |   | <u>861,572,342</u>      | <u>199,463,820</u>       | <u>1,061,036,162</u>    |
| <b>NET POSITION - END OF YEAR</b>      |                          |                       |                                    |   | <u>\$ 938,068,103</u>   | <u>\$ 238,542,368</u>    | <u>\$ 1,176,610,471</u> |

See accompanying Notes to Financial Statements.

**THE METROPOLITAN DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2022**

|  | General              | Debt<br>Service     | Clean<br>Water Project | Capital<br>Project<br>Fund | Total<br>Governmental<br>Funds |
|--|----------------------|---------------------|------------------------|----------------------------|--------------------------------|
| <b>ASSETS</b>  |                      |                     |                        |                            |                                |
| Cash and Cash Equivalents  | \$ 29,214,376        | \$ 2,747,931        | \$ 63,556,016          | \$ 47,526,700              | \$ 143,045,023                 |
| Receivables, Net of Allowance for<br>Uncollectibles                            | 6,191,192            | -                   | 27,755,795             | 2,530,340                  | 36,477,327                     |
| Supplies   | 4,142,113            | -                   | -                      | -                          | 4,142,113                      |
| Prepaid Items  | 596,836              | -                   | -                      | -                          | 596,836                        |
| <b>Total Assets</b>  | <b>\$ 40,144,517</b> | <b>\$ 2,747,931</b> | <b>\$ 91,311,811</b>   | <b>\$ 50,057,040</b>       | <b>\$ 184,261,299</b>          |
| <b>LIABILITIES, DEFERRED INFLOWS OF<br/>RESOURCES, AND FUND BALANCES</b>       |                      |                     |                        |                            |                                |
| <b>LIABILITIES</b>   |                      |                     |                        |                            |                                |
| Accounts Payable and Accrued Items   | \$ 2,069,681         | \$ -                | \$ 20,182,278          | \$ 9,277,874               | \$ 31,529,833                  |
| Customer Advances for Construction   | 1,089,243            | -                   | -                      | -                          | 1,089,243                      |
| <b>Total Liabilities</b>   | <b>3,158,924</b>     | <b>-</b>            | <b>20,182,278</b>      | <b>9,277,874</b>           | <b>32,619,076</b>              |
| <b>DEFERRED INFLOWS OF RESOURCES</b>   |                      |                     |                        |                            |                                |
| Unavailable Revenue - Special Assessments                                      | 73,858               | -                   | -                      | 1,960,782                  | 2,034,640                      |
| Unavailable Revenue - Sewer User Fees  | 3,104,216            | -                   | 6,199,648              | -                          | 9,303,864                      |
| <b>Total Deferred Inflows of Resources</b>                                     | <b>3,178,074</b>     | <b>-</b>            | <b>6,199,648</b>       | <b>1,960,782</b>           | <b>11,338,504</b>              |
| <b>FUND BALANCES</b>   |                      |                     |                        |                            |                                |
| Nonspendable   | 4,738,949            | -                   | -                      | -                          | 4,738,949                      |
| Restricted   | -                    | 2,747,931           | -                      | -                          | 2,747,931                      |
| Committed  | -                    | -                   | 64,929,885             | 38,818,384                 | 103,748,269                    |
| Unassigned   | 29,068,570           | -                   | -                      | -                          | 29,068,570                     |
| <b>Total Fund Balances</b>   | <b>33,807,519</b>    | <b>2,747,931</b>    | <b>64,929,885</b>      | <b>38,818,384</b>          | <b>140,303,719</b>             |
| <b>Total Liabilities, Deferred Inflows of<br/>Resources, and Fund Balances</b> | <b>\$ 40,144,517</b> | <b>\$ 2,747,931</b> | <b>\$ 91,311,811</b>   | <b>\$ 50,057,040</b>       | <b>\$ 184,261,299</b>          |

See accompanying Notes to Financial Statements.

**THE METROPOLITAN DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS (CONTINUED)  
DECEMBER 31, 2022**

**RECONCILIATION TO THE STATEMENT OF NET POSITION**

Total Fund Balances - Governmental Funds (Exhibit III) \$ 140,303,719

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

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

|                                |                      |
|--------------------------------|----------------------|
| Governmental Capital Assets    | 2,555,354,175        |
| Less: Accumulated Depreciation | <u>(463,746,818)</u> |
| Net Capital Assets             | 2,091,607,357        |

The internal service fund is used by management to charge costs of risk management to individual funds. An allocation of the internal service fund is reported with governmental activities in the statement of net position.

14,566,488

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           | 2,034,640  |
| Sewer Use Receivables                  | 9,303,863  |
| Deferred Outflows Related to Refunding | 1,149,740  |
| Deferred Outflows Related to Pension   | 16,822,672 |
| Deferred Outflows Related to OPEB      | 9,408,843  |

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                         | (670,298,438)       |
| Premiums                              | (71,020,930)        |
| Notes Payable                         | (433,151,230)       |
| Interest Payable on Long-Term Debt    | (9,287,303)         |
| Compensated Absences                  | (2,365,154)         |
| Net Pension Liability                 | (41,809,131)        |
| Deferred Inflows Related to Pension   | (339,984)           |
| Deferred Inflows Related to OPEB      | (61,583,417)        |
| Deferred Inflows Related to Refunding | (3,893,161)         |
| Net OPEB Liability                    | <u>(53,380,471)</u> |

Net Position of Governmental Activities as Reported on the Statement of Net Position (Exhibit I)

\$ 938,068,103

**THE METROPOLITAN DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**YEAR ENDED DECEMBER 31, 2022**

|  | General              | Debt<br>Service     | Clean<br>Water Project | Capital<br>Project<br>Fund | Total<br>Governmental<br>Funds |
|--|----------------------|---------------------|------------------------|----------------------------|--------------------------------|
| <b>REVENUES</b>  |                      |                     |                        |                            |                                |
| Taxation - Member Municipalities                             | \$ 53,076,600        | \$ -                | \$ -                   | \$ -                       | \$ 53,076,600                  |
| Assessments  | -                    | -                   | -                      | 2,459,266                  | 2,459,266                      |
| User Fees  | 21,914,777           | -                   | 61,659,243             | -                          | 83,574,020                     |
| Intergovernmental Revenues                                   | 10,052,027           | -                   | 19,261,663             | 508,585                    | 29,822,275                     |
| Investment Income  | 513,679              | -                   | 1,263,977              | -                          | 1,777,656                      |
| Other Local Revenues   | 4,545,071            | -                   | -                      | -                          | 4,545,071                      |
| Total Revenues   | <u>90,102,154</u>    | <u>-</u>            | <u>82,184,883</u>      | <u>2,967,851</u>           | <u>175,254,888</u>             |
| <b>EXPENDITURES</b>  |                      |                     |                        |                            |                                |
| Current:   |                      |                     |                        |                            |                                |
| General Government   | 11,223,405           | -                   | -                      | -                          | 11,223,405                     |
| Operations   | 10,114,533           | -                   | -                      | -                          | 10,114,533                     |
| Plants and Maintenance                                       | 30,926,380           | -                   | -                      | -                          | 30,926,380                     |
| Debt Service:  |                      |                     |                        |                            |                                |
| Principal Retirement   | -                    | 64,529,819          | -                      | -                          | 64,529,819                     |
| Interest   | 18,882               | 32,326,883          | 354,397                | -                          | 32,700,162                     |
| Capital Outlay   | -                    | -                   | 51,266,040             | 47,015,551                 | 98,281,591                     |
| Total Expenditures   | <u>52,283,200</u>    | <u>96,856,702</u>   | <u>51,620,437</u>      | <u>47,015,551</u>          | <u>247,775,890</u>             |
| <b>EXCESS (DEFICIENCY) OF REVENUES<br/>OVER EXPENDITURES</b> | 37,818,954           | (96,856,702)        | 30,564,446             | (44,047,700)               | (72,521,002)                   |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |                      |                     |                        |                            |                                |
| Issuance of Bonds  | -                    | -                   | -                      | 43,118,950                 | 43,118,950                     |
| Premiums on Issuance of Bonds                                | -                    | 346,738             | -                      | 6,851,860                  | 7,198,598                      |
| Clean Water Fund Loans Issued                                | -                    | -                   | 22,955,242             | 2,034,339                  | 24,989,581                     |
| Transfers In   | 1,000,469            | 94,057,350          | -                      | -                          | 95,057,819                     |
| Transfers Out  | (34,721,729)         | -                   | (59,335,621)           | (1,000,469)                | (95,057,819)                   |
| Total Other Financing Sources (Uses)                         | <u>(33,721,260)</u>  | <u>94,404,088</u>   | <u>(36,380,379)</u>    | <u>51,004,680</u>          | <u>75,307,129</u>              |
| <b>NET CHANGE IN FUND BALANCES</b>                           | 4,097,694            | (2,452,614)         | (5,815,933)            | 6,956,980                  | 2,786,127                      |
| Fund Balances - Beginning 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>             |
| <b>FUND BALANCES - END OF YEAR</b>                           | <u>\$ 33,807,519</u> | <u>\$ 2,747,931</u> | <u>\$ 64,929,885</u>   | <u>\$ 38,818,384</u>       | <u>\$ 140,303,719</u>          |

See accompanying Notes to Financial Statements.

**THE METROPOLITAN DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS (CONTINUED)  
YEAR ENDED DECEMBER 31, 2022**

**RECONCILIATION TO THE STATEMENT OF ACTIVITIES**

|   |    |              |
|---|----|--------------|
| Net Change in Fund Balances - Total Governmental Funds (Exhibit IV)   | \$ | 2,786,127    |
| <p>Amounts reported for governmental activities in the statement of activities (Exhibit II) are different because of the following:</p> <p>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:</p>  |    |              |
| Capital Outlays, Net  |    | 90,930,706   |
| Depreciation Expense  |    | (34,443,479) |
| <p>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.</p>  |    |              |
|   |    | (2,175,433)  |
| <p>Internal service funds are used by management to charge costs to individual funds. A portion of the net revenue of certain activities of internal service funds is reported with governmental activities.</p>  |    |              |
|   |    | 14,566,488   |
| <p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds:</p>   |    |              |
| Sewer Assessment Revenue  |    | (30,245)     |
| Sewer Use Revenue   |    | (1,264,889)  |
| Grant Revenue   |    | (249,692)    |
| Change in Deferred Outflows Related to Pension  |    | 7,360,874    |
| Change in Deferred Outflows Related to OPEB   |    | (2,815,487)  |
| <p>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:</p> |    |              |
| Proceeds from Clean Water Fund Loan Obligations   |    | (24,989,581) |
| Proceeds from Issuance of Bonds   |    | (43,118,950) |
| Premiums on Issuance of Bonds   |    | (7,198,598)  |
| Premiums on Issuance of Refunding Bonds   |    | -            |
| Bond Payments   |    | 37,275,176   |
| Amortization of Bond Premium  |    | 7,915,632    |
| Amortization of Deferred Charge on Refunding  |    | 81,654       |
| Clean Water Fund Loan Payments  |    | 27,254,642   |
| Change in Accrued Interest  |    | (1,600,387)  |
| <p>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:</p>  |    |              |
| Change in Compensated Absences  |    | 369,567      |
| Change in Net Pension Liability   |    | (23,679,780) |
| Change in Deferred Inflows Related to Pension   |    | 11,800,822   |
| Change in Deferred Inflows Related to OPEB  |    | (4,406,971)  |
| Change in Net OPEB Liability  |    | 22,127,565   |
|   |    | 22,127,565   |
| Change in Net Position of Governmental Activities as Reported on the Statement of Activities (Exhibit II)   | \$ | 76,495,761   |

See accompanying Notes to Financial Statements.

**THE METROPOLITAN DISTRICT  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
DECEMBER 31, 2022**

|  | Business-Type Activities - Enterprise Funds |   |                       | Business-Type<br>Activities -<br>Internal Service<br>Fund |
|--|---|---|-----------------------|---|
|  | Major                                       | Nonmajor                                | Total                 |   |
|  | Water<br>Utility                            | Hydroelectric<br>Development<br>Project |                       |   |
| <b>ASSETS</b>  |   |   |                       |   |
| Current Assets:  |   |   |                       |   |
| Cash and Cash Equivalents  | \$ 70,115,544                               | \$ 4,281,517                            | \$ 74,397,061         | \$ 39,053,912   |
| Accounts Receivable, Net of Allowance<br>for Uncollectibles  | 18,667,617                                  | 146,183                                 | 18,813,800            | 30,913  |
| Due from Other Funds   | -   | -                                       | -                     | 564,136   |
| Supplies   | 4,727,338                                   | 242,716                                 | 4,970,054             | -   |
| Prepaid Items  | 1,040,053                                   | -                                       | 1,040,053             | -   |
| Total Current Assets   | <u>94,550,552</u>                           | <u>4,670,416</u>                        | <u>99,220,968</u>     | <u>39,648,961</u>   |
| Noncurrent Assets:   |   |   |                       |   |
| Capital Assets, Nondepreciable   | 178,383,913                                 | 158,643                                 | 178,542,556           | -   |
| Capital Assets, Net of Accumulated Depreciation  | 521,614,369                                 | 4,274,044                               | 525,888,413           | -   |
| Total Noncurrent Assets  | <u>699,998,282</u>                          | <u>4,432,687</u>                        | <u>704,430,969</u>    | <u>-</u>  |
| Total Assets   | <u>794,548,834</u>                          | <u>9,103,103</u>                        | <u>803,651,937</u>    | <u>39,648,961</u>   |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>  |   |   |                       |   |
| Deferred Outflows - Pension  | 22,531,123                                  | -                                       | 22,531,123            | -   |
| Deferred Outflows - OPEB   | 12,601,553                                  | -                                       | 12,601,553            | -   |
| Deferred Charge on Refunding   | 595,649                                     | -                                       | 595,649               | -   |
| Total Deferred Outflows of Resources   | <u>35,728,325</u>                           | <u>-</u>                                | <u>35,728,325</u>     | <u>-</u>  |
| <b>LIABILITIES</b>   |   |   |                       |   |
| Current Liabilities:   |   |   |                       |   |
| Accounts Payable and Accrued Expenses  | 14,249,309                                  | 7,588                                   | 14,256,897            | 118,592   |
| Customer Advances for Construction   | 1,131,424                                   | -                                       | 1,131,424             | -   |
| Current Portion of Claims Incurred but Not Reported  | -   | -                                       | -                     | 1,254,087   |
| Compensated Absences   | 2,978,028                                   | -                                       | 2,978,028             | -   |
| Current Portion of Bonds and Loans Payable   | 31,946,222                                  | -                                       | 31,946,222            | -   |
| Total Current Liabilities  | <u>50,304,983</u>                           | <u>7,588</u>                            | <u>50,312,571</u>     | <u>1,372,679</u>  |
| Noncurrent Liabilities:  |   |   |                       |   |
| Bonds and Loans Payable After One Year   | 356,433,289                                 | -                                       | 356,433,289           | -   |
| Claims Incurred but Not Reported   | -   | -                                       | -                     | 5,559,858   |
| Net Pension Liability  | 55,996,259                                  | -                                       | 55,996,259            | -   |
| Net OPEB Liability   | 71,494,112                                  | -                                       | 71,494,112            | -   |
| Total Noncurrent Liabilities   | <u>483,923,660</u>                          | <u>-</u>                                | <u>483,923,660</u>    | <u>5,559,858</u>  |
| Total Liabilities  | <u>534,228,643</u>                          | <u>7,588</u>                            | <u>534,236,231</u>    | <u>6,932,537</u>  |
| <b>DEFERRED INFLOWS OF RESOURCES</b>   |   |   |                       |   |
| Deferred Inflows - Pension   | 455,350                                     | -                                       | 455,350               | -   |
| Deferred Inflows - OPEB  | 82,480,572                                  | -                                       | 82,480,572            | -   |
| Deferred Charge on Refunding   | 1,815,677                                   | -                                       | 1,815,677             | -   |
| Total Deferred Inflows of Resources  | <u>84,751,599</u>                           | <u>-</u>                                | <u>84,751,599</u>     | <u>-</u>  |
| <b>NET POSITION</b>  |   |   |                       |   |
| Net Investment in Capital Assets   | 317,964,859                                 | 4,432,424                               | 322,397,283           | -   |
| Unrestricted   | (106,667,942)                               | 4,663,091                               | (102,004,851)         | 32,716,424  |
| Total Net Position   | <u>\$ 211,296,917</u>                       | <u>\$ 9,095,515</u>                     | <u>220,392,432</u>    | <u>\$ 32,716,424</u>                                      |
| Adjustment to Reflect the Consolidation of Internal<br>Service Fund Activities Related to Enterprise Funds |   |   | <u>18,149,936</u>     |   |
| Net Position of Business-Type Activities   |   |   | <u>\$ 238,542,368</u> |   |

See accompanying Notes to Financial Statements.

