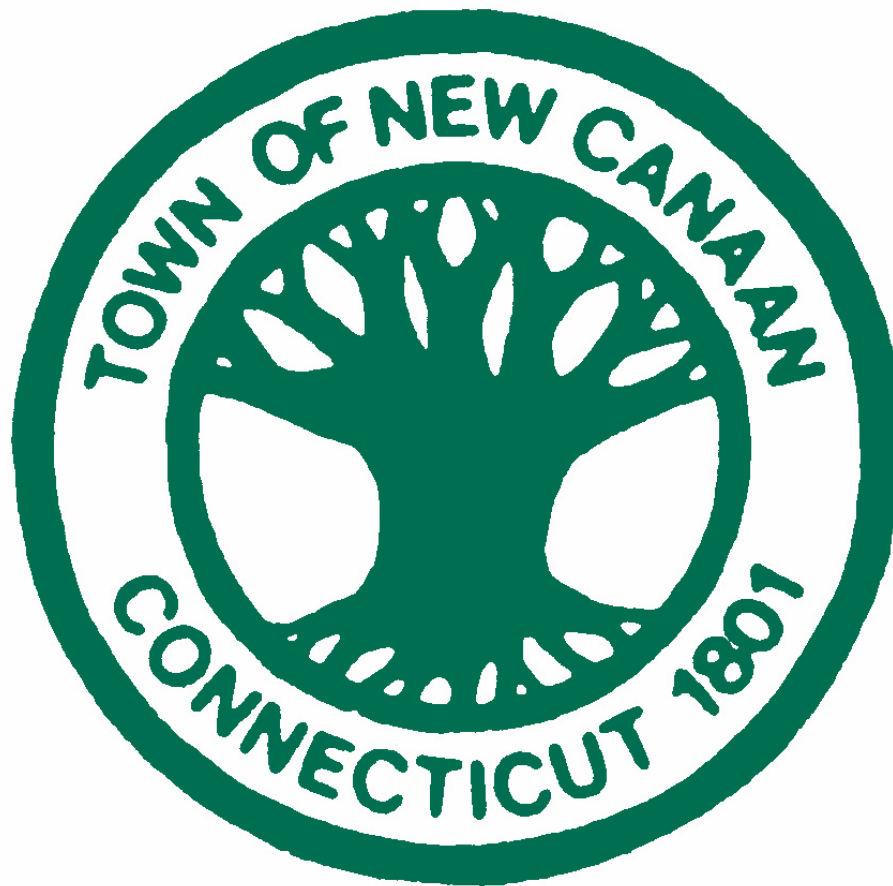


**TOWN OF NEW CANAAN, CONNECTICUT**

**ANNUAL COMPREHENSIVE  
FINANCIAL REPORT**



**FOR THE YEAR ENDED JUNE 30, 2023**

# **TOWN OF NEW CANAAN, CONNECTICUT**

**Annual Comprehensive Financial Report  
For the Year Ended June 30, 2023**



**Published by Finance Department**

**New Canaan Town Hall  
77 Main Street  
New Canaan, Connecticut 06840**

**Anne Kelly-Lenz  
Chief Financial Officer**

**Town of New Canaan, Connecticut**  
**Annual Comprehensive Financial Report**  
**For the Year Ended June 30, 2023**

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# **Introductory Section**

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# TOWN OF NEW CANAAN

FINANCE DEPARTMENT  
TOWN HALL, 77 MAIN STREET  
NEW CANAAN, CT 06840

Anne Kelly-Lenz  
Chief Financial Officer  
Anne.KellyLenz@newcanaanct.gov

TEL: (203) 594-3024  
FAX: (203) 594 -3122

December 13, 2023

Residents of the Town of New Canaan  
First Selectman, Dionna Carlson  
Treasurer, Andrew Brooks  
Members of the Board of Selectmen  
Members of the Town Council  
Members of the Board of Finance  
Members of the Audit Committee

We are pleased to provide this Annual Financial Report of the Town of New Canaan, Connecticut for the fiscal year ended June 30, 2023. State law requires that every general-purpose local government complete within six months of the close of each fiscal year an audit of the Town's financial statements unless State approved extension has been granted. This report is published to fulfill that requirement.

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

The independent auditors, PKF O'Connor Davies, LLP, has issued an unmodified ("clean") opinion on the Town of New Canaan's ("Town") financial statements for the year ended June 30, 2023. Their report is located at the front of the financial section of this report. Management's discussion and analysis ("MD&A") immediately follows the independent auditors' report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

## **Profile of the Town**

Recognized by Connecticut's colonial legislature in 1731, Canaan Parish was a religious parish in northeastern Stamford and northwestern Norwalk for seventy years. The Town was incorporated in May 1801 as Connecticut's 108th town. Located in lower Fairfield County, the Town encompasses 22.6 square miles. It is located between Stamford and Wilton, with New York State to the north and Norwalk and Darien to the south. The Town, situated at the end of a Metro-North Railroad branch line, is also within close proximity to air service from the New York City Metropolitan Tri-State area, the Merritt Parkway and the I-95 corridor, and 45 miles from Manhattan making New Canaan the ideal location for commuters and families. The Town is primarily a suburban residential community with high-quality single-family homes and few commercial properties. The U.S. Census Bureau's 2021 American Community Survey, has the Town's population at 20,672.

Many New Canaan residents are in the executive, professional, financial, technical, and managerial categories employed in New York City and Westchester and Fairfield Counties. Residents enjoy the unique New England downtown with its beauty and charm offering a variety of exclusive retail shops, restaurants, banking institutions, and businesses.

The Town of New Canaan takes pride in its excellent schools. The nationally recognized New Canaan public school system includes three elementary schools, a middle school, and a high school, providing facilities for 4,100 students in 2023-2024. Additionally, the Town provides the LAUNCH transition program for students aged 18 to 21 with special needs. The New Canaan Country School (grades pre-K-9) and Saint Luke's School (grades 7-12) are excellent private schools located in the Town.

The Town operates using a Selectman/Council form of government whereby; the executive body consists of a three-member elected Board of Selectmen, with the First Selectman serving as the Chief Executive, and the legislative body is the twelve-member, elected Town Council. Details are explained in the section, Form of Government, below. The Town provides a full range of municipal services to its citizens including; education; police and fire protection; public works and sanitation; highways, streets, and infrastructure maintenance; parks, recreational and cultural services; health and social services; volunteer ambulance service; full scope land use with planning and development and general administrative services. A listing of Town offices and further information about the Town may be found on the Town's official website, [www.newcanaan.info](http://www.newcanaan.info).

Population growth in the Town has been relatively moderate over the past thirty years. However, the Town is one of the highest per capita income areas in the United States. New Canaan is a highly educated community. The statistics below give a strong indication of the professional working families that reside in New Canaan to take advantage of all The Town has to offer.

**Population Trends**

<u>Year</u>	<u>Town of New Canaan</u>	<u>Fairfield County</u>	<u>State of Connecticut</u>
1980	17,931	807,143	3,107,576
1990	17,864	857,270	3,287,116
2000	19,395	882,567	3,405,565
2010	19,738	916,829	3,574,097
2021	20,672	956,446	3,605,330

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

**Selected Wealth and Income Indicators**

	<u>Median Family Income</u>		<u>Per Capita Income</u>	
	<u>(2000)</u>	<u>(2021)</u>	<u>(2000)</u>	<u>(2021)</u>
Town of New Canaan	\$175,331	\$250,000	\$82,049	\$120,375
Fairfield County	\$77,690	\$125,563	\$38,350	\$61,651
Connecticut	\$65,521	\$106,441	\$28,766	\$47,869
United States	\$49,600	\$85,028	\$21,690	\$37,638

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

**Educational Attainment**

**Years of School Completed, Age 25 & Over**

<u>Educational Attainment Group</u>	<u>Town of New Canaan</u>		<u>Fairfield County</u>		<u>State of Connecticut</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Less than 9th grade.....	79	0.6	34,610	5.3	101,461	4.0
9th to 12th grade.....	124	1.0	29,615	4.5	123,560	4.9
High School graduate.....	776	6.0	136,454	20.8	656,949	26.1
Some college, no degree.....	1,151	8.9	91,887	14.0	418,214	16.6
Associates degree.....	437	3.4	40,067	6.1	194,987	7.8
Bachelor's degree.....	5,467	42.2	177,060	27.0	561,567	22.3
Graduate or professional degree.....	4,934	38.0	145,269	22.2	458,399	18.2
<b>Total.....</b>	<b>12,968</b>	<b>100.0</b>	<b>654,962</b>	<b>100.0</b>	<b>2,515,137</b>	<b>100.0</b>
Percent of High School Graduates...		98.4%		90.2%		91.1%
Percent of College Graduates.....		80.2%		49.2%		40.6%

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

The Town of New Canaan is a destination for arts, architecture, dining, specialty retail shopping and open space. Residents can visit the 1949 Philip Johnson’s Glass House and the River Building at Grace Farms designed by the prestigious Japanese architectural firm SANAA. The Town owned Waveny property has 250 acres of woods, meadows, running trails, sports fields, paddle tennis courts, pool, dog park, outdoor ice rink and buildings including the Lapham Community Center, Carriage Barn Arts Center and the Powerhouse Theater. The centerpiece of the property, the Waveny House, is open to the public and can be rented for functions such as weddings. Other cultural opportunities in New Canaan include the Summer Theater of New Canaan, New Canaan Chamber Music, the Silvermine Art Guild and the New Canaan Museum and Historical Society.

For over 100 years, the New Canaan Library has been bringing the community together with art, cultural and education programs for all ages while providing comprehensive resources for the entire community. All of these organizations as well as numerous others contribute to the fabric of New Canaan. Mead Memorial Park, Kiwanis Park, New Canaan Nature Center, Irwin Park, Waveny Park, Bristow Bird Sanctuary and New Canaan Land Trust provide playgrounds, playing fields, walking and hiking trails, tennis courts and a swimming pond. The Board of Education properties and Park properties include several turf and natural fields for a multitude of athletic events. The Town provides a robust recreation program, as well as several private clubs and the New Canaan YMCA which are all located in New Canaan.

With a downtown that has many restaurants offering a variety of cuisines, an impressive selection of independently owned shops, top-notch retailers and a range of business services, New Canaan attracts residents and visitors from the tristate area alike. The pedestrian-friendly downtown village becomes the focus of celebrations with community wide events such as the annual Village Fair and Sidewalk Sales, Taste of the Town Stroll, Halloween Block Party complete with lamppost scarecrows, Holiday Lights and Stroll, Caffeine and Carburetors Car shows and Veteran Banners to name a few. Residents and their families join on God’s acre during the holidays to light the Menorah for Chanukah and to sing Carols led by the town band on Christmas Eve.

The Town is also rich in health and welfare resources for its residents with Lapham Community Center offering a wide range of activities for senior citizens, GetAbout, Inc. providing senior transportation, Meals on Wheels, the New Canaan Inn which is part of Waveny Life Care Network and provides independent living and Waveny Life Care which provides a comprehensive array of healthcare to seniors and residents in need of rehabilitation services. The Town has also partnered with Silver Hill Hospital to create and implement the “New Canaan Urgent Assessment Program” which provides New Canaan residents in need of mental health treatment with a timely assessment and tailored referral for ongoing care.

The Town utilizes a Plan of Conservation and Development adopted in 2014, to guide development and maintain the rural character of the Town. Pursuant to Connecticut General Statutes, the Town is in the process of updating the Plan to set forth New Canaan’s vision, goals and action steps for the next 10 years (2024-2034). Potential new areas of focus in this update include affordable housing strategies, sustainability and climate resilience. Approximately 88% of the Town is zoned for one, two, and four-acre residential use, 7% is zoned for one-half acre or less residential use and 1% is zoned for retail/business purposes. Approximately 4% includes the following zoning districts: Multi-Family, Apartments, Recreation and Open Space, and the Waveny zone. The Housing Authority of New Canaan (HANC) has been the Town’s exclusive vehicle for public sector development of affordable housing with a total of 213 units at Millport Apartments and Canaan Parish. The Town is focused on balancing necessary development while preserving open space. The New Canaan Land Trust is the leading conservation organization in New Canaan, and owns nearly 350 acres of land, with an additional 50 acres under easements for residents to enjoy.

The New Canaan Board of Realtors reported data below that included only homes listed on the New Canaan Multiple Listing Service.