**THE METROPOLITAN DISTRICT**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**  
**YEAR ENDED DECEMBER 31, 2022**

|  | Business-Type Activities - Enterprise Funds |   |                      | Business-Type<br>Activities<br>Internal Service<br>Fund |
|--|---|---|----------------------|---|
|  | Major                                       | Nonmajor                                | Total                |   |
|  | Water<br>Utility                            | Hydroelectric<br>Development<br>Project |                      |   |
| <b>OPERATING REVENUES</b>  |   |   |                      |   |
| Water Sales  | \$ 97,188,550                               | \$ -                                    | \$ 97,188,550        | \$ -  |
| Energy Sales   | -   | 1,074,746                               | 1,074,746            | -   |
| Operating Contributions  | -   | -                                       | -                    | 25,423,054  |
| Other Operating  | 8,121,257                                   | -                                       | 8,121,257            | -   |
| Total Operating Revenues   | <u>105,309,807</u>                          | <u>1,074,746</u>                        | <u>106,384,553</u>   | <u>25,423,054</u>                                       |
| <b>OPERATING EXPENSES</b>  |   |   |                      |   |
| General Government   | 10,174,825                                  | -                                       | 10,174,825           | -   |
| Operations   | 13,773,595                                  | -                                       | 13,773,595           | 13,449,915  |
| Plants and Maintenance   | 16,498,129                                  | -                                       | 16,498,129           | -   |
| Employee Benefits and Other  | 11,839,065                                  | -                                       | 11,839,065           | -   |
| Source of Supply   | -   | 124,198                                 | 124,198              | -   |
| Depreciation Expense   | 18,469,561                                  | 132,932                                 | 18,602,493           | -   |
| Total Operating Expenses   | <u>70,755,175</u>                           | <u>257,130</u>                          | <u>71,012,305</u>    | <u>13,449,915</u>                                       |
| <b>OPERATING INCOME (LOSS)</b>   | 34,554,632                                  | 817,616                                 | 35,372,248           | 11,973,139  |
| <b>NONOPERATING REVENUES (EXPENSES)</b>  |   |   |                      |   |
| Investment Income  | 1,808,784                                   | -                                       | 1,808,784            | -   |
| Miscellaneous Revenue  | 1,435,520                                   | -                                       | 1,435,520            | 7,264,235   |
| Gain (Loss) on Disposal of Assets  | (208,578)                                   | -                                       | (208,578)            | -   |
| Interest and Fiscal Charges  | (9,762,218)                                 | -                                       | (9,762,218)          | -   |
| Net Nonoperating Revenues (Expenses)   | <u>(6,726,492)</u>                          | <u>-</u>                                | <u>(6,726,492)</u>   | <u>7,264,235</u>  |
| <b>INCOME (LOSS) BEFORE CAPITAL GRANTS,<br/>AND CAPITAL CONTRIBUTIONS</b>                                  | 27,828,140                                  | 817,616                                 | 28,645,756           | 19,237,374  |
| Capital Grants   | 469,683                                     | -                                       | 469,683              | -   |
| Capital Contributions  | 5,292,223                                   | -                                       | 5,292,223            | -   |
| <b>CHANGE IN NET POSITION</b>  | 33,590,046                                  | 817,616                                 | 34,407,662           | 19,237,374  |
| Net Position - Beginning of Year   | 177,706,871                                 | 8,277,899                               | -                    | 13,479,050  |
| <b>NET POSITION - END OF YEAR</b>  | <u>\$ 211,296,917</u>                       | <u>\$ 9,095,515</u>                     | -                    | <u>\$ 32,716,424</u>                                    |
| Adjustment to Reflect the Consolidation of Internal<br>Service Fund Activities Related to Enterprise Funds |   |   | <u>4,670,886</u>     |   |
| Change in Net Position of Business-Type Activities   |   |   | <u>\$ 39,078,548</u> |   |

See accompanying Notes to Financial Statements.

**THE METROPOLITAN DISTRICT  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
YEAR ENDED DECEMBER 31, 2022**

|   | Business-Type Activities - Enterprise Funds |   |                      | Business-Type<br>Activities -<br>Internal<br>Service Fund |
|---|---|---|----------------------|---|
|   | Major                                       | Nonmajor                                |                      |   |
|   | Water<br>Utility                            | Hydroelectric<br>Development<br>Project | Total                |   |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                             |   |   |                      |   |
| Receipts from Customers, Users, and Others                              | \$ 104,285,166                              | \$ 1,031,678                            | \$ 105,316,844       | \$ 25,392,141   |
| Payments for Interfund Services Provided                                | -   | -                                       | -                    | (564,136)   |
| Payments to Suppliers   | (39,629,641)                                | (193,646)                               | (39,823,287)         | (12,952,264)  |
| Payments to Employees   | (28,525,160)                                | -                                       | (28,525,160)         | -   |
| Net Cash Provided (Used) by Operating Activities                        | <u>36,130,365</u>                           | <u>838,032</u>                          | <u>36,968,397</u>    | <u>11,875,741</u>   |
| <b>CASH FLOWS FROM NONCAPITAL FINANCING<br/>ACTIVITIES</b>              |   |   |                      |   |
| Payments for Interfund Services Provided                                | -   | -                                       | -                    | 7,264,235   |
| <b>CASH FLOWS FROM CAPITAL AND RELATED<br/>FINANCING ACTIVITIES</b>     |   |   |                      |   |
| Purchase of Capital Assets/Utility Plant                                | (40,216,077)                                | (64,653)                                | (40,280,730)         | -   |
| Proceeds from Bonds   | 31,261,050                                  | -                                       | 31,261,050           | -   |
| Proceeds from Bond Premiums   | 5,219,552                                   | -                                       | 5,219,552            | -   |
| Proceeds from Drinking Water Loans                                      | 2,583,250                                   | -                                       | 2,583,250            | -   |
| Proceeds from Capital Grant   | 469,683                                     | -                                       | 469,683              | -   |
| Principal Payments on Bonds   | (19,049,825)                                | -                                       | (19,049,825)         | -   |
| Principal Payments on Drinking Water Loans                              | (3,562,252)                                 | -                                       | (3,562,252)          | -   |
| Interest Payments on Bonds and Notes                                    | (14,012,686)                                | -                                       | (14,012,686)         | -   |
| Proceeds on Sale of Assets  | 2,414,071                                   | -                                       | 2,414,071            | -   |
| Net Cash Provided (Used) by Capital and<br>Related Financing Activities | <u>(34,893,234)</u>                         | <u>(64,653)</u>                         | <u>(34,957,887)</u>  | <u>-</u>  |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                             |   |   |                      |   |
| Interest on Investments   | <u>1,808,784</u>                            | <u>-</u>                                | <u>1,808,784</u>     | <u>-</u>  |
| <b>NET INCREASE (DECREASE) IN CASH AND<br/>CASH EQUIVALENTS</b>         | 3,045,915                                   | 773,379                                 | 3,819,294            | 19,139,976  |
| Cash and Cash Equivalents - Beginning of Year                           | <u>67,069,629</u>                           | <u>3,508,138</u>                        | <u>70,577,767</u>    | <u>19,913,936</u>   |
| <b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>                          | <u>\$ 70,115,544</u>                        | <u>\$ 4,281,517</u>                     | <u>\$ 74,397,061</u> | <u>\$ 39,053,912</u>                                      |

See accompanying Notes to Financial Statements.

THE METROPOLITAN DISTRICT  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS (CONTINUED)  
YEAR ENDED DECEMBER 31, 2022

|  | Business-Type Activities - Enterprise Funds |   |                      | Business-Type<br>Activities -<br>Internal<br>Service Fund |
|--|---|---|----------------------|---|
|  | Major                                       | Nonmajor                                | Total                |   |
|  | Water<br>Utility                            | Hydroelectric<br>Development<br>Project |                      |   |
| <b>RECONCILIATION OF OPERATING INCOME (LOSS)<br/>TO NET CASH PROVIDED (USED) BY<br/>OPERATING ACTIVITIES</b> |   |   |                      |   |
| Operating Income (Loss)  | \$ 34,554,632                               | \$ 817,616                              | \$ 35,372,248        | \$ 11,973,139   |
| Adjustments to Reconcile Operating Income (Loss)<br>to Activities:   |   |   |                      |   |
| Depreciation   | 18,469,561                                  | 132,932                                 | 18,602,493           | -   |
| Miscellaneous Nonoperating Revenue (Expense)   | 1,435,520                                   | -                                       | 1,435,520            | -   |
| Changes in Assets, Deferred Outflows of<br>Resources, and Liabilities:                                       |   |   |                      |   |
| (Increase) Decrease in Accounts Receivable   | (1,446,546)                                 | (43,068)                                | (1,489,614)          | (30,913)  |
| (Increase) Decrease in Due from Other Funds  | 22,736                                      | -                                       | 22,736               | (564,136)   |
| (Increase) Decrease in Supplies  | (1,279,954)                                 | (5,826)                                 | (1,285,780)          | -   |
| (Increase) Decrease in Prepaid Items   | 125,528                                     | -                                       | 125,528              | -   |
| (Increase) Decrease in Deferred Outflows<br>of Resources Related to Pensions                                 | (9,714,519)                                 | -                                       | (9,714,519)          | -   |
| (Increase) Decrease in Deferred Outflows of<br>Resources Related to OPEB                                     | 3,963,170                                   | -                                       | 3,963,170            | -   |
| Increase (Decrease) in Accounts Payable<br>and Accrued Expenses  | 535,814                                     | (63,622)                                | 472,192              | 75,031  |
| Increase (Decrease) in Customer Advances<br>for Construction   | 399,169                                     | -                                       | 399,169              | -   |
| Increase (Decrease) in Claims and Judgements   | -   | -                                       | -                    | -   |
| Increase (Decrease) in Compensated Absences  | (622,594)                                   | -                                       | (622,594)            | -   |
| Increase (Decrease) in Net Pension Liability   | -   | -                                       | -                    | -   |
| Increase (Decrease) in Net OPEB Liability  | (30,786,292)                                | -                                       | (30,786,292)         | -   |
| Increase (Decrease) in Net Pension Liability   | 31,438,909                                  | -                                       | 31,438,909           | -   |
| Increase (Decrease) in Claims Payable  | -   | -                                       | -                    | 422,620   |
| Increase (Decrease) in Deferred Inflows of<br>Resources Related to Pensions                                  | (15,990,138)                                | -                                       | (15,990,138)         | -   |
| Increase (Decrease) in Deferred Inflows of<br>Resources Related to OPEB                                      | 5,025,369                                   | -                                       | 5,025,369            | -   |
| Total Adjustments  | <u>1,575,733</u>                            | <u>20,416</u>                           | <u>1,596,149</u>     | <u>(97,398)</u>   |
| Net Cash Provided (Used) by Operating Activities   | <u>\$ 36,130,365</u>                        | <u>\$ 838,032</u>                       | <u>\$ 36,968,397</u> | <u>\$ 11,875,741</u>                                      |
| <b>NONCASH INVESTING, CAPITAL, AND FINANCING<br/>ACTIVITIES</b>  |   |   |                      |   |
| Capital Assets Contributed by Developers   | <u>\$ 5,292,223</u>                         | <u>\$ -</u>                             | <u>\$ 5,292,223</u>  | <u>\$ -</u>   |

See accompanying Notes to Financial Statements.

**THE METROPOLITAN DISTRICT  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
DECEMBER 31, 2022**

|                                 | <u>Pension and<br/>Other Employee<br/>Benefit<br/>Trust Funds</u> |
|---------------------------------|---|
| <b>ASSETS</b>                   |   |
| Cash and Cash Equivalents       | \$ 8,224,896  |
| Accounts Receivable             | 129,867   |
| Investments, at Fair Value:     |   |
| Mutual Funds                    | 29,917,834  |
| Guaranteed Investment Contracts | 19,642,259  |
| Land                            | 7,457,948   |
| Commingled Collective Trusts    | 152,780,653   |
| Real Estate                     | <u>24,493,221</u>   |
| Total Assets                    | <u>242,646,678</u>  |
| <b>LIABILITIES</b>              |   |
| Accounts Payable                | 15,680  |
| Due to Other Funds              | <u>564,136</u>  |
| Total Liabilities               | <u>579,816</u>  |
| <b>NET POSITION</b>             |   |
| Restricted for Pension Benefits | 230,813,515   |
| Restricted for OPEB Benefits    | <u>11,253,347</u>   |
| Total Net Position              | <u><u>\$ 242,066,862</u></u>                                      |

See accompanying Notes to Financial Statements.

**THE METROPOLITAN DISTRICT  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
YEAR ENDED DECEMBER 31, 2022**

|   | <u>Pension and<br/>Other Employee<br/>Benefit<br/>Trust Funds</u> |
|---|---|
| <b>ADDITIONS:</b>                       |   |
| Contributions:                          |   |
| Employer                                | \$ 19,842,069   |
| Plan Members                            | 2,889,171   |
| Total Contributions                     | <u>22,731,240</u>   |
| Investment Income (Loss):               |   |
| Net Change in Fair Value of Investments | (40,993,111)  |
| Interest and Dividends                  | 2,895,529   |
| Total Investment Income (Loss)          | <u>(38,097,582)</u>   |
| Less Investment Expenses:               |   |
| Investment Management Fees              | 1,017,960   |
| Net Investment Income (Loss)            | <u>(39,115,542)</u>   |
| Total Additions                         | (16,384,302)  |
| <b>DEDUCTIONS:</b>                      |   |
| Benefits                                | 29,265,903  |
| Administrative Expense                  | 155,316   |
| Transfers Out                           | 7,264,235   |
| Total Deductions                        | <u>36,685,454</u>   |
| <b>CHANGE IN NET POSITION</b>           | (53,069,756)  |
| Net Position - Beginning of Year        | <u>295,136,618</u>  |
| <b>NET POSITION - END OF YEAR</b>       | <u><u>\$ 242,066,862</u></u>                                      |

See accompanying Notes to Financial Statements.

**THE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 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 Postemployment Benefits (OPEB) plans were established to provide retirement benefits and postretirement 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 METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**B. Basis of Presentation (Continued)**

Government-Wide and Fund Financial Statements (Continued)

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those 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.