	Single Family Homes		Condominiums	
	<u>Average Sales Price</u>	<u># Sold</u>	<u>Average Sales Price</u>	<u># Sold</u>
Fiscal 2023	\$2,199,241	231	\$1,227,852	71
Fiscal 2022	\$2,026,560	291	\$1,125,866	66

Demand has remained strong for condominiums, especially for those residents wishing to downsize from larger homes in the 2-4 acre zoning to smaller in-town spaces and mixed-use buildings. The Planning and Zoning Commission has encouraged mixed-use development near the downtown area.

The Town of New Canaan has one of the highest tax collection rates in the State of Connecticut with a rate of 99.7% in fiscal year 2023. The Town is proud to hold a tax collection rate of 99.4% or better for the past ten years. The Town’s most recent full tax assessment revaluation was for the 2018 grand list. The state mandated revaluation project of 2023 is currently in process. The 2021 grand list relating to fiscal year 2023 resulted in a net taxable value of \$7,936,146,510 a 136,146,705 increase (1.75%) overall from the 2020 grand list relating to fiscal year 2022 net taxable value of \$7,799,999,805.

**Financial Control and Budgetary Procedures**

The annual budget serves as the foundation for the Town of New Canaan’s financial planning and control. The Board of Finance recommends budget sizing, acceptable debt, and taxation. The funds subject to the annual appropriation are the General Fund, Sewer Fund, and Waveny Pool enterprise fund, each having operating and capital budgets. The Tax Supported Capital Fund is reviewed for projects to be closed out or to be carried forward for an additional year or to be the subject of a Special Appropriation if they have exceeded the two-year timeframe for completion set by the Charter.

Bonded and tax-supported capital projects are considered during budget review for the Town's intent to authorize, by resolution, those projects moving forward. Those bond resolutions are then put forward immediately following the conclusion of the regular budget cycle during which those projects were discussed. The approved resolutions authorize the subject program to be initiated with the understanding that a future sale of bonds will cover up to the total amount of the program costs authorized in the resolution.

All recommendations for appropriations are made to the Town Council and are accompanied by an estimate produced by the Board of Finance showing the amount of revenue the Town will receive from all sources except taxation, an itemized list of debts and obligations of the Town as of the date of the last meeting following the public hearing of the Board of Finance, and a detailed statement showing the amount of increase or decrease of the proposed appropriations as compared to the previous appropriations. Such recommendations must include the amount of any unexpended balances or surplus to be applied against appropriations and a reserve for uncollectible taxes. If the Town Council reduces the proposed appropriations in an amount exceeding five percent (5%), then the amount of unexpended balances or surplus to be applied is reconsidered by the Board of Finance for final action.

Departments are required to function within their department operating and capital budgets and they cannot exceed their department budget without requesting and receiving a special appropriation of contingency resources, from the Board of Finance.

The Board of Finance issued the fiscal year 2024 budget guidance that emphasized the Town's ongoing commitment to responsible spending while maintaining services to residents. The Board of Finance recommended Town operating budget for the fiscal year 2024 represented a 3.12% increase over the fiscal year 2023 budget, based on achieving the objectives below:

- Provide the financial resources needed to maintain New Canaan's quality of life for its residents including town services, emergency responders, recreational amenities, and first-class public schools.
- Fully fund current period pension and OPEB obligations.
- Maintain an adequate General Fund balance as insurance against the unforeseen, and support the Town's Aaa bond rating and access to capital markets.
- Evaluate capital asset needs and prudently recommend needed bond or other indebtedness issuance subject to the existing Board of Finance Debt Management Guidelines.
- Hold the resulting growth in the "Amount to Be Raised from Taxation" and subsequent mill rate assessment to as modest a level as consistent with these objectives.

## **Major Building Improvements**

The Town took three major steps in its ongoing plan to improve infrastructure and buildings that are vital to public safety and community services.

**Police Headquarters:** A complete interior renovation of the New Canaan Police headquarters was approved to modernize the 97-year-old building for today's law enforcement. Safety of officers, visitors and detainees will be enhanced; space utilization will be improved; and energy and operational systems will be more efficient. The building will be upgraded to meet state and federal regulations as an Essential Building to function during any type of emergency all while retaining the exterior's Colonial Revival architecture and historic character.

**Library:** The Town bodies are proud to have supported the construction of an entirely new 42,000 sq.ft. New Canaan Library, a nonprofit partner of the Town. The Library delivers thoughtful programming, expansive services, and broad access to information, collections and technology as a place for lifelong learning and a vibrant hub for knowledge, culture and connection for the community.

**Playhouse Movie Theater:** In partnership with a private entity that is expert in meeting today's demand for a community movies experience, the Town is renovating, restoring and reusing its 100-yr-old marquee, two-story brick Playhouse that is in the center of the business district and 400 feet from the train station. The reuse of the historical and cultural landmark will attract customers from a wide region to boost the local economy and add vibrancy to the town.

## **Form of Government**

The Town operates under a Charter adopted in 1935 and most recently amended on November 9, 2016. Municipal elections for Town officials including the three-member Board of Selectmen, twelve-member Town Council, Treasurer, three Registrars of Voters, Town Clerk, and nine-member Board of Education are held biennially on election day in odd-numbered years. Terms are staggered. Minority party representation is required on all boards, commissions, committees, or similar bodies, whether elected or appointed, as provided in the General Statutes and the Town Charter.

The Board of Selectmen is responsible for carrying out its duties as provided in the Charter and any other duties that may be prescribed by the General Statutes and municipal ordinances, and serves as the Purchasing and Hiring Authority for the Town. In addition, the Board of Selectmen appoints the members of boards, commissions, or committees whose members are not elected. Appointees to the Audit Committee need to be confirmed by the Town Council. The First Selectman is the Chief Executive Officer of the Town.

The Town Council carries out the legislative powers provided by the Charter and the General Statutes and must approve all appropriations. The Town Council is required to meet at least once every two months, but it has become the custom to meet monthly. The First Selectman serves as an ex officio member.

The Board of Finance, comprising eight members and three alternates, oversees the Town's finances, makes budget recommendations and sets the mill rate. It also makes recommendations on the authorization of bonds and acts as the Town's Sewer Authority. In November of each year, the Board of Selectmen appoint two members to hold office for a term of four years, which appointments need Town Council confirmation. The First Selectman is an ex officio member and has no vote except in the case of a tie vote.

## **Municipal Employees**

The Town currently has a workforce of 960 employees. 177 full-time employees work on the Town side and 783 full-time equivalent employees are employed by the Board of Education. There are four unions within the Town: Police, Fire, Public Works, and Town Hall. Of the 177 employees on the Town side, 137 belong to one of these four unions. There are six unions in the Board of Education: Teachers, Administrative Assistants, Custodians, Food Service Workers, Administrators, and Teacher Assistants. Of the 783 Board of Education employees, approximately 86% belong to one of the six unions.

## **Summary of Municipal Services**

**Police:** The New Canaan Police Department is a full-service law enforcement agency that provides 24-hour, 7 days-a-week service to the Town and responds to over 14,000 incidents annually. The Department is a nationally accredited agency and is one of only two Commissions on Law Enforcement Accreditation (CALEA) agencies in Fairfield County. The Department includes 47 sworn officers, which include a Chief of Police, a Deputy Chief, a Captain of Staff Services, a patrol division, and an investigative section. Specialized positions which help the Department provide an exceptional level of service to the community include a Special Response Team, a Canine Team, a Community Impact Officer in the center of Town, and three School Resource Officers/Safety Officers.

**Fire:** Fire protection is provided by 26 full-time career firefighters and 24 volunteers, including a full-time Fire Chief, both a full-time and a volunteer Assistant Fire Chief, a full-time Fire Marshal, two part-time deputy fire marshals, and a part-time administrative assistant. The Fire Department has one central station and seven fire suppression vehicles. New Canaan's fire suppression services have an ISO PPC rating of 4/4Y. All occupancies that require a fire inspection are completed per state fire code.

**Emergency Medical Services:** New Canaan Emergency Medical Service ("NCEMS") operates twenty-four hours a day, seven days a week with 40+ volunteers. The service operates three ambulances and a twenty-four-hour-a-day Norwalk Hospital EMS Paramedic contracted by the Town, who responds in a fly car. NCEMS is supported by Town contributions, in addition to private contributions. The service is provided 100% free of charge to residents.

**Land Use:** The Land Use division is comprised of several individual departments namely; Building, Planning and Zoning, Inland Wetlands and Health which often work in concert with each other on both residential and commercial construction projects. The Building Department consists of a Chief Building Official, who also serves as the Enforcement Officer for the Historic District Commission, Blight Ordinance and Demolition Delay Ordinance, a Deputy Building Official, a full-time Inspector and a full-time Office Administrator. The Building Department is responsible for enforcing the Connecticut State Building Code, performs plan reviews for all proposed construction, issues building permits, performs site inspections periodically throughout construction, and issues Certificates of Occupancy upon code-compliant completion of construction activity. A part-time records manager is responsible for maintaining all land use records per state statutes.

The Planning and Zoning Department has a full-time Town Planner/Senior Enforcement Officer, a full-time Zoning Inspector, and a full-time Office Administrator, who together provide objective information and guidance to residents and applicants on land use matters. The Town also has a Planning and Zoning Commission and a Zoning Board of Appeals (a committee that oversees the implementation of the Plan of Conservation and Development). The Town Zoning Regulations and Zoning Map identify the various zoning districts. The Inland Wetlands Department has a full-time Director and a full-time Office Administrator, who work closely with the Inland Wetlands Commission and Conservation Commission to preserve and protect the wetlands and watercourses from random, unnecessary and unregulated uses, disturbance or destruction.

The Health Department employs a full-time Director, a full-time Registered Sanitarian, a full-time Sanitarian/Health Program Planner, and a full-time Office Administrator. Additionally, there are 3 part-time Public Health Nurses that are grant-funded, a part-time public health preparedness coordinator grant funded, and a part-time Medical Director. The Health Department works with the other Land Use departments to ensure compliance with the Connecticut Public Health Codes and oversees the construction and installation of all new and existing well and septic systems. The Health Department annually inspects and licenses various establishments, is responsible by state statute for the follow-up of all infectious diseases, and manages all childhood lead poisoning cases. The Health Department also provides free rapid COVID-19, Flu A & B, and RSV testing for New Canaan residents.

**Human Services:** The Human Services Department supports youth, families, adults, and seniors inquiring about critical needs such as food, clothing, shelter, safety, and wellness. The department consists of 4 full-time staff members who provide crisis and short-term case management, financial assistance eligibility assessments, state/federal program application assistance, and referrals including housing, behavioral health, recreation, and homecare needs. Programs include New Canaan Food Pantry, Energy Assistance, Back-To-School Program, Holiday Gift-Giving, Renters Rebate, Farmers Market Vouchers, CHOICES counseling, Veterans' Services, Tele-Health for seniors, and Seasonal Flu Vaccine clinics.

**Recreation:** The Recreation Department administers and coordinates a comprehensive recreation program designed for year-round activities for all ages with 8 full-time staff and up to 300 part-time program providers. Programs consist of tennis, basketball, softball, baseball, flag football, paddle tennis, soccer, before and after school programs, sports clinics, and summer day camps. The Department also operates a seasonal swimming pool at Waveny Park and a swimming pond at Kiwanis Park. The Department operates Waveny House which is used by numerous community organizations for weekday meetings and administers the weekend rental events. The Lapham Community Center located in Waveny Park provides adult and senior activities.

**Public Works:** The Department of Public Works provides routine and scheduled maintenance functions to the town's infrastructure such as Town roads, bridges, culverts and sidewalks. Supported by a staff of 56, the Director supervises and oversees the following departments; Administration, Highway, Transfer Station, Wastewater Treatment, Engineering, Buildings Maintenance, Tree Service and Parks Maintenance. The Department also organizes, supervises and oversees capital improvement or replacement projects.

The Town operates a Transfer station to collect garbage, recyclable materials, household and yard waste from residents and garbage haulers. These collected materials are then transported to "waste to energy" plants. For fiscal year 2023, the Town collected 6,092 tons of garbage and 1,359 tons of recycled product.

The Town operates and maintains a Waste Water Treatment Plant, along with three pumping stations and 25 miles of sanitary sewers, that treat waste material so that the by-products meet the highest federal and state standards. The collection system covers approximately 22% of the land area of the Town and serves approximately 40% of the households and businesses. A Sewer User Fee is established each year by the Board of Finance which serves as the Town's Sewer Authority.

**Educational System:** The Town's school system consists of five schools located strategically in Town, which accommodated 4,100 students in 2022-2023. There are three schools for students from kindergarten through grade four, one middle school for grades five through eight, and one high school for grades nine through twelve. The District also provides programs for students with special needs. A nine-member, elected Board of Education governs the New Canaan Public Schools. The District's graduation rate is 99%.

The District receives annual funding from the Town for both operational needs and capital projects. While a significant portion of the operational budget funds fixed costs, the New Canaan Public Schools continuously pursue opportunities to reduce expenses by implementing efficiencies. The school district operates buses with propane fuel, all schools use natural gas for heating, and solar systems have been installed on the roofs of all five of the district's schools including one at New Canaan High School which was completed in June 2023. The district is also operating a combined heat and power system (CHP) for Saxe Middle School, and there are building management systems that enable the efficient operation of facilities. A similar CHP project is being considered for New Canaan High School. In addition, all five schools have been retrofitted with LED lighting with significant incentives from Eversource.

The New Canaan Public Schools continue to be broadly recognized within the state of Connecticut and nationally as a top performing school district as a result of the investment in high-quality staff, technology, materials and facilities that enable all students to achieve at high levels. According to Niche's 2024 Best Public Schools ranking, New Canaan is the #2 Best School District and #1 Best Public High School in Connecticut, and is ranked #48 out of 10,932 in the country.

## **Long-Term Financial Planning**

The Town of New Canaan continues to demonstrate a strong financial position. The Town periodically reviews and forecasts long and near-term trends to evaluate current and projected fiscal conditions and to guide policy and programmatic decisions. These forecasts allow the Town to project operating results based on current and anticipated economic conditions and identify revenue and expenditure trends that may have an immediate or long-term effect on the Town's financial condition.

## Other

The Town implemented GASB Statement No. 96, Subscription-Based Information Technology Arrangements (SBITA), effective for Fiscal Year 2023. As such, the Town will track SBITAs in the financial system going forward.

## Awards and Acknowledgements

For the seventh year in a row, the Town of New Canaan was awarded the Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association of the United States and Canada (GFOA) for Fiscal Year 2022 Annual Comprehensive Financial Report (ACFR). To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized ACFR, whose contents satisfy both generally accepted accounting principles and applicable legal requirements. The Certificate of Achievement is a prestigious national award valid for a period of one year only. We believe that our current report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA.

For the fifth year in a row, GFOA presented the Distinguished Budget Presentation Award to the Town for its annual budget book for Fiscal Year 2023. To receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device. We believe the Fiscal Year 2024 Budget Book continues to conform to program requirements, and we have submitted it to GFOA to determine its eligibility for another year.

The Town received the Sustained Risk Management Award from Connecticut Interlocal Risk Management Agency (CIRMA) for our consistent engagement with CIRMA's Risk Management team and our steadfast commitment to managing loss costs, resulting in a 72% decrease in workers' compensation claim severity over the last four years. The Town's risk management team is dedicated to reducing claim frequency and severity by reviewing claims monthly to monitor trends, identify problem areas and implement risk mitigation opportunities.

The Town has maintained an Aaa credit rating with Moody's Investor Services since 1975 and last reaffirmed by Moody's in November 2021.

The preparation of the Town's Annual Financial Report could not have been accomplished without the effective and dedicated services of the entire staff of the Finance Department along with all department personnel whose involvement was a key factor in completing this Annual Financial Report. I also want to acknowledge the thoroughness and professionalism shown by our independent auditors, PKF O'Connor Davies, LLP, during the past year.

I would also like to thank the Board of Selectmen, especially the First Selectman, for their support and guidance throughout this process along with the Town Treasurer, the Audit Committee, the Board of Finance, and the Town Council for their continued interest and support in planning and executing the financial operations of the Town.

Respectfully submitted,



Anne Kelly-Lenz  
Chief Financial Officer

**Town of New Canaan, Connecticut**

**Principal Officials**

**June 30, 2023**

**Board of Selectmen**

Kevin J. Moynihan, First Selectman  
Kathleen Corbet  
Nick Williams

**Town Council**

Stephen Karl, Chairman  
Mark Grzymiski, Vice Chairman  
Penelope L. Young, Vice Chairman/Secretary  
Robin Bates-Mason  
Rita Bettino  
Tom Butterworth  
Luke Kaufman  
Mike Mauro  
Maria Naughton  
Kimberly Norton  
Hilary Ormond  
Cristina Aquirre-Ross  
Kevin J. Moynihan, ex officio

**Board of Finance**

Todd Lavieri, Chairman  
Judy Neville, Secretary  
Victor Alvarez  
Amy Murphy Carroll  
Michael Chen  
Chris LeBris  
Thomas Schulte  
Maria Weingarten  
Robert Hamill, Alternate  
Colm Dobbyn, Alternate  
James Yao, Alternate  
Kevin J. Moynihan, ex officio

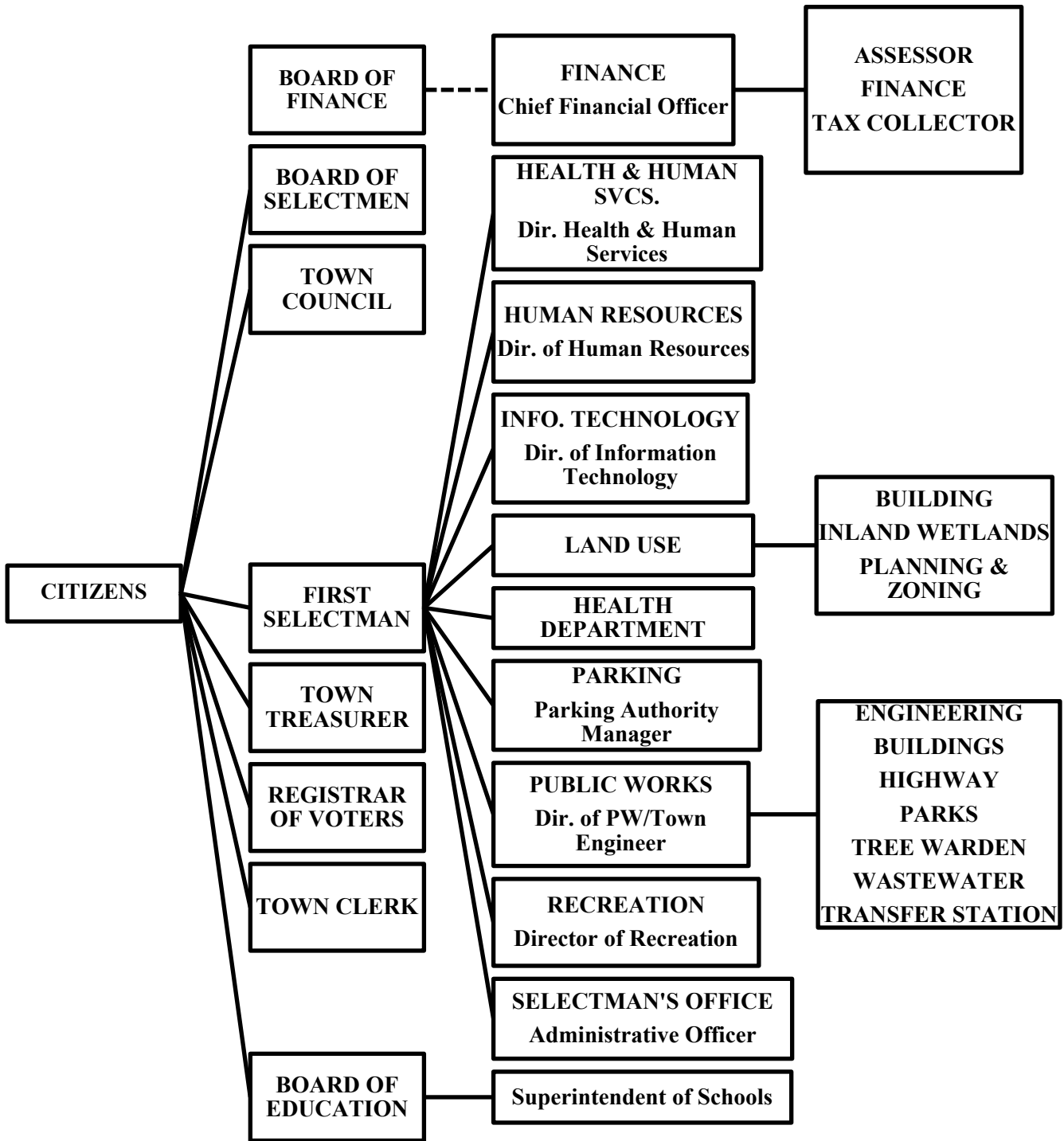
**Audit Committee**

William Parrett, Chairman  
Robin Fryer  
Charles Jacobson  
Edward Kangas  
Vacancy

**Other Officials**

Tucker Murphy, Administrative Officer  
Andrew Brooks, Treasurer  
Claudia Weber, Town Clerk  
Anne Kelly-Lenz, Chief Financial Officer  
Diane L. Wilson, Comptroller  
Sebastian Caldarella, Assessor  
Rosanna DiPanni, Tax Collector  
Bryan Luizzi, Superintendent of Schools  
Sean O'Keefe, Director of Finance and Operations of Schools

# Town of New Canaan, Connecticut Organizational Chart





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Town of New Canaan  
Connecticut**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2022

*Christopher P. Morill*

Executive Director/CEO

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# Financial Section

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## Independent Auditors' Report

**Town Council**  
**Town of New Canaan, Connecticut**

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Town of New Canaan, Connecticut ("Town"), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

In our opinion, the accompanying 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 Town, as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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

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

**Town Council  
Town of New Canaan, Connecticut**

Page 2

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 Town'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 Town'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 Management's Discussion and Analysis, budgetary comparisons, and the pension and other post-employment benefit 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 Town's basic financial statements. The combining and individual fund 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 auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are 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 comprehensive financial report. The other information comprises the introductory, statistical and trend information sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 13, 2023 on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control over financial reporting and compliance.

*PKF O'Connor Davies, LLP*

Wethersfield, Connecticut  
December 13, 2023

# TOWN OF NEW CANAAN

FINANCE DEPARTMENT  
TOWN HALL, 77 MAIN STREET  
NEW CANAAN, CT 06840

ANNE KELLY-LENZ  
Chief Financial Officer  
Anne.Kelly-Lenz@newcanaanct.gov

TEL: (203) 594-3022  
FAX: (203) 594-3122

## **Management's Discussion and Analysis For the Year Ended June 30, 2023**

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This discussion and analysis of the Town of New Canaan, Connecticut's ("Town") financial performance provide an overview of the Town's financial activities for the fiscal year ended June 30, 2023. Please read it in conjunction with the Town's financial statements and notes to the financial statements, which begin with Exhibit A in the Basic Financial Statements section.

### **Financial highlights**

- The Town's total net position increased by \$1,503,974 from \$202,706,202 to \$204,210,176. The increase is primarily due to tax revenue, income from investments, and program revenue exceeding total expenses. The Summary Statement of Net Position and Statement of Changes in Net Position illustrate the major drivers of the increases year over year.
- Property tax collection rate remained strong at 99.7%.
- During the year, the Town implemented GASB Statement No. 96 – Subscription Based Information Technology Arrangements. The implementation of this statement had no impact on beginning equity but reported in Exhibit K, Note VI.
- Total long-term debt decreased by \$13,446,404 from \$113,283,211 to \$99,836,807 as a result of \$1,125,135 in new notes and subscriptions offset by \$14,571,539 in debt payments.
- Income from investments increased by \$1,395,116 from \$200,498 to \$1,595,614 primarily due to an increase in interest income from higher interest rates. The total change year-over-year for net change in fair value of investments was \$1,101,898.
- Education expenses increased by \$7,544,323 primarily due to fiscal year 2023 budget increase of \$6,778,901 and an increase in the State Teachers' Retirement Plan expense of \$1,953,567.
- The General Fund balance decreased by \$1,513,492, from \$28,812,033 to \$27,298,541 as reported on Exhibit D of the Financial Statements.

### **Overview of the basic financial statements**

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

### **Government-wide financial statements**

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

**Town of New Canaan, Connecticut**  
**Management's Discussion and Analysis (continued)**

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The *statement of net position* presents information on all of the Town's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference being reported as the net position. Over time, increases or decreases in net position serve as a useful indicator of the Town's financial health. Other non-financial events such as the impact of changes in the Town's tax base or infrastructure should also be considered when evaluating the Town's financial health.