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 METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**B. Basis of Presentation (Continued)**

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

The District reports the following major governmental funds:

**General Fund**

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.

**Debt Service**

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.

**Clean Water Project Fund**

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 wastewater for ultimate release and treatment at the Hartford water pollution control facility.

**Capital Project Fund**

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 District reports the following major proprietary fund:

**Water Utility 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.

**THE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**B. Basis of Presentation (Continued)**

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

Additionally, the District reports the following fund types:

**Internal Service Fund**

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.

**Pension and Other Employee Benefit Trust Funds**

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.

**THE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**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.

**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 METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**H. Capital Assets (Continued)**

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:

|                         |                 |
|-------------------------|-----------------|
| Buildings               | 50 to 75 Years  |
| Machinery and Equipment | 6 to 20 Years   |
| Infrastructure          | 50 to 150 Years |

**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 assets 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.

**THE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**THE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**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.

**THE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**N. Fund Equity (Continued)**

In the government-wide financial statements, net position is classified in the following categories:

*Net Investment in Capital Assets* – This category represents all capital assets, net of accumulated depreciation and related debt.

*Restricted Net Position* – This category represents amounts restricted to use by outside parties.

*Unrestricted Net Position* – This category represents the net position of the District not restricted for use.

**O. Accounting Estimates**

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

**P. Adoption of New Accounting Standards**

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

The Entity adopted the requirements of the guidance effective January 1, 2022. There was no material impact on the entity's net position and changes in net position as a result of adoption of this standard.

**THE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**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, 2022, 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  
DECEMBER 31, 2022**

**NOTE 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.

**1. 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  
DECEMBER 31, 2022**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**A. Cash, Cash Equivalents, and Investments (Continued)**

**1. Deposits (Continued)**

Deposit Custodial Credit Risk (Continued)

Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, \$136,422,632 of the District's bank balance of \$136,672,632 was exposed to custodial credit risk as follows:

|  |                              |
|--|------------------------------|
| Uninsured and Uncollateralized   | \$ 122,755,369               |
| Uninsured and Collateral Held by the Pledging Bank's<br>Trust Department, Not in the District's Name | <u>13,667,263</u>            |
| Total Amount Subject to Custodial Credit Risk  | <u><u>\$ 136,422,632</u></u> |

**2. Cash Equivalents**

At December 31, 2022, the District's cash equivalents amounted to \$128,032,095. The following table provides a summary of the District's cash equivalents as rated by nationally recognized statistical rating organizations. The pool has maturities of less than one year.

|   |                                |
|---|--------------------------------|
|   | <u>Standard<br/>and Poor's</u> |
| State Short-Term Investment Fund (STIF) | AAA                            |
| U.S. Bank                               | *                              |

\* Not Rated

**THE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**A. Cash, Cash Equivalents, and Investments (Continued)**

**3. 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, 2022:

|  | December 31,<br>2022  | Fair Value Measurements Using |                     |                      |
|--|-----------------------|-------------------------------|---------------------|----------------------|
|  |                       | Level 1                       | Level 2             | Level 3              |
| Investments by Fair Value Level:               |                       |                               |                     |                      |
| Mutual Funds                                   | \$ 29,917,834         | \$ 29,917,834                 | \$ -                | \$ -                 |
| Guaranteed Investment Contracts                | 19,642,259            | -                             | 4,381,518           | 15,260,741           |
| Real Estate                                    | 7,457,948             | -                             | -                   | 7,457,948            |
| Total Investments by Fair Value Level          | 57,018,041            | <u>\$ 29,917,834</u>          | <u>\$ 4,381,518</u> | <u>\$ 22,718,689</u> |
| Investments Measured at Net Asset Value (NAV): |                       |                               |                     |                      |
| Commingled Collective Trusts                   | 152,780,653           |                               |                     |                      |
| Timberland Investments                         | 10,626,680            |                               |                     |                      |
| Cornerstone Real Estate                        | 77,400                |                               |                     |                      |
| Intercontinental U.S. REIF                     | 13,789,141            |                               |                     |                      |
| Total Investments Measured at NAV              | <u>177,273,874</u>    |                               |                     |                      |
| Total Investments Measured at Fair Value       | <u>\$ 234,291,915</u> |                               |                     |                      |

The above investments have no rating or maturity.

Mutual funds classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Guaranteed investment contracts classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. Land and guaranteed investment contracts classified in Level 3 are valued using discounted cash flow techniques.

**THE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**A. Cash, Cash Equivalents, and Investments (Continued)**

**3. Investments (Continued)**

The valuation method for investments measured at the net asset value (NAV) per share (or its equivalent) is presented on the following table:

|                                      | Fair<br>Value         | Unfunded<br>Commitments | Redemption<br>Frequency<br>(If Currently<br>Eligible) | Redemption<br>Notice<br>Period             |
|--------------------------------------|-----------------------|-------------------------|---|--|
| Commingled Collective Trusts         | \$ 152,780,653        | \$ -                    | Up to Monthly   | Up to 10 Days                              |
| Timberland Investments               | 10,626,680            | 549,776                 | Hold to Maturity                                      | Hold to Maturity<br>(15 to 18 Years Total) |
| Cornerstone Real Estate              | 77,400                | 1,336,013               | Hold to Maturity                                      | Hold to Maturity<br>(7 to 9 Years Total)   |
| Intercontinental U.S. REIF           | 13,789,141            | -                       | Quarterly   | 30-60 days                                 |
| Total Investments<br>Measured at NAV | <u>\$ 177,273,874</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, 2022. 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 multifamily, 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.

**THE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**A. Cash, Cash Equivalents, and Investments (Continued)**

**3. Investments (Continued)**

Interest Rate Risk

The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. To the extent possible, the District attempts to match its investments with anticipated cash flow requirements.

Credit Risk – Investments

As indicated above, State Statutes limit the investment options of the District. The District has no investment policy that would limit its investment choices due to credit risk.

Concentration of Credit Risk

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

Custodial Credit Risk

Custodial credit risk for an investment is the risk that, in the event of the failure of the counterparty (the institution that pledges collateral or repurchase agreement securities to the District or that sells investments to or buys them for the District), the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At December 31, 2022, the District did not have any uninsured and unregistered securities held by the counterparty, or by its trust department or agent that were not in the District's name.

**THE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**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:

|                                    | General             | Clean Water Project  | Capital Projects Funds | Water Utility        | Hydroelectric Development Project | Internal Service Fund | Trust Funds       | Total                |
|------------------------------------|---------------------|----------------------|------------------------|----------------------|-----------------------------------|-----------------------|-------------------|----------------------|
| Sewer Use Charges                  | \$ 13,817,633       | \$ 12,091,125        | \$ -                   | \$ 455,663           | \$ -                              | \$ -                  | \$ -              | \$ 26,364,421        |
| Customers and Employees            | 9,204,387           | 252,831              | -                      | 19,449,007           | -                                 | -                     | -                 | 28,906,225           |
| Assessments                        | 73,604              | -                    | 1,698,928              | 780,148              | -                                 | -                     | -                 | 2,552,680            |
| Accrued Interest                   | 254                 | -                    | 265,389                | 161,348              | -                                 | -                     | -                 | 426,991              |
| Intergovernmental                  | -                   | 17,125,415           | 566,023                | -                    | -                                 | -                     | -                 | 17,691,438           |
| Other                              | 419,824             | -                    | -                      | -                    | 146,183                           | 30,913                | 129,867           | 726,787              |
| Gross Receivables                  | 23,515,702          | 29,469,371           | 2,530,340              | 20,846,166           | 146,183                           | 30,913                | 129,867           | 76,668,542           |
| Less: Allowance for Uncollectibles | 17,324,510          | 1,713,576            | -                      | 2,178,549            | -                                 | -                     | -                 | 21,216,635           |
| Net Total Receivables              | <u>\$ 6,191,192</u> | <u>\$ 27,755,795</u> | <u>\$ 2,530,340</u>    | <u>\$ 18,667,617</u> | <u>\$ 146,183</u>                 | <u>\$ 30,913</u>      | <u>\$ 129,867</u> | <u>\$ 55,451,907</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.

| Receivable Fund       | Payable Fund    | Amount     |
|-----------------------|-----------------|------------|
| Internal Service Fund | OPEB Trust Fund | \$ 564,136 |

Interfund transfers are generally used to supplement revenues of other funds. Interfund transfers for the year ended December 31, 2022, were as follows:

|                       | Transfers In        |                      | Total Transfers Out  |
|-----------------------|---------------------|----------------------|----------------------|
|                       | General Fund        | Debt Service Fund    |                      |
| Transfers Out:        |                     |                      |                      |
| General Fund          | \$ -                | \$ 34,721,729        | \$ 34,721,729        |
| Clean Water Fund      | -                   | 59,335,621           | 59,335,621           |
| Capital Projects Fund | 1,000,469           | -                    | 1,000,469            |
| Total Transfers In    | <u>\$ 1,000,469</u> | <u>\$ 94,057,350</u> | <u>\$ 95,057,819</u> |

**THE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**D. Capital Assets**

Capital asset activity for the year ended December 31, 2022 was as follows:

|   | Beginning<br>Balance    | Increases             | Decreases            | Ending<br>Balance       |
|---|-------------------------|-----------------------|----------------------|-------------------------|
| <b>Governmental Activities:</b>                 |                         |                       |                      |                         |
| <b>Capital Assets Not Being Depreciated:</b>    |                         |                       |                      |                         |
| Land  | \$ 10,326,860           | \$ -                  | \$ 78,326            | \$ 10,248,534           |
| Construction in Progress                        | 985,127,893             | 90,724,440            | 55,832,498           | 1,020,019,835           |
| Total Capital Assets Not<br>Being Depreciated   | 995,454,753             | 90,724,440            | 55,910,824           | 1,030,268,369           |
| <b>Capital Assets Being Depreciated:</b>        |                         |                       |                      |                         |
| Buildings                                       | 509,228,528             | 9,602,488             | 20,154,201           | 498,676,815             |
| Machinery and Equipment                         | 75,471,430              | 14,184,070            | 6,472,933            | 83,182,567              |
| Infrastructure                                  | 911,691,133             | 32,330,532            | 795,241              | 943,226,424             |
| Total Capital Assets<br>Being Depreciated       | 1,496,391,091           | 56,117,090            | 27,422,375           | 1,525,085,806           |
| <b>Less Accumulated Depreciation for:</b>       |                         |                       |                      |                         |
| Buildings                                       | 214,885,804             | 18,007,268            | 19,833,619           | 213,059,453             |
| Machinery and Equipment                         | 28,263,371              | 5,006,929             | 5,408,098            | 27,862,202              |
| Infrastructure                                  | 211,401,106             | 11,429,282            | 5,225                | 222,825,163             |
| Total Accumulated<br>Depreciation               | 454,550,281             | 34,443,479            | 25,246,942           | 463,746,818             |
| Total Capital Assets Being<br>Depreciated, Net  | 1,041,840,810           | 21,673,611            | 2,175,433            | 1,061,338,988           |
| Governmental Activities<br>Capital Assets, Net  | <u>\$ 2,037,295,563</u> | <u>\$ 112,398,051</u> | <u>\$ 58,086,257</u> | <u>\$ 2,091,607,357</u> |
|   | Beginning<br>Balance    | Increases             | Decreases            | Ending<br>Balance       |
| <b>Business-Type Activities:</b>                |                         |                       |                      |                         |
| <b>Capital Assets Not Being Depreciated:</b>    |                         |                       |                      |                         |
| Land  | \$ 10,847,885           | \$ -                  | \$ -                 | \$ 10,847,885           |
| Construction in Progress                        | 209,011,560             | 41,819,109            | 83,135,998           | 167,694,671             |
| Total Capital Assets Not<br>Being Depreciated   | 219,859,445             | 41,819,109            | 83,135,998           | 178,542,556             |
| <b>Capital Assets Being Depreciated:</b>        |                         |                       |                      |                         |
| Buildings                                       | 165,738,245             | 9,638,963             | 416,768              | 174,960,440             |
| Machinery and Equipment                         | 47,611,849              | 15,558,465            | 8,672,843            | 54,497,471              |
| Infrastructure                                  | 486,432,065             | 61,692,419            | 727,020              | 547,397,464             |
| Total Capital Assets<br>Being Depreciated       | 699,782,159             | 86,889,847            | 9,816,631            | 776,855,375             |
| <b>Less Accumulated Depreciation for:</b>       |                         |                       |                      |                         |
| Buildings                                       | 68,835,485              | 4,030,547             | 174,632              | 72,691,400              |
| Machinery and Equipment                         | 18,318,872              | 3,588,708             | 6,864,004            | 15,043,576              |
| Infrastructure                                  | 152,404,093             | 10,983,238            | 155,345              | 163,231,986             |
| Total Accumulated<br>Depreciation               | 239,558,450             | 18,602,493            | 7,193,981            | 250,966,962             |
| Total Capital Assets Being<br>Depreciated, Net  | 460,223,709             | 68,287,354            | 2,622,650            | 525,888,413             |
| Business-Type Activities<br>Capital Assets, Net | <u>\$ 680,083,154</u>   | <u>\$ 110,106,463</u> | <u>\$ 85,758,648</u> | <u>\$ 704,430,969</u>   |

**THE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**D. Capital Assets (Continued)**

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

|  |                             |
|--|-----------------------------|
| Governmental Activities:                                 |                             |
| General Government                                       | \$ 2,333,580                |
| Operations   | 12,169,631                  |
| Plant and Maintenance                                    | <u>19,940,268</u>           |
| Total Depreciation Expense -<br>Governmental Activities  | <u><u>\$ 34,443,479</u></u> |
| Business-Type Activities:                                |                             |
| Water  | \$ 18,469,561               |
| Hydroelectricity   | <u>132,932</u>              |
| Total Depreciation Expense -<br>Business-Type Activities | <u><u>\$ 18,602,493</u></u> |

Construction Commitments

The District has active construction projects as of December 31, 2022. At year-end, the District's commitments with contractors for governmental activities are as follows:

| <u>Project Name</u>   | <u>Remaining<br/>Commitment</u> |
|---|---------------------------------|
| 2015 SHCST Pump Station - Clean Water II                                | \$ 104,109,097                  |
| 2015 SHCST Construction - Clean Water II                                | 14,668,271                      |
| 2021 East Hartford WPCF - Aeration, DO Control & SCADA Upgrades         | 9,862,142                       |
| 2015 SHCST - Clean Water II   | 2,580,655                       |
| 2018 Sewer Rehabilitation Program                                       | 1,315,514                       |
| 2019 Oakwood Avenue Area Sewer Replacement - Phase 1                    | 763,170                         |
| 2020 WPCF Infrastructure Rehabilitation, Upgrades & Replacements        | 464,210                         |
| 2015 Hartford WPCF DAFT 1&2 (SPB Solids)                                | 420,997                         |
| 2020 Various Sewer Pipe Replacement & Rehabilitation                    | 226,247                         |
| 2020 Hartford Sewershed Large Diameter Sewer                            | 175,266                         |
| 2017 WPC Equipment & Facilities Improvements                            | 148,174                         |
| 2021 Northern Interceptor Sewer Rehabilitation                          | 144,603                         |
| 2015 General Purpose Sewer  | 75,822                          |
| 2021 Large Diameter Sewer Cleaning Program                              | 67,136                          |
| 2022 Private Property Inflow Disconnect Program                         | 51,630                          |
| 2014 Hartford WPCF Sludge Mixing Tank, Sludge Screening, GT & RSRF Upg. | 50,498                          |
| 2017 WPC Plant Infrastructure Renewal and Replacement                   | 25,989                          |
| 2014 Various Sewer Pipe Replacement/Rehab - District Wide               | 25,957                          |
| 2017 HWPCF Air Permit Compliance  | 20,130                          |
| 2021 WPC Infrastructure Rehabilitation, Upgrades & Replacement          | 18,981                          |
| 2017 General Purpose Sewer  | 18,000                          |
| 2012 HWPCF Solids Handling  | 10,168                          |
| 2020 Levee Protection System, East Hartford and Hartford                | 5,000                           |
| 2021 Various Sewer Pipe Replacement/Rehabilitation Program              | 4,174                           |
| 2011 WPC Electronic Development   | 257                             |
| 2011 WPC Renewal & Replace  | 84                              |
| Total   | <u><u>\$ 135,252,172</u></u>    |