The *statement of activities* presents information showing how the Town's net position changed during the year. In this statement, all changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of when the cash is received or paid. Therefore, revenues and expenses are reported in this statement for some items whose cash flow may occur in a future fiscal period. Taxes uncollected but levied or vacation leave unused but earned are examples of this.

Both of the government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenue (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the Town include general government, public safety, public works, social services, recreation, and education. The business-type activities of the Town are for Waveny pool operations.

The government-wide financial statements can be found on Exhibits A and B of this report.

**Fund financial statements**

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

**Governmental Funds** - Governmental funds are used to account for the same functions reported as governmental activities in the government-wide financial statements. Unlike 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 fiscal year. This 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 to 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 a comparison between governmental funds and governmental activities.

For governmental funds, the Town presents separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and Small Bonded Capital Projects Fund which are considered to be major funds. The remaining governmental funds are combined into a single, aggregated presentation. Individual fund data for each of the non major governmental funds is provided in the form of combining schedules on Schedules 4 and 5.

The basic governmental fund financial statements can be found on Exhibits C, D, and E.

## **Town of New Canaan, Connecticut Management's Discussion and Analysis (continued)**

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**Proprietary Funds** - The Town uses two different types of proprietary funds. Enterprise funds are used to report the functions presented as business-type activities in government-wide financial statements. The Town uses an enterprise fund to report the activities of the Waveny Pool Fund. Internal service funds are an accounting device used to accumulate and allocate costs internally among the Town's various functions.

The Town uses internal service funds to account for its employees' and retirees' self-insured medical benefits. Because these services predominately benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as government-wide financial statements but in more detail. The proprietary fund financial statements provide separate information for the Waveny Pool Fund. The Waveny Pool Fund is considered a major fund.

The basic proprietary fund financial statements can be found on Exhibits F, G, and H.

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

The basic fiduciary fund financial statements can be found on Exhibits I and J.

### **Notes to financial statements**

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

### **Required supplementary information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information as follows:

- A budgetary comparison schedule for the General Fund to demonstrate compliance with this budget.
- Schedules to demonstrate the Town's progress in funding its obligation to provide pension benefits.
- Schedules to demonstrate the Town's progress in funding its obligation to provide other post-employment benefits.

### **Other information**

The combining schedules referred to earlier in connection with other governmental funds are presented immediately following the required supplementary information.

### **Government-wide financial analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The Town's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$204,210,176. Of the total Town net position, \$25,810,594 (12.64%) represents resources that are subject to external restrictions on how they may be used.

**Town of New Canaan, Connecticut  
Management's Discussion and Analysis (continued)**

**Summary Statement of Net Position  
June 30**

	Governmental Activities		Business-Type Activities		Totals	
	2023	2022 (as restated) ^	2023	2022	2023	2022 (as restated)^
Current and other assets	\$ 63,087,123	\$ 69,557,090	\$ 344,725	\$ 337,858	\$ 63,431,848	\$ 69,894,948
Capital assets (net)	273,387,397	267,281,308	1,388,265	1,356,117	274,775,662	268,637,425
Total assets	336,474,520	336,838,398	1,732,990	1,693,975	338,207,510	338,532,373
Deferred outflows of resources	10,359,214	17,811,237	-	-	10,359,214	17,811,237
Long-term liabilities outstanding	98,429,872	115,976,430	-	-	98,429,872	115,976,430
Other liabilities	28,848,899	23,629,911	505,574	426,778	29,354,473	24,056,689
Total liabilities	127,278,771	139,606,341	505,574	426,778	127,784,345	140,033,119
Deferred inflows of resources	16,572,203	13,604,289	-	-	16,572,203	13,604,289
Net investment in capital assets	169,999,418	152,655,820	1,388,265	1,356,117	171,387,683	154,011,937
Restricted	25,810,594	11,165,650	-	-	25,810,594	11,165,650
Unrestricted	7,172,748	37,617,535	(160,849)	(88,920)	7,011,899	37,528,615
Total net position	\$ 202,982,760	\$ 201,439,005	\$ 1,227,416	\$ 1,267,197	\$ 204,210,176	\$ 202,706,202

^Restated for GASB Statement No. 96 (Exhibit K, Note VI)

The above table focuses on the net position and the comparison of the prior fiscal year to the current fiscal year.

By far, the largest portion of the Town's net position reflects its investment in capital assets (e.g., land, construction in progress, buildings, machinery and equipment, vehicles, furniture and fixtures, and infrastructure) less any related debt used to acquire those assets that are still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

Although the Town's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities. Details regarding the significant changes in capital assets and long-term debt can be found in Exhibit K, Notes III D, and F.

**Town of New Canaan, Connecticut  
Management's Discussion and Analysis (continued)**

Below is a Statement of Changes in Net Position comparing revenues and expenses.

**Statement of Changes in Net Position  
Years Ended June 30**

	Governmental Activities		Business-Type Activities		Totals	
	2023	2022	2023	2022	2023	2022
Revenues:						
Program revenues:						
Charges for services	\$ 14,191,393	\$ 14,296,465	\$ 581,821	\$ 589,103	\$ 14,773,214	\$ 14,885,568
Operating grants and contributions	23,108,983	18,354,169	-	-	23,108,983	18,354,169
Capital grants and contributions	598,076	446,416	-	-	598,076	446,416
General revenues:						
Property taxes	146,807,334	142,759,035	-	-	146,807,334	142,759,035
Income from investments	1,595,614	200,498	-	-	1,595,614	200,498
Net change in fair value of investments	109,169	(992,729)	-	-	109,169	(992,729)
Other	12,467	-	-	12,666	12,467	12,666
<b>Total revenues</b>	<b>186,423,036</b>	<b>175,063,854</b>	<b>581,821</b>	<b>601,769</b>	<b>187,004,857</b>	<b>175,665,623</b>
Expenses:						
General government	12,666,725	21,380,415	-	-	12,666,725	21,380,415
Public safety	21,166,607	19,049,839	-	-	21,166,607	19,049,839
Public works	18,021,451	19,972,942	-	-	18,021,451	19,972,942
Social services	806,779	765,643	-	-	806,779	765,643
Park and recreation	3,423,697	2,606,757	-	-	3,423,697	2,606,757
Education	125,541,256	117,996,933	-	-	125,541,256	117,996,933
Waveny pool	-	-	500,206	443,203	500,206	443,203
Interest	3,374,162	3,897,765	-	-	3,374,162	3,897,765
<b>Total expenses</b>	<b>185,000,677</b>	<b>185,670,294</b>	<b>500,206</b>	<b>443,203</b>	<b>185,500,883</b>	<b>186,113,497</b>
Change in net position before transfers	1,422,359	(10,606,440)	81,615	158,566	1,503,974	(10,447,874)
Transfers	121,396	(5,300)	(121,396)	5,300	-	-
<b>Total change in net position</b>	<b>1,543,755</b>	<b>(10,611,740)</b>	<b>(39,781)</b>	<b>163,866</b>	<b>1,503,974</b>	<b>(10,447,874)</b>
Net position - July 1	201,439,005	212,050,745	1,267,197	1,103,331	202,706,202	213,154,076
<b>Net position - June 30</b>	<b>\$ 202,982,760</b>	<b>\$ 201,439,005</b>	<b>\$ 1,227,416</b>	<b>\$ 1,267,197</b>	<b>\$ 204,210,176</b>	<b>\$ 202,706,202</b>

**Governmental activities**

The significant changes are discussed below:

- Operating grants and contributions increased by \$4,754,814 primarily due to the second and last tranche of \$2,993,984 the Town was awarded from the American Rescue Plan Act (ARPA) in fiscal year 2021. In addition, the revenue related to the State contribution for the Teachers' retirement system increased by \$1,953,567.
- Property tax revenues were \$146,807,334 or an increase of \$ 4,048,299 (2.84%) from the prior year. The increase was due to the amount needed to be raised through taxation to cover the current year's budget.
- Income from investments increased by \$1,395,116 from \$200,498 to \$1,595,614 primarily due to an increase in interest income from higher interest rates. The total change year-over-year for the net change in fair value of investments was \$1,101,898.

**Town of New Canaan, Connecticut**  
**Management's Discussion and Analysis (continued)**

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- General government expenses decreased \$8,713,690 primarily due to the \$10,000,000 grant to the library incurred in the prior year, partially offset by an increase in pension expense of \$172,475.
- Public Safety expenses increased by \$2,116,768 primarily due to an increase in pension expense of \$363,194 and a year-over-year budget increase of \$892,151. Additionally, there was an increase in police extra duty expense of \$608,709 which corresponded with an increase in charges for services.
- Public Works expenses decreased \$1,951,491 due to the \$2,100,000 loss on disposal of assets in fiscal year 2022.
- Education expenses increased \$7,544,323 due to fiscal year 2023 budget increase of \$6,778,901 and an increase in the State contribution to the State Teachers' Retirement Plan of \$1,953,567.

**Business-type activities**

Expenses increased \$57,003 primarily due to increases in repairs and maintenance of the Steve Benko pool as compared to the prior year.

**Financial analysis of the Town's funds**

**Governmental funds**

This year showed a decrease of \$18,518,404 in fund balance on a modified accrual basis in the governmental funds. The total fund balance for governmental funds decreased to \$35,314,567 from \$53,832,971 in the prior year. See Exhibits C and D in the financial statements.

The change is a result of the activity discussed below.

The **General Fund** balance decreased by \$1,513,492, from \$28,812,033 to \$27,298,541, with \$19,888,761 being unassigned and \$7,367,782, assigned. Of the assigned fund balance, \$6,000,000 is for the subsequent year's budget. The combined unassigned and the portion assigned for the subsequent year's budget represent 16.11% of the budgetary expenditures and transfers out. The Government Finance Officers Association ("GFOA"), which develops best practices for governments, recommends a minimum fund balance of 2 months of the budgetary expenditures for restricted and unrestricted fund balances. As a result, the Town will seek to maintain a healthy reserve balance as a hedge against possible future state funding directives that could negatively affect our unassigned fund balance.

The **Small Bonded Capital Projects Fund** is a major fund used to account for expenditures related to small bonded capital projects that are not significant enough to be a stand-alone fund. The fund balance decreased by \$14,649,748 from the prior year. This is primarily due to the timing of the issuance of debt to fund capital projects. The Town typically funds capital projects using its reserves and, as projects are completed, issues bonds during the year, some of which are for projects to be completed in the subsequent fiscal year.

Some of the other governmental funds that are not considered major funds are shown in Schedules 4 and 5 after the notes to the financial statements.

**Town of New Canaan, Connecticut**  
**Management's Discussion and Analysis (continued)**

Below is a summarized view of the final budget and actual results for the General Fund:

**General Fund - Budget Summary**  
**For the Year Ended June 30, 2023**

	Final Budget	Actual	Variance
Revenues			
Property taxes	\$ 144,239,893	\$ 145,895,095	\$ 1,655,202
Taxes-other than levy	550,000	947,953	397,953
Intergovernmental	1,650,520	2,182,463	531,943
Charges for services	3,827,613	3,564,992	(262,621)
Licenses and permits	1,107,950	1,226,391	118,441
Fines and forfeitures	228,000	185,506	(42,494)
Use of money and property	1,111,500	873,770	(237,730)
Reimbursements and refunds	60,900	208,490	147,590
Income from investments	500,000	1,361,000	861,000
Other financing sources	8,307,619	2,983,505	(5,324,114)
Total revenues and other financing sources	<u>161,583,995</u>	<u>159,429,165</u>	<u>(2,154,830)</u>
Expenditures			
General government	13,867,781	13,865,281	2,500
Public safety and protection	13,920,020	13,920,020	-
Public works	10,247,395	10,247,395	-
Human services	436,559	436,559	-
Recreation	2,028,536	2,028,536	-
Board of education	99,052,999	98,471,398	581,601
Library	2,562,818	2,562,818	-
Other agencies	579,377	579,377	-
Human service agencies	169,300	169,300	-
Contingency	286,987	-	286,987
Debt service	18,111,717	18,111,717	-
Other financing uses	320,506	320,506	-
Total expenditures and other financing uses	<u>161,583,995</u>	<u>160,712,907</u>	<u>871,088</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>\$ -</u>	<u>\$ (1,283,742)</u>	<u>\$ (1,283,742)</u>

**Town of New Canaan, Connecticut  
Management's Discussion and Analysis (continued)**

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**General fund budgetary highlights**

Significant budget transfers include:

- A \$219,102 increase to the legal budget for additional legal fees relating to affordable housing.
- A \$366,051 increase to the police budget for overtime costs needed to cover open positions.
- A \$239,279 decrease to the recreation administration budget as a full-time position was not filled and not as many seasonal employees were needed.
- A \$226,863 decrease to the debt service budget as debt service came in lower than originally projected due to the Town not going out to market in fiscal year 2023.