**THE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**D. Capital Assets (Continued)**

Construction Commitments (Continued)

The District's commitments with contractors for construction in process for business-type activities are as follow:

| <u>Project Name</u>   | <u>Remaining<br/>Commitment</u> |
|---|---------------------------------|
| 2022 Farmington 11 / Sisson Ave. Area Main Replacement Water Work       | \$ 2,457,492                    |
| 2019 Water Main Replacement Program                                     | 1,150,075                       |
| 2021 Wickham Hill Area Water Main Replacement                           | 1,103,603                       |
| AWMR -Contract #4   | 840,241                         |
| 2022 Capitol Ave. Area Water Main Replacement                           | 826,905                         |
| 2018 Buckingham Street Area Water Main Replacement                      | 736,022                         |
| 2021 General Purpose Water  | 589,316                         |
| 2020 Webster Hill Area Water Main Replacement, West Hartford            | 535,721                         |
| 2020 Water Main Replacements Hartford & Wethersfield                    | 532,079                         |
| 2019 Oakwood Ave Water Main Replacement 1&2                             | 512,009                         |
| 2021 District Wide Water Main Replacement Program                       | 409,587                         |
| 2020 Saybrooke and Bonner St 2018B-17                                   | 392,953                         |
| 2021 Newington Road Water Main Replacement Program                      | 362,908                         |
| 2021 New Park Avenue Water Main Replacement                             | 246,915                         |
| 2015 Water Supply Improvements  | 209,338                         |
| 2020 General Purpose Water Program                                      | 205,471                         |
| 2022 Boulevard & Garfield Rd Water Main Replacements (Accelerated Plus) | 110,753                         |
| 2020 WPS Upgrades, Equipment, Water Tank Replacements                   | 52,522                          |
| 2020 District Wide Water Main Replacement Program                       | 43,823                          |
| 2018 Water Main Replacement Program                                     | 42,480                          |
| 2020 Administrative Facilities and Equipment Improvements               | 30,944                          |
| 2020 Church St and Nott St Water Main Replacement 2019B-02              | 29,236                          |
| 2018 WT Facilities Infrastructure Rehabilitation, Upgrades & Repl.      | 15,000                          |
| Total   | <u>\$ 11,435,393</u>            |

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

**THE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**E. Long-Term Debt**

Changes in Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2022, was as follows:

|  | Beginning<br>Balance    | Increases            | Decreases            | Ending<br>Balance       | Due Within<br>One Year |
|--|-------------------------|----------------------|----------------------|-------------------------|------------------------|
| <b>Governmental Activities:</b>                            |                         |                      |                      |                         |                        |
| General Obligation Bonds                                   | \$ 339,049,664          | \$ 43,118,950        | \$ 21,325,176        | \$ 360,843,438          | \$ 21,838,569          |
| Revenue Bonds  | 325,405,000             | -                    | 15,950,000           | 309,455,000             | 12,700,000             |
| Premiums   | 71,737,964              | 7,198,598            | 7,915,632            | 71,020,930              | -                      |
| Total Bonds Payable  | 736,192,628             | 50,317,548           | 45,190,808           | 741,319,368             | 34,538,569             |
| Clean Water Fund Loans                                     | 435,416,291             | 24,989,581           | 27,254,642           | 433,151,230             | 45,708,814             |
| Compensated Absences*                                      | 2,734,721               | -                    | 2,734,721            | -                       | -                      |
| Net Pension Liability                                      | 18,129,351              | 23,679,780           | -                    | 41,809,131              | -                      |
| Net OPEB Liability   | 75,508,036              | -                    | 22,127,565           | 53,380,471              | -                      |
| Total Governmental<br>Activities Long-Term<br>Liabilities  | <u>\$ 1,267,981,027</u> | <u>\$ 98,986,909</u> | <u>\$ 97,307,736</u> | <u>\$ 1,269,660,200</u> | <u>\$ 80,247,383</u>   |
| <b>Business-Type Activities:</b>                           |                         |                      |                      |                         |                        |
| General Obligation Bonds                                   | \$ 283,805,337          | \$ 31,261,050        | \$ 19,049,825        | \$ 296,016,562          | \$ 19,826,431          |
| Premiums   | 35,553,534              | 5,219,552            | 4,221,076            | 36,552,010              | -                      |
| Total Bonds Payable  | 319,358,871             | 36,480,602           | 23,270,901           | 332,568,572             | 19,826,431             |
| Drinking Water Fund Loans                                  | 56,789,941              | 2,583,250            | 3,562,252            | 55,810,939              | 12,119,791             |
| Compensated Absences*                                      | 3,600,622               | -                    | 3,600,622            | -                       | -                      |
| Claims and Judgments                                       | 6,391,325               | 13,449,915           | 13,027,295           | 6,813,945               | 1,254,087              |
| Net Pension Liability                                      | 24,557,350              | 31,438,909           | -                    | 55,996,259              | -                      |
| Net OPEB Liability   | 102,280,404             | -                    | 30,786,292           | 71,494,112              | -                      |
| Total Business-Type<br>Activities Long-Term<br>Liabilities | <u>\$ 512,978,513</u>   | <u>\$ 83,952,676</u> | <u>\$ 74,247,362</u> | <u>\$ 522,683,827</u>   | <u>\$ 33,200,309</u>   |

\* Compensated absences are all considered current for the year ended December 31, 2022 and have been removed from the table above.

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               | \$ 360,843,438        |
| Business-Type Activities | Various               | 296,016,562           |
| Total                    |                       | <u>\$ 656,860,000</u> |

**THE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**E. Long-Term Debt (Continued)**

General Obligation Bonds (Continued)

| Governmental Activities           |               |                 |               |                  |                                  |
|-----------------------------------|---------------|-----------------|---------------|------------------|----------------------------------|
| Description                       | Date of Issue | Original Amount | Interest Rate | Date of Maturity | Principal Outstanding 12/31/2022 |
| 2014 GO Series A Sewer            | 8/6/2014      | \$ 19,914,230   | 2.86          | 2035             | \$ 11,939,779                    |
| 2014 Refunding B Sewer            | 8/6/2014      | 9,197,066       | 1.48          | 2024             | 594,897                          |
| 2015 GO Series A Sewer            | 3/19/2015     | 33,973,310      | 2.85          | 2035             | 22,138,137                       |
| 2015 GO Series B Sewer            | 11/3/2015     | 5,097,470       | 2.66          | 2035             | 3,312,400                        |
| 2016 GO Series A Sewer            | 2/18/2016     | 17,431,020      | 2.30          | 2036             | 12,204,500                       |
| 2016 Refunding B Sewer            | 4/28/2016     | 18,301,300      | 1.64          | 2028             | 8,680,780                        |
| 2016 GO Series C Sewer            | 12/1/2016     | 67,900,630      | 3.86          | 2034             | 47,938,800                       |
| 2018 GO Series A Sewer            | 7/31/2018     | 62,591,950      | 3.31          | 2038             | 50,072,995                       |
| 2019 GO Series A Sewer            | 8/8/2019      | 38,395,250      | 2.55          | 2039             | 32,635,160                       |
| 2019 Refunding B Sewer            | 8/8/2019      | 26,533,410      | 2.05          | 2035             | 21,472,420                       |
| 2019 Refunding C Sewer            | 8/8/2019      | 32,070,000      | 2.74          | 2040             | 29,130,000                       |
| 2021 GO Series A Sewer            | 8/31/2021     | 74,356,690      | 2.00          | 2041             | 71,961,030                       |
| 2021 Refunding B Sewer            | 8/31/2021     | 6,183,180       | 1.24          | 2033             | 5,643,590                        |
| 2022 GO Series A Sewer            | 8/30/2022     | 43,118,950      | 5.00          | 2042             | 43,118,950                       |
| Total General<br>Obligation Bonds |               |                 |               |                  | 360,843,438                      |
| 2020 Revenue Refunding A Sewer    | 8/25/2020     | 55,010,000      | 2.48          | 2045             | 46,725,000                       |
| 2020 Revenue Refunding B Sewer    | 8/25/2020     | 76,065,000      | 2.37          | 2039             | 71,910,000                       |
| 2021 Revenue Bond B Sewer         | 11/3/2021     | 66,030,000      | 1.55          | 2041             | 60,850,000                       |
| 2021 Revenue Refunding B Sewer    | 11/3/2021     | 135,410,000     | 2.61          | 2042             | 129,970,000                      |
| Total Revenue Bonds               |               |                 |               |                  | 309,455,000                      |
| Total                             |               |                 |               |                  | <u>\$ 670,298,438</u>            |

| Business-Type Activities |               |                 |               |                  |                                  |
|--------------------------|---------------|-----------------|---------------|------------------|----------------------------------|
| Description              | Date of Issue | Original Amount | Interest Rate | Date of Maturity | Principal Outstanding 12/31/2022 |
| 2010 Refunding Water     | 6/1/2010      | \$ 2,338,504    | 2.56 %        | 2022             |                                  |
| 2014 GO Series A Water   | 8/6/2014      | 27,820,770      | 2.86          | 2035             | \$ 16,680,221                    |
| 2014 Refunding B Water   | 8/6/2014      | 5,647,933       | 1.48          | 2024             | 750,103                          |
| 2015 GO Series A Water   | 3/19/2015     | 32,766,691      | 2.85          | 2035             | 21,351,864                       |
| 2015 GO Series B Water   | 11/3/2015     | 31,117,530      | 2.66          | 2035             | 20,217,600                       |
| 2016 GO Series A Water   | 2/18/2016     | 15,593,980      | 2.30          | 2036             | 10,895,500                       |
| 2016 Refunding B Water   | 4/28/2016     | 29,733,700      | 1.64          | 2028             | 14,104,220                       |
| 2016 GO Series C Water   | 12/1/2016     | 40,414,370      | 3.86          | 2034             | 28,501,200                       |
| 2018 GO Series A Water   | 7/31/2018     | 48,178,050      | 3.31          | 2038             | 38,542,004                       |
| 2019 GO Series A Water   | 8/8/2019      | 38,104,750      | 2.55          | 2039             | 32,389,840                       |
| 2019 Refunding B Water   | 8/8/2019      | 22,771,590      | 2.05          | 2035             | 18,427,580                       |
| 2021 GO Series A Water   | 8/31/2021     | 56,453,310      | 2.00          | 2041             | 54,633,970                       |
| 2021 Refunding B Water   | 8/31/2021     | 9,051,820       | 1.24          | 2033             | 8,261,410                        |
| 2022 GO Series A Water   | 8/30/2022     | 31,261,050      | 5.00          | 2042             | 31,261,050                       |
| Total                    |               |                 |               |                  | <u>\$ 296,016,562</u>            |

**THE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**E. Long-Term Debt (Continued)**

General Obligation Bonds (Continued)

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

| Year Ending<br>December 31, | Governmental Activities |                       | Business-Type Activities |                       |
|-----------------------------|-------------------------|-----------------------|--------------------------|-----------------------|
|                             | Principal               | Interest              | Principal                | Interest              |
| 2023                        | \$ 21,838,569           | \$ 15,827,760         | \$ 19,826,431            | \$ 12,652,404         |
| 2024                        | 21,669,851              | 14,957,282            | 19,830,149               | 11,823,250            |
| 2025                        | 22,454,724              | 13,986,389            | 20,245,276               | 10,928,486            |
| 2026                        | 22,729,274              | 12,932,364            | 20,420,726               | 9,979,661             |
| 2027                        | 22,920,024              | 11,916,335            | 20,509,976               | 9,095,115             |
| 2028-2032                   | 110,501,526             | 44,353,053            | 93,353,474               | 33,097,319            |
| 2033-2037                   | 89,994,779              | 20,783,490            | 69,425,221               | 14,519,404            |
| 2038-2042                   | 48,734,691              | 5,249,955             | 32,405,309               | 3,555,420             |
| Total                       | <u>\$ 360,843,438</u>   | <u>\$ 140,006,628</u> | <u>\$ 296,016,562</u>    | <u>\$ 105,651,059</u> |

Authorized but Unissued Bonds

The total of authorized but unissued bonds at December 31, 2022, is \$551,861,788. 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, 2022, the District reported unspent bond proceeds of \$39,132,621 and \$15,004,570 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 (aka: Clean Water Project Charge), together with the revenues or other receipts, funds, or moneys held in or set aside in the Trust Estate. The revenue bonds are not a general obligation of the District. Revenue bonds currently outstanding are as follows:

| Purpose                 | Interest Rates | Amount                |
|-------------------------|----------------|-----------------------|
| Governmental Activities | Various        | <u>\$ 309,455,000</u> |

**THE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**E. Long-Term Debt (Continued)**

Revenue Bonds (Continued)

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

| <u>Year Ending December 31,</u> | <u>Governmental Activities</u> |                      |
|---------------------------------|--------------------------------|----------------------|
|                                 | <u>Principal</u>               | <u>Interest</u>      |
| 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                            | 16,145,000                     | 8,009,731            |
| 2028-2032                       | 92,155,000                     | 31,125,652           |
| 2033-2037                       | 82,740,000                     | 16,509,020           |
| 2038-2042                       | 61,005,000                     | 5,500,536            |
| 2043-2045                       | 2,960,000                      | 300,750              |
| Total                           | <u>\$ 309,455,000</u>          | <u>\$ 98,176,917</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 wastewater and 2% interest for eligible drinking water projects. Projects are financed by interim loan obligations until project completion, at which time interim loan obligations are replaced by permanent loan obligations. In the case of certain large projects, permanent loan obligations may be issued annually.

Clean Water Fund loans finance the sewer infrastructure and facility improvements (governmental activities) and will be repaid from future taxation, special sewer service surcharge, and user fees.