Significant variances are summarized as follows:

- Tax collections were \$1,655,202 above budget due to a higher collection rate than was budgeted. The actual tax collection rate was 99.7% compared to 98.5% budgeted.
- Intergovernmental revenues were \$531,943 above budget, primarily due to \$178,613 in Municipal Revenue Sharing, \$477,329 in FEMA reimbursements that were not budgeted and an increase in reimbursement for the Educational Cost Sharing Grant of \$107,219. These were partially offset by a decrease in Excess Cost Grant of \$302,693
- Fees and charges for services were \$262,621 below budget primarily due to conveyance fees which were \$335,131 below budget due to a slowdown in the real estate market following the boom during the pandemic.
- Income from investments was \$861,000, above budget due to the increase in interest rates.
- Other financing sources include the use of fund balance to provide tax relief. The current budget included \$5,500,000 in the appropriation of the general fund balance however, the fund balance drawdown was only \$1,283,742 as a result of strong tax collections, increased income from investments, and underspending relative to the budget.
- The \$286,987 budgeted for contingency was unused at year-end.
- The Town Council approved the Board of Education's annual operating budget, which totaled \$99,052,999. By Connecticut General Statute, the Board of Education has the authority and responsibility to allocate this appropriation to the various expenditure classifications within the operating budget based on clearly articulated programs and related needs. During the year, changes between expenditure classifications occur based on shifting needs and other changes to programs or processes. When this occurs, the Board of Education authorizes transfers between expenditure classifications at its monthly meetings. Education expenditures were \$581,601 under budget, primarily due to relatively small amounts of savings in several areas, including salaries, outsourced services, property services, and purchased services.

**Town of New Canaan, Connecticut  
Management's Discussion and Analysis (continued)**

A summary of the New Canaan Public Schools' budget and actual activity is as follows:

	Original Budget	Transfers	Final Budget	Actual Budgetary Basis	Variance with Final Budget
Salaries and wages	\$64,922,739	\$ (638,991)	\$64,283,748	\$ 64,177,604	\$ 106,144
Employee benefits	16,266,131	119,346	16,385,477	16,385,477	-
Contracted services	1,563,828	(220,754)	1,343,074	1,233,109	109,965
Property services	4,783,578	400,385	5,183,963	4,993,882	190,081
Purchased services	10,152,500	(204,101)	9,948,399	9,870,288	78,111
Supplies	1,292,741	442,974	1,735,715	1,735,715	-
Equipment	263,417	109,835	373,252	364,731	8,521
Other	259,978	(17,694)	242,284	221,152	21,132
Offsets and outside support	(451,913)	9,000	(442,913)	(510,560)	67,647
<b>Totals</b>	<b>\$99,052,999</b>	<b>\$ -</b>	<b>\$99,052,999</b>	<b>\$98,471,398</b>	<b>\$ 581,601</b>

The discussion below highlights the differences between the original budget and the final budget by major object code. Overall the Board of Education underspent its final budget by \$581,601 or 0.6%.

- The District's original budget appropriation for salaries decreased by \$638,991 from \$64,922,739 to \$64,283,748. The District uses a position control program to forecast the fixed line items within the salary classification of accounts, and enrollment projections are the basis for the staffing model for classroom teachers. Variable line items, such as overtime, substitutes, instructional support, and temporary help are less predictable. In addition, there is a budgetary impact from staff turnover, teachers who earn additional degrees and advance on the salary schedule, and salary changes that have yet to be decided. The District budgets for these expenditures are based on historical information and known needs or changes for the upcoming fiscal year. As a result, it is common to have shifts between line items within the salary account.
- The budget appropriation for employee benefits increased by \$119,346, from \$16,266,131 to \$16,385,477. This increase is primarily attributed to the District's contribution to the Education Health Benefits Internal Service Fund (the Fund), which increased by \$193,903 to fund higher than projected claims.

In addition to the above, there was a decrease in actual payroll taxes of \$36,926 when compared to the budget, which is a function of the salary expenditures. Further, there was a reduction of \$36,142 in the tuition reimbursement account.

- The budget appropriation for contracted services decreased by \$220,754 from \$1,563,828 to \$1,343,074. The District relies on recurring historical expenditures and planned changes to programs when developing the budget for the line items within the contracted services account. The following accounts required less funding than anticipated in the budget: Interns (-\$129,300) due to lower than expected supply and Legal Matters (-\$76,499).
- The budget appropriation for property services increased by \$400,385, from \$4,783,578 to \$5,183,963. The increase was primarily driven by a final closeout of the Central Office Rental at 39 Locust related to the remaining balance of the renovation of the space (+\$195,529). In addition, higher than expected heating fuel was required at West School due to supply delays in the boiler update project.

**Town of New Canaan, Connecticut  
Management's Discussion and Analysis (continued)**

- The budget appropriation for purchased services decreased by \$204,101 from \$10,152,500 to \$9,948,399. The District spent \$227,555 less on out-of-district tuition for students with special needs, \$188,054 less on home-to-school transportation, and \$83,993 more on Athletic transportation due to insufficient supply of lower-priced buses from our transportation vendor which necessitated the need for higher priced coach buses.
- The budget appropriation for supplies increased by \$442,974 from \$1,292,741 to \$1,735,715 mainly for technology equipment supplies.
- The budget appropriation for equipment increased by \$109,835 from \$263,417 to \$373,252 driven by needed custodial/maintenance equipment replacements across the district.

A summary of the New Canaan Public Schools fiscal year 2023 financial activity as compared to the prior year is as follows:

	<u>Actual Budgetary Basis</u>		Variance with Prior Year
	<u>Prior Year</u>	<u>Current Year</u>	
Salaries and wages	\$ 62,043,161	\$ 64,177,604	\$ 2,134,443
Employee benefits	13,146,867	16,385,477	3,238,610
Contracted services	1,613,533	1,233,109	(380,424)
Property services	4,947,754	4,993,882	46,128
Purchased services	8,596,643	9,870,288	1,273,645
Supplies	1,282,956	1,735,715	452,759
Equipment	567,885	364,731	(203,154)
Other	208,324	221,152	12,828
Offsets and outside support	(466,307)	(510,560)	(44,253)
<b>Totals</b>	<b><u>\$ 91,940,816</u></b>	<b><u>\$ 98,471,398</u></b>	<b><u>\$ 6,530,582</u></b>

The District's expenditures increased year over year by \$6,530,582 (+7.10%) to \$98,471,398. The discussion below of the variances between fiscal years reflects the most significant of the changes:

- Salaries and wages increased by \$2,134,443. The District employs over 900 staff. The list of employees includes certified and non-certified staff, substitutes, tutors, coaches, and system-wide employees. The annual salary increase in fiscal year 2023 accounts for the vast majority of the increase. The remaining year-to-year net change was primarily due to turnover savings, degree changes, and timing of backfill hires.
- Employee benefits increased by \$3,238,610. The annual contribution to the Education Health Benefits Fund for employee benefits increased by \$3,067,382. The District analyzes projected claims and related expenditures, offsets from other sources of revenue, such as employee cost share, and existing fund balance available to mitigate projected increased costs to determine the funding necessary to pay for employee benefits. In addition, there were changes in other line items within this object, such as payroll taxes increased year to year by \$93,972 and tuition reimbursement increased by \$30,770.
- Purchased services increased year to year by \$1,273,645 driven by home-to-school transportation (+\$859,982), Athletic Transportation, (+\$80,720), and out of district tuition (+\$205,122).

**Town of New Canaan, Connecticut**  
**Management's Discussion and Analysis (continued)**

**Proprietary funds**

The proprietary fund activity is shown in Exhibits F through H. These funds include enterprise funds and internal service funds. The most significant of these is the internal service funds for self-insurance. (Schedules 7-9).

The Town Health Benefits Fund ended the year with a net position of \$1,705,195. The fund had \$7,418,380 in revenues and \$7,237,250 in operating expenses creating a change in net position of \$181,130 which increased the beginning net position of \$1,524,065. The increase is due to fewer members in the plan and lower administrative costs in fiscal year 2023.

The Education Health Benefits Fund ended the year with a net position of \$1,608,960. The fund had \$17,018,466 in revenues and \$17,834,376 in operating expenses creating a change in net position of (\$815,910). The increase is due to higher claims in fiscal year 2023.

The Waveny Pool Fund ended the year with a net position of \$1,227,416, a \$39,781 decrease from the prior year of \$1,267,197. Changes in the Steve Benko Pool Fund are discussed further in the government-wide financial analysis above.

**Fiduciary Funds**

The fiduciary fund activity is shown in Exhibits I through J. These funds include the Pension and OPEB Trust Funds. Detail notes on fiduciary funds are included in Exhibit K, Note VA, and VD.

The Town's retirement plan, while maintaining its fully funded status, had a 10.13% money-weighted rate of return, leading to a net investment income of \$14,997,837 due to market gains. The plan began the year with a net position of \$150,350,230. Throughout the year, the plan paid out total benefits and fees of \$8,208,088 and received \$1,851,118 in contributions, ending the year with a net position of \$158,991,097.

**Capital assets and long-term liabilities**

**Capital assets**

At the end of the year, the Town had an investment of \$273,387,397 in capital assets used in governmental activities and \$1,388,265 for business-type activities. These amounts represent a net increase (including additions and deductions) of 2.3% in capital assets or a total of \$6,138,237 from last year. Total depreciation expense was \$12,483,001 for governmental activities and \$40,952 for business-type activities.

**Capital Assets - Net**  
**June 30**

	Governmental Activities		Business-Type Activities		Totals	
	2023	2022 (as restated) ^	2023	2022	2023	2022 (as restated)
Land	\$ 71,304,044	\$ 71,304,044	\$ -	\$ -	\$ 71,304,044	\$ 71,304,044
Construction in progress	16,730,079	6,816,511	-	-	16,730,079	6,816,511
Land improvements	12,648,837	13,128,837	33,824	36,097	12,682,661	13,164,934
Intangible right-to-use assets	1,108,796	1,593,367	-	-	1,108,796	1,593,367
Buildings and improvements	119,172,817	122,786,481	1,346,759	1,312,338	120,519,576	124,098,819
Machinery and equipment	10,118,636	10,327,514	7,682	7,682	10,126,318	10,335,196
Vehicles	3,715,228	4,142,913	-	-	3,715,228	4,142,913
Infrastructure	38,588,960	37,181,641	-	-	38,588,960	37,181,641
<b>Total</b>	<b>\$ 273,387,397</b>	<b>\$ 267,281,308</b>	<b>\$ 1,388,265</b>	<b>\$ 1,356,117</b>	<b>\$ 274,775,662</b>	<b>\$ 268,637,425</b>

^Restated for GASB Statement No. 96 (Exhibit K, Note VI)

**Town of New Canaan, Connecticut  
Management's Discussion and Analysis (continued)**

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Major additions to capital assets included:

**Governmental activities**

• Construction in progress:	
■ Elm Street Building	\$ 1,599,003
■ Police Station	1,222,006
■ Waveny Elevator/Bathroom	1,196,373
■ Playhouse	986,436
■ All Paving	871,901
■ Saxe Boiler Replacement	623,656
■ BOE East Boiler	544,711
■ Dunning Lights	449,000
■ Waveny Park LLC	338,589
■ Saxe Floor tile	198,525
■ NC Athletic Foundation	188,343
■ Sweeper	166,445
■ NCVAC Boiler	165,535
■ Town Wide revaluation	135,000
■ Bleacher Repairs	114,645
■ Ponus Ridge Bridge	109,668
■ Auditorium Lighting	100,000
• Buildings and improvements:	
■ 28 Grove Street building purchase	960,333
■ High School, Middle & East School Flooring	553,098
■ BOE Planetarium ("The Dome")	323,050
■ Bristow Bird Sanctuary	309,733
■ Lighting Upgrade	174,994
• Machinery and equipment:	
■ Education IT equipment	800,000
■ Fire Dept. Radio Support	133,291
• Vehicles:	
■ Various Town and Board of Education Vehicles	336,000
• Intangible right-to-use assets:	
■ Various Town Lease and Subscription Based Tech Arrangements	503,790
• Infrastructure:	
■ Paving	4,127,829

**Business-type activities**

• Buildings and improvements:	
■ Major upgrades to the Steve Benko Pool	73,100

More detailed information about the Town's capital assets is presented in Exhibit K Note III D.

**Town of New Canaan, Connecticut  
Management’s Discussion and Analysis (continued)**

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**Long-term liabilities**

	<b>Long-Term Debt</b>	
	<b>June 30</b>	
	<u>Governmental Activities</u>	
	<u>2023</u>	<u>2022</u>
		<i>(as restated) ^</i>
General obligation bonds	\$ 97,445,000	\$ 110,725,000
Notes	1,079,630	978,280
Leases payable	960,852	1,401,276
Subscriptions payable	351,325	178,655
	<u>                    </u>	<u>                    </u>
Total	<u>\$ 99,836,807</u>	<u>\$ 113,283,211</u>

^Restated for GASB Statement No. 96 (Exhibit K, Note VI)

- As of year-end, the business-type activities had no long-term debt.
- Total long-term debt decreased by \$13,446,404 from \$113,283,211 to \$99,836,807 as a result of \$1,125,135 in new notes and subscriptions offset by \$14,571,539 in debt and lease payments. The Town’s general obligation bonds continue to carry a Moody’s rating of “Aaa”. Long-term debt is discussed in Exhibit K Note III F.

**Pension and other post-employment benefits (OPEB) liability**

The fiscal year 2023 approved budget included full funding of the actuarially determined employer contribution (ADEC) of \$1,090,794 to the Pension Fund. Contributions in fiscal year 2023 in relation to the OPEB Plan were \$2,124,640 which was \$950,226 in excess of the ADEC amount. For additional information on the net OPEB liability please see RSI 4A.

**Economic factors and next year’s budgets and rates**

The 2023-2024 general fund adopted budget totals \$166,625,202. The following economic factors currently affect the Town and were considered in developing the 2023-2024 fiscal year budget:

- The increase in inflation was felt across all costs related to utilities, supplies, maintenance, and repairs.
- The uncertainty of rising mortgage rates on housing sales has a potential negative impact on conveyance fee revenue.
- Anticipated higher interest rates in fiscal year 2024 than in fiscal year 2023 having a positive impact on interest income offset by higher expected borrowing costs for financing future bonded capital projects.

**Requests for information**

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the Town’s finances and to show the Town’s accountability to its stakeholders. Requests for additional financial information should be addressed to the Finance Department of New Canaan, 77 Main Street, New Canaan, CT 06840, (203) 594-3024.

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**Basic  
Financial  
Statements**

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Town of New Canaan, Connecticut

Statement of Net Position  
June 30, 2023

<u>Assets</u>		<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Current assets:				
Cash	Note III A	\$ 14,091,495	\$ 384,616	\$ 14,476,111
Investments	Note III A	31,180,994	-	31,180,994
Receivables:	Note III B			
Property taxes		842,328	-	842,328
Sewer use		12,527	-	12,527
Intergovernmental		615,495	-	615,495
Accounts		1,100,572	-	1,100,572
Leases		54,333	-	54,333
Internal balances		39,891	(39,891)	-
Other		511,187	-	511,187
<b>Total current assets</b>		<b>48,448,822</b>	<b>344,725</b>	<b>48,793,547</b>
Noncurrent assets:				
Restricted assets:				
Temporarily restricted:				
Cash	Note III A	302,354	-	302,354
Investments	Note III A	796,376	-	796,376
Permanently restricted:				
Investments	Note III A	722,355	-	722,355
<b>Total restricted assets</b>		<b>1,821,085</b>	<b>-</b>	<b>1,821,085</b>
Receivables (net):	Note III B			
Property taxes		642,288	-	642,288
Leases		1,176,560	-	1,176,560
Loans		2,000,000	-	2,000,000
<b>Total receivables (net)</b>		<b>3,818,848</b>	<b>-</b>	<b>3,818,848</b>
Net pension asset	Note V A	8,998,368	-	8,998,368
Capital assets (net of accumulated depreciation/ amortization):	Note III D			
Land		71,304,044	-	71,304,044
Construction in progress		16,730,079	-	16,730,079
Land improvements		12,648,837	33,824	12,682,661
Intangible right-to-use assets		1,108,796	-	1,108,796
Buildings and improvements		119,172,817	1,346,759	120,519,576
Machinery and equipment		10,118,636	7,682	10,126,318
Vehicles		3,715,228	-	3,715,228
Infrastructure		38,588,960	-	38,588,960
<b>Total capital assets (net of accumulated depreciation/amortization)</b>		<b>273,387,397</b>	<b>1,388,265</b>	<b>274,775,662</b>
<b>Total noncurrent assets</b>		<b>288,025,698</b>	<b>1,388,265</b>	<b>289,413,963</b>
<b>Total assets</b>		<b>336,474,520</b>	<b>1,732,990</b>	<b>338,207,510</b>
<u>Deferred Outflows of Resources</u>				
Pension related	Note V A	7,060,872	-	7,060,872
OPEB related	Note V D	3,298,342	-	3,298,342
<b>Total deferred outflows of resources</b>		<b>10,359,214</b>	<b>-</b>	<b>10,359,214</b>

(Continued)

The notes to financial statements are an integral part of this statement.

Town of New Canaan, Connecticut

Statement of Net Position  
June 30, 2023

		Governmental Activities	Business-type Activities	Total
<u>Liabilities</u>				
Current liabilities:				
Accounts payable		\$ 6,715,088	\$ 139,939	\$ 6,855,027
Accrued payroll and related liabilities		1,284,724	21,719	1,306,443
Retainage payable		228,100	-	228,100
Accrued interest payable		775,160	-	775,160
Unearned revenue		794,336	343,916	1,138,252
Long-term debt	Note III F	14,809,358	-	14,809,358
Compensated absences	Note III F	646,753	-	646,753
Heart and hypertension	Note III F	130,000	-	130,000
Post closure landfill costs	Note III F	25,000	-	25,000
Claims payable	Note IV A	1,677,830	-	1,677,830
Other		1,762,550	-	1,762,550
		<u>28,848,899</u>	<u>505,574</u>	<u>29,354,473</u>
Total current liabilities				
Noncurrent liabilities:				
Performance bonds		302,354	-	302,354
Long-term debt and related liabilities	Note III F	90,276,347	-	90,276,347
Compensated absences	Note III F	2,587,011	-	2,587,011
Heart and hypertension	Note III F	623,634	-	623,634
Post closure landfill costs	Note III F	125,000	-	125,000
OPEB liability	Note V D	4,515,526	-	4,515,526
		<u>98,429,872</u>	<u>-</u>	<u>98,429,872</u>
Total noncurrent liabilities				
Total liabilities				
		<u>127,278,771</u>	<u>505,574</u>	<u>127,784,345</u>
<u>Deferred Inflows of Resources</u>				
Advance property tax and sewer use collections		9,013	-	9,013
Lease related	Note III B	1,188,895	-	1,188,895
Deferred amount on refunding		4,891,237	-	4,891,237
Pension related	Note V A	3,354,962	-	3,354,962
OPEB related	Note V D	7,128,096	-	7,128,096
		<u>16,572,203</u>	<u>-</u>	<u>16,572,203</u>
Total deferred inflows of resources				
<u>Net Position</u>				
Net investment in capital assets		169,999,418	1,388,265	171,387,683
Restricted for:				
Nonexpendable endowments	Note III G	722,355	-	722,355
Pension		12,704,278	-	12,704,278
General government		3,976,709	-	3,976,709
Public safety		104,089	-	104,089
Public works		113,996	-	113,996
Sewer		3,906,688	-	3,906,688
Health and welfare		1,045,486	-	1,045,486
Culture and recreation		147,564	-	147,564
Education		1,285,575	-	1,285,575
Cafeteria		693,435	-	693,435
Parking lot repairs and maintenance		1,110,419	-	1,110,419
Unrestricted		7,172,748	(160,849)	7,011,899
		<u>\$ 202,982,760</u>	<u>\$ 1,227,416</u>	<u>\$ 204,210,176</u>
Total net position				

(Concluded)

The notes to financial statements are an integral part of this statement.

Town of New Canaan, Connecticut

Statement of Activities  
For the Year Ended June 30, 2023

Functions/Programs	Expenses	Program Revenues			Net Revenues (Expenses) and Change in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:							
General government	\$ 12,666,725	\$ 4,672,796	\$ 4,105,561	\$ 6,636	\$ (3,881,732)	\$ -	\$ (3,881,732)
Public safety and protection	21,166,607	2,151,120	1,998	-	(19,013,489)	-	(19,013,489)
Public works	18,021,451	2,650,449	-	591,440	(14,779,562)	-	(14,779,562)
Social services	806,779	549,612	302,710	-	45,543	-	45,543
Parks and recreation	3,423,697	914,204	18,410	-	(2,491,083)	-	(2,491,083)
Education	125,541,256	3,253,212	18,680,304	-	(103,607,740)	-	(103,607,740)
Interest	3,374,162	-	-	-	(3,374,162)	-	(3,374,162)
Total governmental activities	185,000,677	14,191,393	23,108,983	598,076	(147,102,225)	-	(147,102,225)
Business-type activities:							
Waveny pool	500,206	581,821	-	-	-	81,615	81,615
Total	<u>\$ 185,500,883</u>	<u>\$14,773,214</u>	<u>\$ 23,108,983</u>	<u>\$ 598,076</u>	(147,102,225)	81,615	(147,020,610)
General revenues:							
Property taxes					146,807,334	-	146,807,334
Income from investments					1,595,614	-	1,595,614
Net change in fair value of investments					109,169	-	109,169
Other					12,467	-	12,467
Total general revenues					148,524,584	-	148,524,584
Transfers in (transfers out)					121,396	(121,396)	-
Change in net position					1,543,755	(39,781)	1,503,974
Net position - July 1, 2022					201,439,005	1,267,197	202,706,202
Net position - June 30, 2023					<u>\$ 202,982,760</u>	<u>\$ 1,227,416</u>	<u>\$ 204,210,176</u>

The notes to financial statements are an integral part of this statement.

Town of New Canaan, Connecticut

Governmental Funds  
Balance Sheet  
June 30, 2023

		General Fund	Small Bonded Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
<u>Assets</u>					
Cash	Note III A	\$ 3,061,278	\$ 525,868	\$ 10,119,434	\$ 13,706,580
Restricted cash	Note III A	302,354	-	-	302,354
Investments	Note III A	23,121,353	-	9,578,372	32,699,725
Receivables (net):	Note III B				
Property taxes		1,484,616	-	-	1,484,616
Sewer use		-	-	12,527	12,527
Intergovernmental		431,677	-	183,818	615,495
Accounts		543,437	-	386,865	930,302
Leases		1,230,893	-	-	1,230,893
Loans		-	2,000,000	-	2,000,000
Due from other funds	Note III C	12,266,505	-	3,028,498	15,295,003
Other		42,323	204,046	86,307	332,676
Total assets		<u>\$42,484,436</u>	<u>\$ 2,729,914</u>	<u>\$ 23,395,821</u>	<u>\$ 68,610,171</u>
<u>Liabilities</u>					
Accounts payable		\$ 3,358,685	\$ 2,621,134	\$ 554,255	\$ 6,534,074
Accrued payroll and related liabilities		1,188,691	-	96,033	1,284,724
Retainage payable		-	228,100	-	228,100
Due to other funds	Note III C	7,417,801	10,161,633	2,114,981	19,694,415
Unearned revenue		39,520	-	754,816	794,336
Performance bonds		302,354	-	-	302,354
Other		196,320	46,353	1,519,877	1,762,550
Total liabilities		<u>12,503,371</u>	<u>13,057,220</u>	<u>5,039,962</u>	<u>30,600,553</u>
<u>Deferred Inflows of Resources</u>					
Unavailable revenue:					
Property taxes		1,484,616	-	-	1,484,616
Sewer use		-	-	12,527	12,527
Advance property tax and sewer use collections		9,013	-	-	9,013
Lease related	Note III B	1,188,895	-	-	1,188,895
Total deferred inflows of resources		<u>2,682,524</u>	<u>-</u>	<u>12,527</u>	<u>2,695,051</u>
<u>Fund Balances</u>					
	Note III G				
Nonspendable		41,998	-	722,355	764,353
Restricted		-	-	12,383,961	12,383,961
Committed		-	4,677,800	5,237,279	9,915,079
Assigned		7,367,782	-	-	7,367,782
Unassigned		19,888,761	(15,005,106)	(263)	4,883,392
Total fund balances		<u>27,298,541</u>	<u>(10,327,306)</u>	<u>18,343,332</u>	<u>35,314,567</u>
Total liabilities, deferred inflows of resources and fund balances		<u>\$42,484,436</u>	<u>\$ 2,729,914</u>	<u>\$ 23,395,821</u>	<u>\$ 68,610,171</u>

(Continued)

The notes to financial statements are an integral part of this statement.