**THE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**E. Long-Term Debt (Continued)**

Clean and Drinking Water Fund Loans (Continued)

| Governmental Activities             |               |                 |               |                                     |
|-------------------------------------|---------------|-----------------|---------------|-------------------------------------|
| Description                         | Date of Issue | Original Amount | Interest Rate | Principal Outstanding<br>12/31/2022 |
| CSL142                              | 9/4/08        | \$ 6,200,000    | 2.00 %        | \$ 1,601,667                        |
| CSL149                              | 3/31/09       | 12,710,000      | 2.00          | 3,654,125                           |
| CWF160C                             | 12/27/07      | 1,888,557       | 2.00          | 424,925                             |
| 166-CSL1                            | 3/31/12       | 21,907,709      | 2.00          | 9,177,554                           |
| 214-CSL                             | 12/30/15      | 14,198,442      | 2.00          | 8,874,026                           |
| CWF451C                             | 12/17/04      | 3,987,010       | 2.00          | 283,658                             |
| CWF508C                             | 4/30/08       | 1,232,078       | 2.00          | 297,752                             |
| CWF520C                             | 3/31/09       | 4,547,580       | 2.00          | 1,307,429                           |
| CWF521C                             | 9/30/08       | 4,240,340       | 2.00          | 1,113,089                           |
| CWF578C                             | 12/19/08      | 2,042,741       | 2.00          | 472,038                             |
| 578-CD1                             | 1/31/11       | 2,619,263       | 2.00          | 1,047,705                           |
| 619-D1                              | 3/31/12       | 12,600,000      | 2.00          | 5,278,378                           |
| 626-C                               | 1/29/13       | 22,160,848      | 2.00          | 10,064,719                          |
| 652-C                               | 1/31/16       | 25,528,771      | 2.00          | 16,700,071                          |
| 652-C1                              | 1/31/17       | 27,234,976      | 2.00          | 19,177,962                          |
| 657-C                               | 7/31/16       | 33,352,916      | 2.00          | 22,652,189                          |
| 657-C1                              | 7/31/17       | 40,852,371      | 2.00          | 29,788,188                          |
| 692-C                               | 1/31/18       | 46,785,354      | 2.00          | 35,283,954                          |
| 657-C2                              | 7/31/18       | 52,655,657      | 2.00          | 41,027,533                          |
| CWF 215-C                           | 11/30/18      | 10,306,693      | 2.00          | 8,202,410                           |
| CWF 692-C1                          | 1/31/19       | 31,761,844      | 2.00          | 25,541,816                          |
| CWF 652-C2                          | 4/30/19       | 21,862,088      | 2.00          | 17,469,705                          |
| CWF 657-C3                          | 6/30/19       | 17,782,244      | 2.00          | 14,225,795                          |
| CWF 697-DC (CIP)                    | 2/28/20       | 15,019,750      | 2.00          | 12,078,382                          |
| CWF 692-C2                          | 4/30/20       | 33,394,334      | 2.00          | 28,518,170                          |
| CWF 691-C                           | 5/31/20       | 190,810         | 2.00          | 165,532                             |
| CWF 221-CSL                         | 7/31/20       | 2,091,106       | 2.00          | 1,831,952                           |
| CWF 692-C3                          | 1/31/21       | 17,875,420      | 2.00          | 16,162,359                          |
| CWF 657-C4                          | 6/30/21       | 5,408,501       | 2.00          | 4,566,388                           |
| CWF 219-CSL                         | 6/30/21       | 27,333,273      | 2.00          | 25,230,714                          |
| CWF 692-C4                          | 5/31/22       | 24,949,781      | 2.00          | 24,222,079                          |
| Total Permanent<br>Loan Obligations |               |                 |               | 386,442,264                         |
| CWF #692-C                          | Various       | 6,414,147       |               | 6,414,147                           |
| CWF #729-C                          | Various       | 22,506,857      |               | 22,506,857                          |
| CWF #719-C                          | Various       | 10,947,772      |               | 10,947,772                          |
| CWF #683-D                          | Various       | 730,606         |               | 730,606                             |
| CWF #728-C                          | Various       | 6,109,584       |               | 6,109,584                           |
| Total Interim<br>Loan Obligations   |               |                 |               | 46,708,966                          |
| Total                               |               |                 |               | <u>\$ 433,151,230</u>               |

**THE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**E. Long-Term Debt (Continued)**

Clean and Drinking Water Fund Loans (Continued)

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

| Business-Type Activities            |               |                 |               | Principal                 |
|-------------------------------------|---------------|-----------------|---------------|---------------------------|
| Description                         | Date of Issue | Original Amount | Interest Rate | Outstanding<br>12/31/2022 |
| DWSRF200105C                        | 12/11/03      | \$ 2,343,735    | 2.00 %        | \$ 68,359                 |
| DWSRF 2010 8008                     | 8/31/11       | 2,579,412       | 2.00          | 988,774                   |
| DWSRF 2010 8009                     | 2/29/12       | 772,079         | 2.00          | 295,963                   |
| DWSRF 2010 8009-1                   | 1/29/13       | 193,644         | 2.00          | 84,433                    |
| DWSRF 2013-7012                     | 7/15/14       | 2,780,620       | 2.00          | 1,471,411                 |
| DWSRF 2013-7013                     | 6/1/15        | 2,713,243       | 2.00          | 1,532,982                 |
| DWSRF 2013-7014                     | 9/30/15       | 4,691,464       | 2.00          | 2,873,521                 |
| DWSRF 2013-7015                     | 5/31/16       | 5,635,824       | 2.00          | 3,406,831                 |
| DWSRF 2013-7017                     | 6/30/15       | 2,013,468       | 2.00          | 1,174,523                 |
| DWSRF 2013-7018                     | 9/30/14       | 398,083         | 2.00          | 213,970                   |
| DWSRF 2013-7019                     | 6/30/15       | 1,539,774       | 2.00          | 885,370                   |
| DWSRF 2014-7021                     | 4/30/16       | 3,809,525       | 2.00          | 2,253,969                 |
| DWSRF 2014-7026                     | 3/31/15       | 1,691,379       | 2.00          | 993,685                   |
| DWSRF 2014-7029                     | 3/31/16       | 3,173,899       | 2.00          | 1,891,598                 |
| DWSRF 2014-7030                     | 7/31/16       | 1,892,813       | 2.00          | 1,190,895                 |
| DWSRF 2014-7031                     | 5/31/16       | 3,626,881       | 2.00          | 2,192,434                 |
| DWSRF 2014-7032                     | 12/31/16      | 3,162,716       | 2.00          | 2,189,573                 |
| DWSRF 2014-7033                     | 8/31/16       | 1,501,320       | 2.00          | 1,000,880                 |
| DWSRF 2016-7035                     | 8/31/16       | 2,203,262       | 2.00          | 1,468,841                 |
| DWSRF 2016-7042                     | 8/31/16       | 825,335         | 2.00          | 550,224                   |
| DWSRF 2016-7043                     | 2/28/17       | 1,129,379       | 2.00          | 788,162                   |
| DWSRF 2016-7044                     | 4/30/17       | 2,754,227       | 2.00          | 1,905,007                 |
| DWSRF 2016-7045                     | 7/31/17       | 2,445,859       | 2.00          | 1,722,292                 |
| DWSRF 2016-7047                     | 2/28/17       | 3,004,951       | 2.00          | 2,097,072                 |
| DWSRF 2016-7046                     | 6/29/18       | 3,051,182       | 2.00          | 2,288,387                 |
| DWSRF 2018-7061                     | 3/30/19       | 1,892,634       | 2.00          | 1,528,666                 |
| DWSRF 2017-7055                     | 4/30/19       | 1,691,022       | 2.00          | 1,373,052                 |
| DWSRF 2018-7062                     | 7/31/19       | 1,814,906       | 2.00          | 1,496,909                 |
| DWSRF 2019-7074                     | 8/31/20       | 2,046,805       | 2.00          | 1,801,888                 |
| DWSRF 2020-7086                     | 1/31/21       | 1,334,309       | 2.00          | 1,205,363                 |
| DWSRF 2020-7088                     | 1/31/22       | 2,274,924       | 2.00          | 2,167,985                 |
| Total Permanent<br>Loan Obligations |               |                 |               | 45,103,019                |
| DWSRF#2021-7092                     | Various       | 3,071,879       |               | 3,071,879                 |
| DWSRF#2021-7093                     | Various       | 5,524,765       |               | 5,524,765                 |
| DWSRF#2022-7102                     | Various       | 2,111,276       |               | 2,111,276                 |
| Total Interim<br>Loan Obligations   |               |                 |               | 10,707,920                |
| Total                               |               |                 |               | <u>\$ 55,810,939</u>      |

**THE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**E. Long-Term Debt (Continued)**

Clean and Drinking Water Fund Loans (Continued)

Permanent loan obligations mature as follows:

| <u>Year Ending December 31,</u> | <u>Governmental Activities</u> |                      |
|---------------------------------|--------------------------------|----------------------|
|                                 | <u>Principal</u>               | <u>Interest</u>      |
| 2023                            | \$ 27,616,289                  | \$ 7,475,696         |
| 2024                            | 27,499,489                     | 6,923,954            |
| 2025                            | 27,416,060                     | 6,375,216            |
| 2026                            | 27,416,060                     | 5,826,895            |
| 2027                            | 27,306,130                     | 5,278,997            |
| 2028-2032                       | 124,128,490                    | 18,618,573           |
| 2033-2037                       | 104,147,434                    | 7,068,075            |
| 2038-2042                       | 20,912,312                     | 563,824              |
| Total                           | <u>\$ 386,442,264</u>          | <u>\$ 58,131,230</u> |

| <u>Year Ending December 31,</u> | <u>Business-Type Activities</u> |                     |
|---------------------------------|---------------------------------|---------------------|
|                                 | <u>Principal</u>                | <u>Interest</u>     |
| 2023                            | \$ 3,523,146                    | \$ 869,818          |
| 2024                            | 3,454,786                       | 800,335             |
| 2025                            | 3,454,786                       | 731,332             |
| 2026                            | 3,454,786                       | 662,328             |
| 2027                            | 3,454,786                       | 593,324             |
| 2028-2032                       | 16,857,228                      | 1,941,219           |
| 2033-2037                       | 9,815,928                       | 471,795             |
| 2038-2042                       | 1,087,573                       | 28,777              |
| Total                           | <u>\$ 45,103,019</u>            | <u>\$ 6,098,928</u> |

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

| <u>Year Ending December 31,</u> | <u>Governmental Activities</u> |                   |
|---------------------------------|--------------------------------|-------------------|
|                                 | <u>Principal</u>               | <u>Interest</u>   |
| 2023                            | \$ 18,092,525                  | \$ 196,853        |
| 2024                            | 28,616,441                     | 541,287           |
| Total                           | <u>\$ 46,708,966</u>           | <u>\$ 738,140</u> |

| <u>Year Ending December 31,</u> | <u>Business-Type Activities</u> |                   |
|---------------------------------|---------------------------------|-------------------|
|                                 | <u>Principal</u>                | <u>Interest</u>   |
| 2023                            | \$ 8,596,645                    | \$ 247,890        |
| 2024                            | 2,111,275                       | 5,896             |
| Total                           | <u>\$ 10,707,920</u>            | <u>\$ 253,786</u> |

**THE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**E. Long-Term Debt (Continued)**

Clean and Drinking Water Fund Loans (Continued)

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

On August 16, 2022, the District issued \$74,380,000 in General Obligation Bonds, Issue of 2022, with an interest rate of 5.00%, maturing on August 1, 2042.

Debt Limitation

The District's debt indebtedness does not exceed the debt limitations required by its Charter as reflected in the following schedule:

| Debt Limit       | Net<br>Indebtedness | Balance        |
|------------------|---------------------|----------------|
| \$ 1,466,255,224 | \$ 808,219,741      | \$ 658,035,483 |

**F. Fund Balance**

The components of fund balance for the governmental funds at December 31, 2022, are as follows:

|                        | General<br>Fund | Debt<br>Service | Clean<br>Water<br>Project | Capital<br>Projects | Total          |
|------------------------|-----------------|-----------------|---------------------------|---------------------|----------------|
| Fund Balances:         |                 |                 |                           |                     |                |
| Nonspendable:          |                 |                 |                           |                     |                |
| Prepays                | \$ 596,836      | \$ -            | \$ -                      | \$ -                | \$ 596,836     |
| Supplies               | 4,142,113       | -               | -                         | -                   | 4,142,113      |
| Restricted for:        |                 |                 |                           |                     |                |
| Debt Service           | -               | 2,747,931       | -                         | -                   | 2,747,931      |
| Committed to:          |                 |                 |                           |                     |                |
| Capital Projects       | -               | -               | 64,929,885                | 38,818,384          | 103,748,269    |
| Unassigned             | 29,068,570      | -               | -                         | -                   | 29,068,570     |
| Total Fund<br>Balances | \$ 33,807,519   | \$ 2,747,931    | \$ 64,929,885             | \$ 38,818,384       | \$ 140,303,719 |

There were no outstanding encumbrances at December 31, 2022.

**THE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 4 EMPLOYEE RETIREMENT PLAN**

**A. Plan Description and Benefits Provided**

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

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

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

At January 1, 2022, membership consisted of:

|                                      |              |
|--------------------------------------|--------------|
| Retirees, Disabled and Beneficiaries |              |
| Currently Receiving Benefits         | 646          |
| Terminated Members Entitled to But   |              |
| Not Yet Receiving Benefits           | 55           |
| Current Active Members               | 418          |
| Total Members                        | <u>1,119</u> |

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

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

**B. Summary of Significant Accounting Policies and Plan Asset Matters**

Basis of Accounting

The Pension Trust Fund's financial statements are prepared on the accrual basis of accounting. Employee and employer contributions are recognized as revenues in the period in which employee services are performed. Benefits and refunds are recognized when due and payable in accordance with plan provisions. Administrative costs of the plan are financed through investment earnings.

Valuation of Investments

Investments are valued at fair value. Securities traded on national exchanges are valued at the last reported sales price.

**THE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**C. Funding Policy**

Employees hired prior to October 4, 2015, are required to contribute 5% of their annual covered salary, employees hired between October 4, 2015, and June 5, 2018, are required to contribute 7% of their annual covered salary, and employees hired after June 5, 2018, are required to contribute 7.5% of their annual covered salary.

**D. Investments**

Investment Policy

The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the Personnel, Pension and Insurance Committee by a majority vote of its members. It is the policy of the Personnel, Pension and Insurance Committee to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The pension plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short-time spans. The following was the Board's adopted asset allocation policy as of December 31, 2022.

| <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, 2022, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was (13.95%). The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**THE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**E. Net Pension Liability of the District**

The components of the net pension liability of the District at December 31, 2022 were as follows:

|                             |                      |
|-----------------------------|----------------------|
| Total Pension Liability     | \$ 328,618,905       |
| Plan Fiduciary Net Position | <u>230,813,515</u>   |
| Net Pension Liability       | <u>\$ 97,805,390</u> |

|   |        |
|---|--------|
| Plan Fiduciary Net Position as a Percentage |        |
| Percentage of the Total Pension Liability   | 70.24% |

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

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of January 1, 2022, 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 | 6.625%, 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 projections per MP-2021 Ultimate Scale |
| Actuarial Cost Method     | Entry Age Normal   |

**THE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**E. Net Pension Liability of the District (Continued)**

Actuarial Assumptions (Continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of December 31, 2022, (see the discussion of the pension plan's investment policy) are summarized in the following table:

| <u>Asset Class</u>         | <u>Long-Term<br/>Expected Rate<br/>of Return</u> |
|----------------------------|--|
| Core Fixed Income          | 1.39%  |
| Large Cap U.S. Equities    | 4.94   |
| Mid Cap U.S. Equities      | 5.56   |
| Small Cap U.S. Equities    | 6.73   |
| Developed Foreign Equities | 6.27   |
| Real Estate (REITS)        | 5.60   |
| Commodities                | 4.76   |

Discount Rate

The discount rate used to measure the total pension liability was 6.625%. 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, 2022, decreased 0.075% to 6.675% from 6.75% at December 31, 2021.