**Town of New Canaan, Connecticut**  
**Reconciliation of Fund Balance**  
**to Net Position of Governmental Activities**  
**June 30, 2023**

Amounts reported for governmental activities in the statement of net position (Exhibit A) are different from the governmental fund balance sheet due to:

Total fund balance (Exhibit C, Page 1 of 2)	<u>\$ 35,314,567</u>
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:	
Beginning capital assets (net)	267,281,308
Capital assets additions (net of construction in progress)	18,589,090
Depreciation/amortization expense	<u>(12,483,001)</u>
Total	<u>273,387,397</u>
Other long-term assets are not available resources and, therefore, are not reported in the funds:	
Net pension asset	<u>8,998,368</u>
Other long-term assets and deferred outflows of resources are not available to pay for current period expenditures and, therefore, are unavailable in the funds:	
Property taxes and sewer user fees accrual	1,497,143
Deferred outflows of resources related to pensions	7,060,872
Deferred outflows of resources related to OPEB	<u>3,298,342</u>
Total	<u>11,856,357</u>
Internal service funds are used by management for risk financing activities:	
The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position	<u>3,314,155</u>
Long-term liabilities and deferred inflows of resources are not due and payable in the current period and, therefore, are not reported in the funds:	
Bonds and notes payable	(98,524,630)
Lease payable	(960,852)
Subscriptions payable	(351,325)
Premiums	(5,248,898)
Compensated absences	(3,233,764)
Heart and hypertension	(753,634)
Post closure landfill costs	(150,000)
OPEB liability	(4,515,526)
Accrued interest payable	(775,160)
Deferred amount on refunding	(4,891,237)
Deferred inflows of resources related to pensions	(3,354,962)
Deferred inflows of resources related to OPEB	<u>(7,128,096)</u>
Total	<u>(129,888,084)</u>
Net position of governmental activities (Exhibit A)	<u>\$ 202,982,760</u>

(Concluded)

The notes to financial statements are an integral part of this statement.

## Town of New Canaan, Connecticut

**Governmental Funds**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**For The Year Ended June 30, 2023**

	General Fund	Small Bonded Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
Revenues:				
Property taxes	\$146,843,048	\$ -	\$ -	\$ 146,843,048
Intergovernmental	17,054,169	392,368	5,275,772	22,722,309
Charges for services	6,083,690	-	8,107,351	14,191,041
Income from investments	1,363,390	-	232,224	1,595,614
Net change in fair value of investments	(2,390)	-	111,559	109,169
Contributions	-	178,998	805,752	984,750
Other	-	12,467	-	12,467
Total revenues	<u>171,341,907</u>	<u>583,833</u>	<u>14,532,658</u>	<u>186,458,398</u>
Expenditures:				
Current:				
General government	13,865,281	-	1,857,179	15,722,460
Public safety and protection	13,958,055	-	1,892,425	15,850,480
Public works	10,247,395	-	1,612,606	11,860,001
Social services	436,559	-	189,768	626,327
Parks and recreation	2,028,536	-	884,434	2,912,970
Education	113,559,360	-	5,670,108	119,229,468
Payments to other agencies	3,311,495	-	-	3,311,495
Debt service	18,111,717	-	-	18,111,717
Capital outlay	-	15,758,153	2,909,752	18,667,905
Total expenditures	<u>175,518,398</u>	<u>15,758,153</u>	<u>15,016,272</u>	<u>206,292,823</u>
Excess (deficiency) of revenues over expenditures	<u>(4,176,491)</u>	<u>(15,174,320)</u>	<u>(483,614)</u>	<u>(19,834,425)</u>
Other financing sources (uses):				
Issuance of debt	-	-	1,125,135	1,125,135
Sale of capital assets	69,490	-	-	69,490
Transfers in	2,914,015	526,428	1,271,632	4,712,075
Transfers out	(320,506)	(1,856)	(4,268,317)	(4,590,679)
Net other financing sources (uses)	<u>2,662,999</u>	<u>524,572</u>	<u>(1,871,550)</u>	<u>1,316,021</u>
Net change in fund balances	(1,513,492)	(14,649,748)	(2,355,164)	(18,518,404)
Fund balances - July 1, 2022	<u>28,812,033</u>	<u>4,322,442</u>	<u>20,698,496</u>	<u>53,832,971</u>
Fund Balances - June 30, 2023	<u>\$ 27,298,541</u>	<u>\$ (10,327,306)</u>	<u>\$ 18,343,332</u>	<u>\$ 35,314,567</u>

The notes to financial statements are an integral part of this statement.

Town of New Canaan, Connecticut

Reconciliation of the Statement of Revenues, Expenditures and Changes  
in Fund Balances of Governmental Funds to the Statement of Activities  
For The Year Ended June 30, 2023

Amounts reported for governmental activities in the statement of activities (Exhibit B) are due to:

Net change in fund balances - total governmental funds (Exhibit D) \$ (18,518,404)

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/amortization expense.

Capital outlay	18,589,090
Depreciation/amortization expense	<u>(12,483,001)</u>

Total 6,106,089

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

Change in property tax receivable - accrual basis change	(35,714)
Change in sewer use receivable - accrual basis change	<u>352</u>

Total (35,362)

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. The details of these differences in the treatment of long-term debt and related items are as follows:

Debt issued or incurred:	
Notes	(800,000)
Subscriptions	(325,135)

Principal repayments:	
General obligation bonds and notes	13,978,650
Leases	440,424
Subscriptions	<u>152,465</u>

Total 13,446,404

(Continued)

Town of New Canaan, Connecticut

Reconciliation of the Statement of Revenues, Expenditures and Changes  
in Fund Balances of Governmental Funds to the Statement of Activities  
For The Year Ended June 30, 2023

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:

Change in/amortization of:	
Compensated absences	\$ (245,853)
Heart and hypertension	(18,047)
Landfill closure costs	25,000
Net pension asset	8,066,502
Net OPEB liability	3,289,063
Accrued interest payable	153,591
Deferred charge on refunding	605,314
Premium	417,952
Deferred outflows related to pension	(6,355,733)
Deferred outflows related to OPEB	(1,096,290)
Deferred inflows related to pension	(2,895,005)
Deferred inflows related to OPEB	<u>(766,686)</u>
Total	<u>1,179,808</u>
Internal service funds are used by management for risk financing activities:	
The net revenue (expense) of the activities of the internal service funds is reported with governmental activities	<u>(634,780)</u>
Change in net position of governmental activities (Exhibit B)	<u>\$ 1,543,755</u>
	(Concluded)

The notes to financial statements are an integral part of this statement.



Town of New Canaan, Connecticut

Proprietary Funds  
 Statement of Revenues, Expenses and Changes in Net Position  
 For the Year Ended June 30, 2023

	<u>Business-type Activities</u>	<u>Governmental Activities</u>
	<u>Enterprise Fund</u>	
	<u>Waveny Pool Fund</u>	<u>Internal Service Funds</u>
Operating revenues:		
Charges for services	<u>\$ 581,821</u>	<u>\$ 24,436,846</u>
Operating expenses:		
Cost of services		-
Personnel services	251,278	-
Utilities	32,901	-
Repairs and maintenance	112,159	-
Materials and supplies	29,923	-
Contracted services	21,011	-
Classes and programs	5,380	-
Other	6,602	-
Depreciation	40,952	-
Claims incurred	-	19,195,566
HSA contributions	-	1,330,400
Administration	-	4,545,660
	<u>500,206</u>	<u>25,071,626</u>
Total operating expenses		
	500,206	25,071,626
Operating income (loss)	81,615	(634,780)
Transfers out	<u>(121,396)</u>	<u>-</u>
Change in net position	(39,781)	(634,780)
Total net position - July 1, 2022	<u>1,267,197</u>	<u>3,948,935</u>
Total net position - June 30, 2023	<u>\$ 1,227,416</u>	<u>\$ 3,314,155</u>

The notes to financial statements are an integral part of this statement.

## Town of New Canaan, Connecticut

**Proprietary Funds**  
**Statement of Cash Flows**  
**For the Year Ended June 30, 2023**

	<u>Business-type Activities</u>	<u>Governmental Activities</u>
	<u>Enterprise Fund</u>	
	<u>Wavenny Pool Fund</u>	<u>Internal Service Funds</u>
Cash flows from (used in) operating activities:		
Receipts from customers and premiums	\$ 617,591	\$ 21,999,845
Payments to suppliers and employees	(369,887)	-
Payments for benefits and claims	-	(19,354,987)
Payments for HSA contributions	-	(1,330,400)
Payments for administration	-	(4,491,136)
Net cash from (used in) operating activities	<u>247,704</u>	<u>(3,176,678)</u>
Cash flows from (used in) capital and related financing activities:		
Acquisition and construction of capital assets	<u>(73,100)</u>	<u>-</u>
Cash flows from (used in) noncapital financing activities:		
Transfers out	<u>(121,396)</u>	<u>-</u>
Net increase (decrease) in cash	53,208	(3,176,678)
Cash - July 1, 2022	<u>331,408</u>	<u>3,561,593</u>
Cash - June 30, 2023	<u>\$ 384,616</u>	<u>\$ 384,915</u>
Reconciliation of operating income (loss) to net cash from (used in) operating activities:		
Operating income (loss)	\$ 81,615	\$ (634,780)
Adjustments to reconcile operating income (loss) to net cash from (used in) operating activities:		
Depreciation	40,952	-
Changes in operating assets and liabilities		
(Increase) decrease in:		
Accounts receivable	1,150	310,310
Due from other funds	5,300	(2,747,311)
Prepaid expenses	-	(41,366)
Increase (decrease) in:		
Accounts payable	79,067	95,890
Accrued payroll and benefits	10,300	-
Due to other funds	39,891	-
Claims payable	-	(159,421)
Unearned revenues	(10,571)	-
Net cash from (used in) operating activities	<u>\$ 247,704</u>	<u>\$ (3,176,678)</u>

The notes to financial statements are an integral part of this statement.

Town of New Canaan, Connecticut

Fiduciary Funds  
Statement of Fiduciary Net Position  
June 30, 2023

	<u>Pension and OPEB Trust Funds</u>
<u>Assets</u>	
Investments:	
Mutual funds:	
U.S. equity	\$ 77,846,700
International equity	40,600,500
Bond	<u>59,932,941</u>
Total assets	<u>178,380,141</u>
<u>Net Position</u>	
Restricted for:	
Pensions	158,991,097
OPEB	<u>19,389,044</u>
Total net position	<u><u>\$ 178,380,141</u></u>

The notes to financial statements are an integral part of this statement.

**Town of New Canaan, Connecticut**  
**Fiduciary Funds**  
**Statement of Changes in Fiduciary Net Position**  
**For the Year Ended June 30, 2023**

	<u>Pension and OPEB Trust Funds</u>
Additions:	
Contributions:	
Employer	\$ 3,215,434
Plan members	805,216
Teachers' retirement system	<u>111,039</u>
Total contributions	<u>4,131,689</u>
Investment income (loss):	
Net change in fair value of investments	12,929,738
Interest and dividends	<u>4,058,977</u>
Total investment income (loss)	16,988,715
Less investment expenses	<u>121,108</u>
Net investment income (loss)	<u>16,867,607</u>
Total additions	<u>20,999,296</u>
Deductions:	
Benefits	10,241,850
Administration	<u>201,917</u>
Total deductions	<u>10,443,767</u>
Change in net position	10,555,529
Net position - July 1, 2022	<u>167,824,612</u>
Net position - June 30, 2023	<u><u>\$ 178,380,141</u></u>

The notes to financial statements are an integral part of this statement.

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## Town of New Canaan, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023**History and organization**

The Town of New Canaan, Connecticut (“Town”) was incorporated as a Town in 1801. The Town operates under a Town Council, Board of Selectmen and Board of Finance form of government. Under this form of government, the Town Council is the legislative body. The administrative branch is led by an elected three-member Board of Selectmen. The Town provides services as authorized by its charter including public safety (police and fire), public works, social services, park and recreation, education and general administrative services.