**THE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**E. Net Pension Liability of the District (Continued)**

Changes in the Net Pension Liability

|   | Metropolitan District Employees'<br>Retirement System |                                       |                                     |
|---|---|---------------------------------------|-------------------------------------|
|   | Increase (Decrease)                                   |                                       |                                     |
|   | Total Pension<br>Liability<br>(a)                     | Plan Fiduciary<br>Net Position<br>(b) | Net Pension<br>Liability<br>(a)-(b) |
| Balances - January 1, 2022                                      | \$ 321,890,252  | \$ 279,203,551                        | \$ 42,686,701                       |
| Changes for the Year:   |   |                                       |                                     |
| Service Cost  | 4,845,109   | -                                     | 4,845,109                           |
| Interest on Total Pension Liability                             | 21,353,126  | -                                     | 21,353,126                          |
| Differences Between Expected<br>and Actual Experience           | 2,677,228   | -                                     | 2,677,228                           |
| Changes in Assumptions  | (1,016,260)   | -                                     | (1,016,260)                         |
| Employer Contributions  | -   | 9,141,064                             | (9,141,064)                         |
| Member Contributions  | -   | 2,447,478                             | (2,447,478)                         |
| Net Investment Gain (Loss)                                      | -   | (38,787,017)                          | 38,787,017                          |
| Benefit Payments, Including Refund<br>of Employee Contributions | (21,130,550)  | (21,130,550)                          | -                                   |
| Administrative Expenses   | -   | (61,011)                              | 61,011                              |
| Net Changes   | <u>6,728,653</u>                                      | <u>(48,390,036)</u>                   | <u>55,118,689</u>                   |
| Balances - December 31, 2022                                    | <u>\$ 328,618,905</u>                                 | <u>\$ 230,813,515</u>                 | <u>\$ 97,805,390</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 6.625%, as well as what the District's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

|                                  | 1% Decrease<br>(5.625%) | Current<br>Discount Rate<br>(6.625%) | 1% Increase<br>(7.625%) |
|----------------------------------|-------------------------|--------------------------------------|-------------------------|
| District's Net Pension Liability | \$ 134,133,772          | \$ 97,805,390                        | \$ 66,865,067           |

**THE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**E. Net Pension Liability of the District (Continued)**

Pension Expense and Deferred Outflows of Resource and Deferred Inflows of Resource Related to Pensions

For the year ended December 31, 2022, the District recognized pension expense of \$19,393,400, which is recorded within the Water Utility Fund and the Governmental Activities of the District in the amounts of \$8,290,148 and \$11,103,252, respectively. At December 31, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

|  | Metropolitan District Employees'<br>Retirement System |                                      |
|--|---|--------------------------------------|
|  | Deferred<br>Inflows of<br>Resources                   | Deferred<br>Outflows of<br>Resources |
| Differences Between Expected and Actual Experience                               | \$ -  | \$ 4,501,841                         |
| Changes of Assumptions   | 795,334   | 11,094,131                           |
| Net Difference Between Projected and Actual Earnings on Pension Plan Investments | -   | 23,757,823                           |
| Total  | \$ 795,334  | \$ 39,353,795                        |

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

| Year Ending December 31, | Amount        |
|--------------------------|---------------|
| 2023                     | \$ 7,922,574  |
| 2024                     | 9,868,675     |
| 2025                     | 9,090,017     |
| 2026                     | 11,677,195    |
| Total                    | \$ 38,558,461 |

**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 METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**F. 457(b) and 457(f) Deferred Compensation Plan (Continued)**

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, 2022, 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.

**G. Combining Statement of Net Position**

|   | Pension<br>Trust Fund | OPEB<br>Trust Fund | Total          |
|---|-----------------------|--------------------|----------------|
| <b>ASSETS</b>                               |                       |                    |                |
| Cash and Cash Equivalents                   | \$ 2,491,913          | \$ 5,732,983       | \$ 8,224,896   |
| Accounts Receivable                         | 47,964                | 81,903             | 129,867        |
| Investments, at Fair Value:                 |                       |                    |                |
| Mutual Funds                                | 23,899,557            | 6,018,277          | 29,917,834     |
| Guaranteed Investment Contracts             | 19,642,259            | -                  | 19,642,259     |
| Land  | 7,457,948             | -                  | 7,457,948      |
| Commingled Collective Trusts                | 152,780,653           | -                  | 152,780,653    |
| Real Estate                                 | 24,493,221            | -                  | 24,493,221     |
| Total Assets                                | 230,813,515           | 11,833,163         | 242,646,678    |
| <b>LIABILITIES</b>                          |                       |                    |                |
| Accounts Payable                            | -                     | 15,680             | 15,680         |
| Due to Other Funds                          | -                     | 564,136            | 564,136        |
| Total Liabilities                           | -                     | 579,816            | 579,816        |
| <b>NET POSITION</b>                         |                       |                    |                |
| Restricted for Pension and<br>OPEB Benefits | \$ 230,813,515        | \$ 11,253,347      | \$ 242,066,862 |

**THE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**H. Combining Statement of Revenue, Expenses, and Changes in Net Position**

|  | Pension<br>Trust Fund | OPEB<br>Trust Fund   | Total                 |
|--|-----------------------|----------------------|-----------------------|
| <b>ADDITIONS</b>                           |                       |                      |                       |
| Contributions:                             |                       |                      |                       |
| Employer                                   | \$ 9,141,064          | \$ 10,701,005        | \$ 19,842,069         |
| Plan Members                               | 2,447,478             | 441,693              | 2,889,171             |
| Total Contributions                        | <u>11,588,542</u>     | <u>11,142,698</u>    | <u>22,731,240</u>     |
| Investment Earnings:                       |                       |                      |                       |
| Net Change in Fair Value<br>of Investments | (40,993,111)          | -                    | (40,993,111)          |
| Interest and Dividends                     | 3,221,549             | (326,020)            | 2,895,529             |
| Total Investment Earnings (Loss)           | <u>(37,771,562)</u>   | <u>(326,020)</u>     | <u>(38,097,582)</u>   |
| Less Investment Expenses:                  |                       |                      |                       |
| Investment Management Fees                 | 1,015,455             | 2,505                | 1,017,960             |
| Net Investment Earnings (Loss)             | <u>(38,787,017)</u>   | <u>(328,525)</u>     | <u>(39,115,542)</u>   |
| Total Additions (Reductions)               | <u>(27,198,475)</u>   | <u>10,814,173</u>    | <u>(16,384,302)</u>   |
| <b>DEDUCTIONS</b>                          |                       |                      |                       |
| Benefits                                   | 21,130,550            | 8,135,353            | 29,265,903            |
| Administrative Expense                     | 61,011                | 94,305               | 155,316               |
| Other                                      | -                     | 7,264,235            | 7,264,235             |
| Total Deductions                           | <u>21,191,561</u>     | <u>15,493,893</u>    | <u>36,685,454</u>     |
| <b>CHANGE IN NET POSITION</b>              | (48,390,036)          | (4,679,720)          | (53,069,756)          |
| Net Position - Beginning of Year           | <u>279,203,551</u>    | <u>15,933,067</u>    | <u>295,136,618</u>    |
| <b>NET POSITION - END OF YEAR</b>          | <u>\$ 230,813,515</u> | <u>\$ 11,253,347</u> | <u>\$ 242,066,862</u> |

**NOTE 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.

**THE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 5 POSTEMPLOYMENT HEALTHCARE PLAN – RETIREE HEALTH PLAN (CONTINUED)**

**Plan Description (Continued)**

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, 2022. The plan does not issue a stand-alone financial report.

At January 1, 2022, plan membership consisted of the following:

|                            | Retiree<br>Health<br>Plan |
|----------------------------|---------------------------|
| Retired Members            | 493                       |
| Spouses of Retired Members | 324                       |
| Active Plan Members        | 412                       |
| Beneficiaries              | 186                       |
| Total Participants         | 1,415                     |

**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 Postretirement Benefits) fund. This fund is typically depleted by the end of the calendar year and is used to support medical costs. Since the early 1990s, the District has embraced “self-insurance.”

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

**THE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 5 POSTEMPLOYMENT HEALTHCARE PLAN – RETIREE HEALTH PLAN (CONTINUED)**

**Funding Policy (Continued)**

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.

**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, 2022, the annual money-weighted rate of return on investments, net of investment expense, was (1.82%). 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, 2022. The components of the net OPEB liability of the District at December 31, 2022 were as follows:

|                             |                       |
|-----------------------------|-----------------------|
| Total OPEB Liability        | \$ 136,127,930        |
| Plan Fiduciary Net Position | 11,253,347            |
| Net OPEB Liability          | <u>\$ 124,874,583</u> |

|   |       |
|---|-------|
| Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability | 8.27% |
|---|-------|

**THE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 5 POSTEMPLOYMENT HEALTHCARE PLAN – RETIREE HEALTH PLAN (CONTINUED)**

**Investments (Continued)**

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of January 1, 2022, 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   | 6.625%, 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 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, 2022, 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 %                     | 1.39 %                                   |
| Large Cap U.S. Equities | 80                       | 4.94                                     |

Discount Rate

The discount rate used to measure the total OPEB liability was 6.625%. The projection of cash flows used to determine the discount rate assumed that District contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

The discount rate at December 31, 2022, decreased 0.125% to 6.625% from 6.75% at December 31, 2021.

**THE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 5 POSTEMPLOYMENT HEALTHCARE PLAN – RETIREE HEALTH PLAN (CONTINUED)**

**Investments (Continued)**

Changes in Net OPEB Liability

|   | Metropolitan District Employees'<br>Retirement System |                                       |                                  |
|---|---|---------------------------------------|----------------------------------|
|   | Increase (Decrease)                                   |                                       |                                  |
|   | Total OPEB<br>Liability<br>(a)                        | Plan Fiduciary<br>Net Position<br>(b) | Net OPEB<br>Liability<br>(a)-(b) |
| Balances - January 1, 2022                                      | \$ 193,721,507  | \$ 15,933,067                         | \$ 177,788,440                   |
| Changes for the Year:   |   |                                       |                                  |
| Service Cost  | 1,831,765   | -                                     | 1,831,765                        |
| Interest on Total OPEB Liability                                | 13,169,283  | -                                     | 13,169,283                       |
| Differences Between Expected<br>and Actual Experience           | (78,493,217)  | -                                     | (78,493,217)                     |
| Changes in Assumptions  | 14,033,945  | -                                     | 14,033,945                       |
| Employer Contributions  | -   | 10,701,005                            | (10,701,005)                     |
| Member Contributions  | -   | 441,693                               | (441,693)                        |
| Net Investment Gain (Loss)                                      | -   | (328,525)                             | 328,525                          |
| Benefit Payments, Including Refund<br>of Employee Contributions | (8,135,353)   | (8,135,353)                           | -                                |
| Reallocation of Healthcare Costs                                | -   | (7,264,235)                           | 7,264,235                        |
| Administrative Expenses   | -   | (94,305)                              | 94,305                           |
| Net Changes   | (57,593,577)  | (4,679,720)                           | (52,913,857)                     |
| Balances - December 31, 2022                                    | \$ 136,127,930  | \$ 11,253,347                         | \$ 124,874,583                   |

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

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

|                    | 1% Decrease<br>(5.625%) | Current<br>Discount Rate<br>(6.625%) | 1% Increase<br>(7.625%) |
|--------------------|-------------------------|--------------------------------------|-------------------------|
| Net OPEB Liability | \$ 141,693,458          | \$ 124,874,583                       | \$ 110,879,007          |

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

The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rates of 6.50% (6.30% for Post-65) - 4.30% over 53 years:

|                    | 1% Decrease    | Healthcare Cost<br>Trend Rates | 1% Increase    |
|--------------------|----------------|--------------------------------|----------------|
| Net OPEB Liability | \$ 107,166,495 | \$ 124,874,583                 | \$ 146,567,203 |

**THE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 5 POSTEMPLOYMENT HEALTHCARE PLAN – RETIREE HEALTH PLAN (CONTINUED)**

**Investments (Continued)**

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

For the year ended December 31, 2022, the District recognized OPEB revenue of \$33,266,090, which is recorded within the Water Utility Fund and the Governmental Activities of the District in the amounts of \$14,220,344 and \$19,045,746, respectively. At December 31, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources.

|  | Metropolitan District Employees'<br>Retirement System |                                      |
|--|---|--------------------------------------|
|  | Deferred<br>Inflows of<br>Resources                   | Deferred<br>Outflows of<br>Resources |
| Differences Between Expected and Actual Experience                           | \$ 90,405,871   | \$ -                                 |
| Changes of Assumptions   | 53,658,118  | 20,429,483                           |
| Net Difference Between Projected and Actual Earning on OPEB Plan Investments | -   | 1,580,913                            |
| Total  | \$ 144,063,989  | \$ 22,010,396                        |

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> | <u>Amount</u>    |
|---------------------------------|------------------|
| 2023                            | \$ (45,417,342)  |
| 2024                            | (54,875,308)     |
| 2025                            | (13,607,921)     |
| 2026                            | (8,153,022)      |
| Total                           | \$ (122,053,593) |

During 2022, the District performed a thorough reconciliation of invoices of its third-party health insurance administrator and found a discrepancy in the amount billed for active and retired employees. The District charges its Internal Service Fund for active employee expenses and its OPEB fund for its retiree expenses. The District identified \$7,264,235 paid for by the Internal Service Fund for retirees for the period January 2019 through December 2021, and transferred that amount from the OPEB Fund to the Internal Service Fund to reimburse it for those expenses. The division of expenses was corrected in 2022 and beginning in 2023 the administrator is producing two invoices, one for active employees and one for retired employees.

**THE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 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 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 (CD) and a Connecticut DEEP Combined Sewer Overflows (CSO) consent order (CO) to achieve Federal Clean Water Act goals. That portion of the project related to the CSO CO is detailed in a Long-Term Control Plan (the LTCP), which is periodically revised, as required by the CO, 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.

**1. 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 to be schedule prohibitive, 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 updated LTCP was approved in April 2015 and set out a completion of the project by 2029.

**THE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 6 OTHER INFORMATION (CONTINUED)**

**A. Clean Water Project (Continued)**

**1. Evolution of the Clean Water Project (Continued)**

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. CT DEEP and the District have executed a new CO in September 2022, which supersedes the original CO and 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 and CD required Capacity Management Operations Maintenance (CMOM) program with projects reasonably necessary to comply with the CSO CO. 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, such as the District’s CMOM program, 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 achieves incremental improvements in the coming years and full compliance in 40 years. Other options would have achieved compliance earlier, but would not provide the same immediate benefits to the District’s customers as it would have deferred the replacement and or rehabilitation of aging infrastructure.

**THE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 6 OTHER INFORMATION (CONTINUED)**

**A. Clean Water Project (Continued)**

**2. 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 is \$4.25 in 2023 and then increases incrementally to approximately \$7.25 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 CO, 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.

**3. 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 METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 6 OTHER INFORMATION (CONTINUED)**

**A. Clean Water Project (Continued)**

**3. Referendum Requirements (Continued)**

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, \$309,455,000 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.

**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 METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 6 OTHER INFORMATION (CONTINUED)**

**B. Risk Management (Continued)**

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 claims liability of \$6,813,945 for the self-insurance fund reported at December 31, 2022, is based on the requirements of GASB Statement No. 10, which requires that a liability for estimated claims incurred but not reported be recorded. The District's policy is to have an actuarial study performed annually.

Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that has been incurred but not reported (IBNR). The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines and damage awards. Accordingly, claims are reevaluated periodically to consider the effects of inflation, recent claim settlement trends (including frequency and amount of pay-outs), and other economic and social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims. Estimated recoveries, for example for salvage or subrogation, are another component of the claims liability estimate. Changes in the claims liability for the past two years are as follows:

|      | Accrued<br>Liability<br>Beginning of<br>Fiscal Year | Current Year<br>Claims and<br>Changes in<br>Estimates | Claim<br>Payments | Accrued<br>Liability<br>End of<br>Fiscal Year |
|------|---|---|-------------------|---|
|      | <u>          </u>                                   | <u>          </u>                                     | <u>          </u> | <u>          </u>                             |
| 2021 | \$ 6,283,811  | \$ 15,839,850   | \$ 15,732,336     | \$ 6,391,325                                  |
| 2022 | 6,391,325   | 13,449,915  | 13,027,295        | 6,813,945                                     |

**THE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 6 OTHER INFORMATION (CONTINUED)**

**C. Contingent Liabilities**

**1. 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.

**2. Other**

The Metropolitan District is engaged in the advancement of an ambitious capital improvement project known as the Clean Water Project (CWP). One component of the CWP is the construction of the South Hartford Conveyance and Storage Tunnel, a 4.1-mile long subterranean tunnel, which runs from Talcott Road in West Hartford to the MDC wastewater treatment plant located in the South Meadows of Hartford. The contractor constructing the project, including various drop shafts along the tunnel route, is Kenny/Obayashi IV, A Joint Venture (KOJV). On June 30, 2016, the MDC and KOJV executed Contract No. 2 (2015 B-27) (the "Contract") for the lump sum price of \$279,400,000 for the project known as the South Hartford Conveyance and Storage Tunnel, Tunnel and Shaft Construction (the "Project"). The Project is funded by the MDC (55% loan) and the State of Connecticut (45% grant). It is anticipated that the Project will achieve substantial completion in the summer of 2023.

In the course of constructing the tunnel and the retrieval shaft, KOJV alleges that it encountered differing site conditions. As a result, KOJV alleges that it incurred additional costs entitling KOJV to payment of approximately \$87. KOJV has submitted, or intends to submit, proposed change orders totaling this approximate amount. The MDC disputes KOJV's entitlement to any claim for additional compensation. 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. The DRB has yet to be reconstituted. In the meantime, KOJV filed a civil action in the United States District Court for the District of Connecticut seeking damages for extra work. As with the DRB proceeding, the MDC disputes KOJV's claim and intends to not only defend the action but also to pursue counterclaims as noted below. The parties are exploring binding arbitration as the most effective and timely way to resolve what will most likely prove to be a complicated and extremely technical proceeding. The parties have agreed to suspend the federal court action pending any agreement to arbitrate.

**THE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 6 OTHER INFORMATION (CONTINUED)**

**C. Contingent Liabilities**

**2. Other (Continued)**

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 Contract. As a result, the MDC submits that KOJV is liable to the MDC for liquidated damages that must be paid by KOJV that result for KOJV's failure to meet the project schedule and achieve the contract milestones. The MDC also maintains that a portion of the work called for under the contract was either improperly completed or not completed at all. It is anticipated that the MDC liquidated damage claim against KOJV and the value of the defective and/or incomplete work claims will exceed \$20 million.

In terms of "materiality," the MDC has sufficient contract contingency funds to meet any alleged exposure. Additionally, the State is expected to participate in satisfying any successful claim by KOJV as well. Further, as noted, the MDC expects to offset liquidated damages against any successful claim by KOJV.

**REQUIRED SUPPLEMENTARY INFORMATION**

**THE METROPOLITAN DISTRICT  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
YEAR ENDED DECEMBER 31, 2022**

|  | Budgeted Amounts  |                   | Actual            | Variance with<br>Final Budget -<br>Positive<br>(Negative) |
|--|-------------------|-------------------|-------------------|---|
|  | Original          | Final             |                   |   |
| <b>REVENUES</b>                          |                   |                   |                   |   |
| Taxation:                                |                   |                   |                   |   |
| Hartford                                 | \$ 14,067,500     | \$ 14,067,500     | \$ 14,067,500     | \$ -  |
| East Hartford                            | 6,264,400         | 6,264,400         | 6,264,400         | -   |
| Newington                                | 4,799,100         | 4,799,100         | 4,799,100         | -   |
| Wethersfield                             | 4,252,500         | 4,252,500         | 4,252,500         | -   |
| Windsor                                  | 4,698,600         | 4,698,600         | 4,698,600         | -   |
| Bloomfield                               | 3,868,400         | 3,868,400         | 3,868,400         | -   |
| Rocky Hill                               | 3,206,800         | 3,206,800         | 3,206,800         | -   |
| West Hartford                            | 11,919,300        | 11,919,300        | 11,919,300        | -   |
| Total Taxation                           | <u>53,076,600</u> | <u>53,076,600</u> | <u>53,076,600</u> | <u>-</u>  |
| Sewer User Fees:                         |                   |                   |                   |   |
| Bradley Airport - Hamilton - East Granby | 1,280,800         | 1,280,800         | 1,153,534         | (127,266)   |
| Customer Service Charge                  | 9,894,900         | 9,894,900         | 9,605,547         | (289,353)   |
| Nonmunicipal - Tax Exempt                | 8,536,900         | 8,536,900         | 7,357,576         | (1,179,324)   |
| Hi-Flow Charges                          | 1,195,402         | 1,195,402         | 3,245,767         | 2,050,365   |
| Hi-Strength                              | 770,000           | 770,000           | 638,336           | (131,664)   |
| Manchester                               | 180,000           | 180,000           | 174,958           | (5,042)   |
| South Windsor                            | 15,900            | 15,900            | 16,211            | 311   |
| Farmington                               | 166,200           | 166,200           | 141,950           | (24,250)  |
| Cromwell                                 | 11,700            | 11,700            | 13,484            | 1,784   |
| Hartford                                 | -                 | -                 | (490)             | (490)   |
| DEEP/Landfill Discharge Fees             | 120,000           | 120,000           | -                 | (120,000)   |
| Total                                    | <u>22,171,802</u> | <u>22,171,802</u> | <u>22,346,873</u> | <u>175,071</u>  |
| Sewer User Rebates                       | -                 | -                 | -                 | -   |
| Total Sewer User Fees                    | <u>22,171,802</u> | <u>22,171,802</u> | <u>22,346,873</u> | <u>175,071</u>  |
| Intergovernmental:                       |                   |                   |                   |   |
| Sludge Handling                          | 10,900,000        | 10,900,000        | 10,718,523        | (181,477)   |
| Household Hazardous Waste                | 31,000            | 31,000            | 29,231            | (1,769)   |
| Total Intergovernmental                  | <u>10,931,000</u> | <u>10,931,000</u> | <u>10,747,754</u> | <u>(183,246)</u>  |
| Investment Income                        | 40,000            | 40,000            | 513,679           | 473,679   |

**THE METROPOLITAN DISTRICT  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (CONTINUED)  
YEAR ENDED DECEMBER 31, 2022**

|  | Budgeted Amounts |                  | Actual           | Variance with<br>Final Budget -<br>Positive<br>(Negative) |
|--|------------------|------------------|------------------|---|
|  | Original         | Final            |                  |   |
| <b>REVENUES (CONTINUED)</b>                |                  |                  |                  |   |
| Other Revenues:                            |                  |                  |                  |   |
| Bill Jobs                                  | \$ 10,000        | \$ 10,000        | \$ 17,156        | \$ 7,156  |
| FOG Charges                                | 236,000          | 236,000          | 236,280          | 280   |
| Developers                                 | 576,000          | 576,000          | -                | (576,000)   |
| Payroll Additives and Indirect Costs       | 260,000          | 260,000          | 270,631          | 10,631  |
| Late Payment Charges                       | 1,000,000        | 1,000,000        | 1,827,156        | 827,156   |
| Labor Additives and Overhead               | 310,000          | 310,000          | 44,691           | (265,309)   |
| Property Rents                             | 153,800          | 153,800          | 213,101          | 59,301  |
| Sale of Materials/Equipment                | 150,000          | 150,000          | 197,603          | 47,603  |
| Septage/Glycol Discharge Fees              | 1,114,800        | 1,114,800        | 1,291,811        | 177,011   |
| Rebates and Reimbursements                 | 50,000           | 50,000           | 175,984          | 125,984   |
| PM Unit                                    | 5,291,000        | 5,291,000        | 5,291,000        | -   |
| Vendor Discount Revenue                    | 500              | 500              | 198              | (302)   |
| Miscellaneous                              | 150,000          | 150,000          | 369,905          | 219,905   |
| Total Other Revenues                       | <u>9,302,100</u> | <u>9,302,100</u> | <u>9,935,516</u> | <u>633,416</u>  |
| Total Revenues                             | 95,521,502       | 95,521,502       | 96,620,422       | 1,098,920   |
| <b>OTHER FINANCING SOURCES</b>             |                  |                  |                  |   |
| Transfers In                               | 4,680,000        | 4,680,000        | -                | (4,680,000)   |
| Total Other Financing Sources              | <u>4,680,000</u> | <u>4,680,000</u> | <u>-</u>         | <u>(4,680,000)</u>  |
| Total Revenues and Other Financing Sources | 100,201,502      | 100,201,502      | 96,620,422       | (3,581,080)   |
| <b>EXPENDITURES</b>                        |                  |                  |                  |   |
| General Government:                        |                  |                  |                  |   |
| District Board                             | 257,500          | 257,500          | 229,053          | 28,447  |
| Executive Office                           | 1,505,900        | 1,505,900        | 1,216,755        | 289,145   |
| Legal                                      | 723,100          | 723,100          | 600,282          | 122,818   |
| Information Systems                        | 2,928,700        | 2,928,700        | 2,843,335        | 85,365  |
| Finance                                    | 2,442,100        | 2,442,100        | 2,036,698        | 405,402   |
| Total General Government                   | <u>7,857,300</u> | <u>7,857,300</u> | <u>6,926,123</u> | <u>931,177</u>  |
| Engineering and Planning                   | 535,600          | 535,600          | 451,965          | 83,635  |
| Operations:                                |                  |                  |                  |   |
| Environmental Health and Safety            | 480,600          | 480,600          | 376,914          | 103,686   |
| Command Center                             | 1,502,800        | 1,601,400        | 1,553,934        | 47,466  |
| Chief Operating Office                     | 375,000          | 375,000          | 333,114          | 41,886  |
| Customer Service                           | 997,100          | 997,100          | 895,291          | 101,809   |
| Operations                                 | 3,268,600        | 3,233,600        | 3,217,753        | 15,847  |
| Total Operations                           | <u>6,624,100</u> | <u>6,687,700</u> | <u>6,377,006</u> | <u>310,694</u>  |

**THE METROPOLITAN DISTRICT  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (CONTINUED)  
YEAR ENDED DECEMBER 31, 2022**

|                                   | Budgeted Amounts   |                    | Actual            | Variance with<br>Final Budget -<br>Positive<br>(Negative) |
|-----------------------------------|--------------------|--------------------|-------------------|---|
|                                   | Original           | Final              |                   |   |
| <b>EXPENDITURES (CONTINUED)</b>   |                    |                    |                   |   |
| Plants and Maintenance:           |                    |                    |                   |   |
| Water Pollution Control           | \$ 20,573,002      | \$ 20,558,402      | \$ 17,231,739     | \$ 3,326,663  |
| Laboratory Services               | 758,200            | 758,200            | 659,057           | 99,143  |
| Maintenance                       | 6,117,900          | 6,068,900          | 5,247,589         | 821,311   |
| Special Agreements and Programs   | 1,398,300          | 1,398,300          | 1,151,921         | 246,379   |
| Total Plants and Maintenance      | <u>28,847,402</u>  | <u>28,783,802</u>  | <u>24,290,306</u> | <u>4,493,496</u>  |
| Employee Benefits and Other:      |                    |                    |                   |   |
| Employee Benefits                 | 16,747,500         | 16,747,500         | 16,618,272        | 129,228   |
| General Insurance                 | 2,492,100          | 2,492,100          | 2,425,055         | 67,045  |
| Total Employee Benefits and Other | <u>19,239,600</u>  | <u>19,239,600</u>  | <u>19,043,327</u> | <u>196,273</u>  |
| Contingency                       | 1,980,000          | 1,980,000          | -                 | 1,980,000   |
| Debt Service:                     |                    |                    |                   |   |
| Principal                         | 20,785,400         | 20,785,400         | 20,829,650        | (44,250)  |
| Interest                          | 13,892,100         | 13,892,100         | 13,892,079        | 21  |
| Interest Expense IFO/PLO          | 189,000            | 189,000            | 18,882            | 170,118   |
| Legal Services                    | 251,000            | 251,000            | 31,536            | 219,464   |
| Total Debt Service                | <u>35,117,500</u>  | <u>35,117,500</u>  | <u>34,772,147</u> | <u>345,353</u>  |
| Total Expenditures                | <u>100,201,502</u> | <u>100,201,502</u> | <u>91,860,874</u> | <u>8,340,628</u>  |
| Net Change in Fund Balance        | <u>\$ -</u>        | <u>\$ -</u>        | 4,759,548         | <u>\$ 4,759,548</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                    | 2,095            |
| The District does not Budget for Sales Accruals                   | 199,580          |
| The District does not Budget for Certain Miscellaneous Revenue    | (7,848)          |
| The District does not Budget for Billable or Developer Payroll    | (384,710)        |
| The District does not Budget for Billable or Developer Accrual    | 17,592           |
| The District does not Budget for Certain Nonfunded Payroll        | (30,923)         |
| The District does not Budget for Year-End Payroll Accruals        | (8,773)          |
| The District does not Budget for Bad Debts                        | (495,122)        |
| The District does not Budget for Year-End Expense Accruals        | (281,027)        |
| The District does not Budget for the Lateral Installation Program | 925,984          |
| The District does not Budget for Liquid Waste Discharge Accruals  | <u>(598,702)</u> |

Net Change in Fund Balance as Reported on the Statement of Revenues,  
Expenditures and Changes in Fund Balances - Governmental Funds

\$ 4,097,694

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

|  | 2022                 | 2021                 | 2020                 | 2019                 | 2018                 | 2017                 | 2016                 | 2015                 | 2014                 |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Total Pension Liability:   |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Service Cost   | \$ 4,845,109         | \$ 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   | 21,353,126           | 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                         | 2,677,228            | 1,429,146            | 1,826,376            | 2,768,238            | 8,180,799            | (605,374)            | 159,570              | (348,426)            | -                    |
| Changes of Assumptions   | (1,016,260)          | 4,123,207            | 18,425,798           | 6,966,524            | -                    | -                    | -                    | 7,992,450            | -                    |
| Benefit Payments, Including Refunds of Member Contributions                | (21,130,550)         | (20,055,043)         | (18,776,033)         | (18,226,458)         | (17,748,776)         | (17,299,291)         | (15,950,213)         | (15,844,541)         | (15,437,612)         |
| Net Change in Total Pension Liability                                      | 6,728,653            | 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  | 321,890,252          | 310,703,505          | 284,902,241          | 269,964,668          | 257,137,288          | 252,793,496          | 246,828,827          | 233,821,211          | 228,863,187          |
| Total Pension Liability - Ending   | 328,618,905          | 321,890,252          | 310,703,505          | 284,902,241          | 269,964,668          | 257,137,288          | 252,793,496          | 246,828,827          | 233,821,211          |
| Plan Fiduciary Net Position:   |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Contributions - Employer   | 9,141,064            | 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   | 2,447,478            | 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)   | (38,787,017)         | 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                | (21,130,550)         | (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   | (61,011)             | (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                                  | (48,390,036)         | 25,857,258           | 26,559,952           | 25,081,857           | (18,216,168)         | 18,633,255           | 6,373,299            | (3,986,437)          | 6,550,466            |
| Plan Fiduciary Net Position - Beginning                                    | 279,203,551          | 253,346,293          | 226,786,341          | 201,704,484          | 219,920,652          | 201,287,397          | 194,914,098          | 198,900,535          | 192,350,069          |
| Plan Fiduciary Net Position - Ending                                       | 230,813,515          | 279,203,551          | 253,346,293          | 226,786,341          | 201,704,484          | 219,920,652          | 201,287,397          | 194,914,098          | 198,900,535          |
| District's Net Pension Liability - Ending                                  | <u>\$ 97,805,390</u> | <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 | 70.24%               | 86.74%               | 81.54%               | 79.60%               | 74.72%               | 85.53%               | 79.63%               | 78.97%               | 85.07%               |
| Covered Payroll  | \$ 44,109,088        | \$ 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                   | 221.74%              | 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, 2022, decreased 0.125% to 6.625% from 6.75% at December 31, 2021.

\*Note: 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**

|  | 2022             | 2021             | 2020                  | 2019                | 2018                | 2017                | 2016             | 2015                | 2014               | 2013               |
|--|------------------|------------------|-----------------------|---------------------|---------------------|---------------------|------------------|---------------------|--------------------|--------------------|
| Actuarially Determined Contribution                                  | \$ 9,141,064     | \$ 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       |
| Contributions in Relation to the Actuarially Determined Contribution | <u>9,141,064</u> | <u>9,133,600</u> | <u>8,650,763</u>      | <u>5,688,000</u>    | <u>6,500,000</u>    | <u>6,300,000</u>    | <u>6,361,424</u> | <u>6,000,000</u>    | <u>5,918,000</u>   | <u>5,881,000</u>   |
| Contribution Deficiency (Excess)                                     | <u>\$ -</u>      | <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> |
| Covered Payroll  | \$ 44,109,088    | \$ 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      |
| Contributions as a Percentage of Covered Payroll                     | 20.72%           | 19.36%           | 19.26%                | 12.66%              | 15.19%              | 14.97%              | 14.47%           | 14.07%              | 14.27%             | 15.17%             |

Notes to Schedule

Valuation Date: January 1, 2022  
 Measurement Date: December 31, 2022  
 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 | 17 Years  |
| Asset Valuation Method        | 5 Years, Nonasymptotic  |
| Inflation                     | 2.75%   |
| Salary Increases              | 3.50%   |
| Investment Rate of Return     | 6.625%  |
| 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-2021 Ultimate Scale |

Other Information:

The discount rate was lowered from 6.75% to 6.625%.  
 The mortality improvement scale was updated from the MP-2019 ultimate scale to the modified MP-2021 ultimate scale.

**THE METROPOLITAN DISTRICT  
SCHEDULE OF INVESTMENT RETURNS  
MDERS  
LAST NINE FISCAL YEARS\***

|  | <u>2022</u> | <u>2021</u> | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Annual Money-Weighted Rate of<br>Return, Net of Investment Expense | (13.95%)    | 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 SIX FISCAL YEARS\***

|   | 2022                  | 2021                  | 2020                  | 2019                  | 2018                  | 2017                  |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Total OPEB Liability:   |                       |                       |                       |                       |                       |                       |
| Service Cost  | \$ 1,831,765          | \$ 2,842,666          | \$ 8,810,535          | \$ 6,698,208          | \$ 8,531,854          | \$ 7,730,316          |
| Interest  | 13,169,283            | 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                      | (78,493,217)          | -                     | (72,440,991)          | -                     | 14,146,966            | -                     |
| Changes of Assumptions  | 14,033,945            | -                     | (134,145,298)         | 72,422,368            | (53,399,384)          | 16,177,425            |
| Benefit Payments  | (8,135,353)           | (4,096,791)           | (5,226,394)           | (5,465,311)           | (5,313,360)           | (5,564,433)           |
| Net Change in Total OPEB Liability                                      | (57,593,577)          | 11,341,450            | (192,598,830)         | 85,680,224            | (25,018,533)          | 29,304,791            |
| Total OPEB Liability - Beginning  | 193,721,507           | 182,380,057           | 374,978,887           | 289,298,663           | 314,317,196           | 285,012,405           |
| Total OPEB Liability - Ending   | 136,127,930           | 193,721,507           | 182,380,057           | 374,978,887           | 289,298,663           | 314,317,196           |
| Plan Fiduciary Net Position:  |                       |                       |                       |                       |                       |                       |
| Contributions - Employer  | 10,701,005            | 10,448,800            | 10,349,000            | 9,146,000             | 5,000,000             | 5,000,000             |
| Contributions - Member  | 441,693               | 443,518               | 1,477,112             | 1,155,677             | 869,481               | 804,712               |
| Net Investment Income (Loss)  | (328,525)             | 102,507               | 2,531                 | -                     | -                     | -                     |
| Reimbursements  | -                     | -                     | -                     | 179,878               | 241,355               | 451,135               |
| Benefit Payments  | (8,135,353)           | (4,096,791)           | (6,244,093)           | (6,341,967)           | (6,185,680)           | (6,595,450)           |
| Administrative Expense  | (94,305)              | (83,120)              | -                     | (5,589)               | -                     | -                     |
| Reallocation of Healthcare Costs  | (7,264,235)           | -                     | -                     | -                     | -                     | -                     |
| Special Item  | -                     | -                     | -                     | -                     | -                     | (26,346,000)          |
| Net Change in Plan Fiduciary Net Position                               | (4,679,720)           | 6,814,914             | 5,584,550             | 4,133,999             | (74,844)              | (26,685,603)          |
| Plan Fiduciary Net Position - Beginning                                 | 15,933,067            | 9,118,153             | 3,533,603             | (600,396)             | (525,552)             | 26,160,051            |
| Plan Fiduciary Net Position - Ending                                    | 11,253,347            | 15,933,067            | 9,118,153             | 3,533,603             | (600,396)             | (525,552)             |
| Net OPEB Liability - Ending   | <u>\$ 124,874,583</u> | <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 | 8.27%                 | 8.22%                 | 5.00%                 | 0.94%                 | -0.21%                | -0.17%                |
| Covered Payroll   | \$ 46,502,237         | \$ 46,502,237         | \$ 43,143,678         | \$ 43,143,678         | \$ 43,535,483         | \$ 43,535,483         |
| Net OPEB Liability as a Percentage of Covered Payroll                   | 268.53%               | 382.32%               | 401.59%               | 860.95%               | 665.89%               | 723.19%               |

\*Note: 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>2022</u>         | <u>2021</u>         | <u>2020</u>         | <u>2019</u>           | <u>2018</u>           | <u>2017</u>          | <u>2016</u>          | <u>2015</u>         | <u>2014</u>          | <u>2013</u>         |
|--|---------------------|---------------------|---------------------|-----------------------|-----------------------|----------------------|----------------------|---------------------|----------------------|---------------------|
| Actuarially Determined Contribution (1)                              | \$ 12,003,097       | \$ 11,673,290       | \$ 13,846,000       | \$ -                  | \$ -                  | \$ 18,458,692        | \$ 15,855,000        | \$ 14,765,820       | \$ 15,755,000        | \$ 15,162,000       |
| Contributions in Relation to the Actuarially Determined Contribution | 10,701,005          | 10,448,800          | 10,349,000          | 9,146,000             | 5,000,000             | 5,000,000            | 5,000,000            | 5,000,000           | 5,588,854            | 6,512,592           |
| Contribution Deficiency (Excess)                                     | <u>\$ 1,302,092</u> | <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> |
| Covered Payroll  | \$ 46,502,237       | \$ 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       |
| Contributions as a Percentage of Covered Payroll                     | 23.01%              | 22.47%              | 23.99%              | 21.20%                | 11.48%                | 11.48%               | 12.20%               | 12.20%              | 13.97%               | 16.28%              |

(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, 2022  
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   | 6.625%  |
| 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-2021 ultimate scale. |

Other Information:

The discount rate was lowered from 6.75% to 6.625%  
The mortality improvement scale was updated from the Ultimate MP-2019 scale to the modified Ultimate MP-2021 scale.  
Added a load for administrative expenses to the Actuarially Determined Contribution to reflect administrative expenses paid from the Trust.

**THE METROPOLITAN DISTRICT  
SCHEDULE OF INVESTMENT RETURNS  
RETIREE HEALTH PLAN  
LAST SIX FISCAL YEARS\***

|  | <u>2022</u> | <u>2021</u> | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> |
|--|-------------|-------------|-------------|-------------|-------------|-------------|
| Annual Money-Weighted Rate of Return,<br>Net of Investment Expense | (1.82%)     | 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 \$75,730,000 General Obligation Bonds, Issue of 2023, dated August 10, 2023, maturing August 1, 2024-2043 (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 10, 2023, 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.

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. 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.

*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 in 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.

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## APPENDIX C - FORM OF CONTINUING DISCLOSURE AGREEMENT

In accordance with the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission, the 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 10<sup>th</sup> day of August, 2023 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 \$75,730,000 General Obligation Bonds, Issue of 2023 (the "Bonds"), dated August 10, 2023 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, 2023. 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, 2023, 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.

(a) This Section 4 shall govern the giving of notices of the occurrence of any of the following events:

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 10<sup>th</sup> day of August, 2023.

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

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

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

NOTICE OF SALE

**\$84,755,000\***

**THE METROPOLITAN DISTRICT  
HARTFORD COUNTY, CONNECTICUT**

**GENERAL OBLIGATION BONDS, ISSUE OF 2023**

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

**JULY 27, 2023**

for the purchase, when issued, of the whole of the District's \$84,755,000\* General Obligation Bonds, Issue of 2023, dated August 10, 2023, bearing interest payable semiannually on February 1 and August 1 in each year until maturity, commencing February 1, 2024, and maturing on August 1 in each year as follows:

|      |              |      |              |
|------|--------------|------|--------------|
| 2024 | \$2,725,000* | 2034 | \$4,290,000* |
| 2025 | \$2,765,000* | 2035 | \$4,465,000* |
| 2026 | \$2,905,000* | 2036 | \$4,660,000* |
| 2027 | \$3,050,000* | 2037 | \$4,830,000* |
| 2028 | \$3,205,000* | 2038 | \$5,020,000* |
| 2029 | \$3,365,000* | 2039 | \$5,220,000* |
| 2030 | \$3,530,000* | 2040 | \$5,430,000* |
| 2031 | \$3,705,000* | 2041 | \$5,645,000* |
| 2032 | \$3,895,000* | 2042 | \$5,875,000* |
| 2033 | \$4,085,000* | 2043 | \$6,110,000* |

(the "Bonds"). The Bonds will be delivered against payment in Federal funds in New York, New York on or about August 10, 2023. 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, 2033 are not subject to redemption prior to maturity. The Bonds maturing on August 1, 2034 and thereafter are subject to redemption prior to maturity, at the

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\* Preliminary, subject to change.

option of the District, on and after August 1, 2033 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 interest accrued and unpaid to the redemption date:

| <u>Redemption Dates</u>       | <u>Redemption Price</u> |
|-------------------------------|-------------------------|
| August 1, 2033 and thereafter | 100%                    |

**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 \$84,755,000\* 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 10, 2023, 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 NOON (Eastern Time), on THURSDAY, JULY**

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\* Preliminary, subject to change.

**27, 2023.** 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 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 Mr. 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 July 27, 2023 (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 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 July 18, 2023 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 July 18, 2023. 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 Mr. Bill Lindsay, Managing Director, Munistat Services, Inc., 129 Samson Rock Drive, Suite A, Madison, Connecticut 06443, telephone (203) 421-2880.

July 18, 2023

William A. DiBella  
Chairman

Robert Barron  
Chief Financial Officer/Treasurer

**ISSUE PRICE RULE SELECTION CERTIFICATE**

The Metropolitan District, Hartford County, Connecticut  
\$84,755,000\* General Obligation Bonds, Issue of 2023

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 July 18, 2023 (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><br>(Underwriter has or will comply with 10% Sale Rule for this Maturity) |                    | <b>Hold the Offering Price Rule</b><br>(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> |
| 08/01/2024              | \$2,725,000*            | ____%                | <input type="checkbox"/>  | \$ _____           | <input type="checkbox"/>   | \$ _____                      |
| 08/01/2025              | 2,765,000*              | ____%                | <input type="checkbox"/>  | \$ _____           | <input type="checkbox"/>   | \$ _____                      |
| 08/01/2026              | 2,905,000*              | ____%                | <input type="checkbox"/>  | \$ _____           | <input type="checkbox"/>   | \$ _____                      |
| 08/01/2027              | 3,050,000*              | ____%                | <input type="checkbox"/>  | \$ _____           | <input type="checkbox"/>   | \$ _____                      |
| 08/01/2028              | 3,205,000*              | ____%                | <input type="checkbox"/>  | \$ _____           | <input type="checkbox"/>   | \$ _____                      |
| 08/01/2029              | 3,365,000*              | ____%                | <input type="checkbox"/>  | \$ _____           | <input type="checkbox"/>   | \$ _____                      |
| 08/01/2030              | 3,530,000*              | ____%                | <input type="checkbox"/>  | \$ _____           | <input type="checkbox"/>   | \$ _____                      |
| 08/01/2031              | 3,705,000*              | ____%                | <input type="checkbox"/>  | \$ _____           | <input type="checkbox"/>   | \$ _____                      |
| 08/01/2032              | 3,895,000*              | ____%                | <input type="checkbox"/>  | \$ _____           | <input type="checkbox"/>   | \$ _____                      |
| 08/01/2033              | 4,085,000*              | ____%                | <input type="checkbox"/>  | \$ _____           | <input type="checkbox"/>   | \$ _____                      |
| 08/01/2034              | 4,290,000*              | ____%                | <input type="checkbox"/>  | \$ _____           | <input type="checkbox"/>   | \$ _____                      |
| 08/01/2035              | 4,465,000*              | ____%                | <input type="checkbox"/>  | \$ _____           | <input type="checkbox"/>   | \$ _____                      |
| 08/01/2036              | 4,660,000*              | ____%                | <input type="checkbox"/>  | \$ _____           | <input type="checkbox"/>   | \$ _____                      |
| 08/01/2037              | 4,830,000*              | ____%                | <input type="checkbox"/>  | \$ _____           | <input type="checkbox"/>   | \$ _____                      |
| 08/01/2038              | 5,020,000*              | ____%                | <input type="checkbox"/>  | \$ _____           | <input type="checkbox"/>   | \$ _____                      |
| 08/01/2039              | 5,220,000*              | ____%                | <input type="checkbox"/>  | \$ _____           | <input type="checkbox"/>   | \$ _____                      |
| 08/01/2040              | 5,430,000*              | ____%                | <input type="checkbox"/>  | \$ _____           | <input type="checkbox"/>   | \$ _____                      |
| 08/01/2041              | 5,645,000*              | ____%                | <input type="checkbox"/>  | \$ _____           | <input type="checkbox"/>   | \$ _____                      |
| 08/01/2042              | 5,875,000*              | ____%                | <input type="checkbox"/>  | \$ _____           | <input type="checkbox"/>   | \$ _____                      |
| 08/01/2043              | 6,110,000*              | ____%                | <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 July 28, 2023:

**Bond Counsel:** dbraun@goodwin.com      **Municipal Advisor:** bill.lindsay@munistat.com

\* Preliminary, subject to change.



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# MDC



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