The accompanying financial statements present the Town and its component units, entities for which the Town is considered to be financially accountable. The Town is financially accountable for the pension and OPEB trust funds and therefore, they are considered fiduciary component units. The financial statements of the fiduciary component units are reported as pension and OPEB trust funds in the fiduciary fund financial statements. The pension and OPEB trust funds do not issue separate financial statements.

**I. Summary of significant accounting policies****A. 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 primary government. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and the major individual enterprise funds are reported as separate columns in the fund financial statements.

**B. Measurement focus, basis of accounting and financial statement presentation**

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Town of New Canaan, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023

**B. Measurement focus, basis of accounting and financial statement presentation (continued)**

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. In addition, the Town considers reimbursement grants to be available if they are collected within one year of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to pension and OPEB, compensated absences, claims and judgments, and certain other long-term liabilities are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds.

Expenditure-type reimbursement grants, certain intergovernmental revenues, transfers and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items, including property taxes, are considered to be measurable and available only when cash is received by the Town.

The Town reports the following major governmental funds:

General Fund	The Town's primary operating fund. It accounts for all financial resources of the general government, except those funds required to be accounted for in another fund.
Small Bonded Capital Projects Fund	Accounts for expenditures related to small bonded capital projects that are not significant enough to be a stand-alone fund.

The Town reports the following major proprietary fund:

Waveny Pool Fund	Accounts for Waveny pool revenues and related expenses.
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Additionally, the Town reports the following fund types:

Special Revenue Funds	Accounts for and reports the proceeds of specific revenue resources that are restricted or committed to expenditures for specified purposes other than debt.
Capital Project Funds	Accounts for and reports resources and expenditures that are restricted, committed or assigned for the acquisition and construction of capital facilities, including those that are financed through special assessments.
Permanent Fund	Accounts for resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes as categorized by the fund title.
Internal Service Funds	Accounts for risk financing activities for medical and dental health insurance as allowed by GASB Statement No. 10.

Town of New Canaan, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023

**B. Measurement focus, basis of accounting and financial statement presentation (continued)**

Pension Trust Funds	Accounts for the activity of the Town’s defined benefit pension plan, which accumulates resources for pension benefit payments to qualified employees.
Other Post Employment Benefits (“OPEB”) Trust Funds	Accounts for the activities of the Town’s OPEB Plan, which accumulates resources for OPEB benefit payments to qualified employees.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are other charges between the Town’s sewer and water operations and various other functions of the Town. 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 producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of the enterprise funds and of the Town’s internal service fund are charges to customers for sales and services. Operating expenses for the enterprise funds and internal service fund 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.

For purposes of measuring the net pension and OPEB assets and liabilities, deferred outflows of resources and deferred inflows of resources related to pensions and OPEB, and pension and OPEB expense, information about the fiduciary net position and additions to/deductions from fiduciary net position of the Town’s pension and OPEB plans, the Connecticut State Teachers’ Retirement System (“TRS”) and the Connecticut Retiree Health Insurance Plan (“RHIP”) have been determined on the same basis as they are reported by the Town of New Canaan Retirement Systems, TRS, and RHIP. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms.

**C. Assets, liabilities, deferred outflows/inflows of resources and net position or equity**

**1. Deposits and investments**

**a. Deposits**

The Town considers cash as cash on hand and demand deposits.

For cash flow purposes, the Town’s cash consists of cash on hand, demand deposits, money market accounts and short-term investments with original maturities of three months or less from the date of acquisition.

## Town of New Canaan, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023**C. Assets, liabilities, deferred outflows/inflows of resources and net position or equity (continued)****b. Investments**

In general, State of Connecticut Statutes allow the Town to invest in obligations of the United States of America or United States government sponsored corporations, in shares or other interests in any custodial arrangement, pool or no-load, open-end management type investment company or investment trust (as defined), in obligations of any State or political subdivision rated within the top two rating categories of any nationally recognized rating service, or in obligations of the State of Connecticut or political subdivision rated within the top three rating categories of any nationally recognized rating service. Investment income is recorded in the fund in which it was earned.

State Treasurer's Short-Term Investment Fund is an investment pool managed by the State of Connecticut Office of the State Treasurer. Investments must be made in instruments authorized by Connecticut General Statutes 3-27c - 3-27e. Investment guidelines are adopted by the State Treasurer. The fair value of the position in the pool is the same as the value of the pool shares.

The Town's General Fund, Internal Service Funds and pension and OPEB plans have adopted formal investment policies that defines allowable investments, prohibited investments, prohibited transactions, asset allocation guidelines and diversification guidelines and fixed income and cash equivalent guidelines. The General Fund investment policy is aligned with Connecticut General Statutes.

The investment guidelines are as follows:

The Town's pension and OPEB plan investment policy targets investments in equities of 65.00% and fixed income of 35.00%.

Reasonable precautions will be taken to avoid excessive investment concentrations to protect the portfolio against unfavorable outcomes within an asset class. Specifically, the following guidelines are in place for the pension and OPEB plans:

- a) With the exception of fixed income investments explicitly guaranteed by the U.S. Government, no single investment security shall represent more than 5.00% of total assets.
- b) With the exception of passively managed investment vehicles seeking to match the returns on a broadly diversified market index, no single investment pool or investment company (mutual fund) shall comprise more than 20.00% of total plan assets.
- c) With respect to fixed income investments, the minimum average credit quality of these investments shall be investment grade (Standard & Poor's BBB; Moody's Baa) or higher.

**c. Method used to value investments**

Investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates.

Town of New Canaan, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023

C. Assets, liabilities, deferred outflows/inflows of resources and net position or equity (continued)

Fair value of investments

The Town measures and records its investments using fair value measurement guidelines established by accounting principles generally accepted in the United States of America (GAAP). These guidelines recognize a three-tiered fair value hierarchy, as follows:

Level 1	Quoted prices for identical investments in active markets
Level 2	Quoted prices for identical investments in markets that are not active
Level 3	Unobservable inputs

d. Risk policies

Interest rate risk	Interest rate risk is the risk that the government will incur losses in fair value caused by changing interest rates. The Town minimizes interest rate risk by structuring the investment portfolio so that the securities mature to meet cash requirements for ongoing operations, avoiding the need to sell securities on the open market prior to maturity. The Town's interest rate risk policy targets an effective duration of the portfolio of 3.5 years and at no time can exceed 4.5 years.
Credit risk	Credit risk is the risk that an issuer or other counterparty will not fulfill its specific obligation even without the entity's complete failure. The Town's policy for credit risk is to invest in obligations allowable under the Connecticut General Statutes as described previously and pre-qualifying institutions with which the Town may do business.
Concentration of credit risk	Concentration of credit risk is the risk attributed to the magnitude of an entity's investments in a single issuer. The Town follows the limitations specified in the Connecticut General Statutes. Generally, the Town's deposits cannot be 75% or more of the total capital in any one depository.
Custodial credit risk	Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Town will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The Town's investment policy for custodial credit risk is to invest in obligations allowable under the Connecticut General Statutes as described previously and pre-qualifying institutions with which the Town may do business and collateralization of deposits and investments in accordance with Connecticut General Statutes 36a-333.
Foreign currency risk	Foreign currency risk is the risk that the value of the investment may be affected by changes in the rate of exchange. The Town does not have a formal policy with respect to the foreign currency risk.

## Town of New Canaan, Connecticut

**Notes to Financial Statements  
As of and for the Year Ended June 30, 2023****C. Assets, liabilities, deferred outflows/inflows of resources and net position or equity (continued)****2. Receivables and payables****a. Interfunds**

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the non-current portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances”.

**b. Property taxes and other receivables**

In the government-wide financial statements, all trade and property tax receivables are shown net of an allowance for uncollectibles. Allowance percentages range from 15.00% to 25.00% of outstanding receivable balances and are calculated based upon prior collections.

In the fund financial statements, all property taxes receivable at June 30, which have not been collected as of June 30, have been recorded as deferred inflows of resources since they are not considered to be available to finance expenditures of the current year. Property taxes are assessed on property as of October 1. Taxes are billed in the following July and are due in two installments, July 1 and January 1. Personal property and motor vehicle taxes are billed in July and are due in one installment, July 1, and supplemental motor vehicle taxes are due in full January 1. Liens are effective on the assessment date and are continued by filing before the end of the fiscal year following the due date.

Loan receivables consist of a construction line of credit to the New Canaan Library, a separate not-for-profit entity. The line of credit was furnished for the purpose of providing the library with funds needed to cover a temporary cash shortfall between construction costs and receipt of pledged donations. At year end, \$2,000,000 of the \$10,000,000 line of credit has been advanced. The pledged donations are the collateral on the loan. The loan term is ten years from the first draw with an interest rate of the Town’s borrowing cost plus 0.25%.

**c. Leases receivable**

The Town is a lessor for noncancellable leases of buildings and land. The Town recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, the Town initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

## Town of New Canaan, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

**C. Assets, liabilities, deferred outflows/inflows of resources and net position or equity (continued)**

Key estimates and judgments related to leases include:

Discount Rate	The Town uses its estimated incremental borrowing rate as the discount rate used to discount the expected lease receipts to present value.
Lease Term	The lease term includes the noncancellable period of the lease.
Lease Payments	Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The Town monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

**3. Restricted assets**

The restricted assets for the Town are restricted for performance bonds and endowments. Performance bonds are temporarily restricted until the monies are returned to the vendor after satisfactory completion of the contract or the Town calls the bond for nonperformance. The trust agreement restricts the expenditure of the investment income only for the designated purpose.

**4. Capital assets**

Capital assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and proprietary fund financial statements. Capital assets are defined by the Town as assets with an initial, individual cost as noted in the table below and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Certain capital assets retain a salvage value of 5% of the original cost. Capital assets of the Town are depreciated/amortized using the straight-line method over the following estimated useful lives:

<b>Assets</b>	<b>Years</b>	<b>Capitalization Threshold</b>
Land	N/A	\$ All
Construction in progress	N/A	10,000
Land improvements	20	10,000
Buildings and improvements	50	10,000
Machinery and equipment	5-15	10,000
Vehicles	8	10,000
Infrastructure	20-65	10,000
Right-to-use leased assets	Lease term	20,000
Right-to-use subscription assets	Subscription term	20,000

## Town of New Canaan, Connecticut

**Notes to Financial Statements  
As of and for the Year Ended June 30, 2023****C. Assets, liabilities, deferred outflows/inflows of resources and net position or equity (continued)****5. Deferred outflows/inflows of resources**

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

The Town reports deferred outflows and inflows of resources related to pensions and OPEB in the government-wide statements for differences between expected and actual experience, changes in assumptions and net difference between projected and actual earnings on plan investments. The deferred outflow or inflow related to differences between expected and actual experience and changes in assumptions will be amortized over the average remaining service life of all plan members. The deferred outflow or inflow related to the net difference between projected and actual earnings on plan investments will be amortized over a five-year period.

Deferred inflows of resources include deferred inflows relating to the lease receivable. These amounts are deferred and are amortized to lease revenue in a systematic and rational manner over the term of the lease.

Deferred inflows of resources also include deferred inflows relating to advance refunding of debt. These amounts are deferred and are amortized over the shorter of the life of the new debt or the remaining life of the old debt.

For governmental funds, the Town reports unavailable revenue, which arises only under the modified accrual basis of accounting. Accordingly, unavailable revenue is reported only in the governmental funds' balance sheet. The governmental funds report unavailable revenues from several sources: property taxes (including advance collections, if any), sewer assessment and use charges. These amounts are recognized as an inflow of resources in the period that the amounts become available.

**6. Compensated absences**

Vacation time earned during the fiscal year can be carried over to the succeeding year, subject to limitations as provided in the respective collective bargaining agreements. Employees are entitled to accumulate sick leave up to a maximum amount stipulated in each contract. Payment for accumulated sick leave is dependent upon the length of service and accumulated days. Additionally, certain vacation and sick leave expenses will be paid out of the pension funds upon retirement. The value of all compensated absences has been reflected in the government-wide financial statements.

Town of New Canaan, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023

C. Assets, liabilities, deferred outflows/inflows of resources and net position or equity (continued)

7. Long-term liabilities

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term liabilities are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenses.

In the fund financial statements, governmental fund types recognize bond premiums and discounts 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.

8. Lease and subscription liabilities

The Town is a lessee for noncancellable leases of buildings and equipment. Additionally, the Town has certain software subscriptions that require recognition in the financial statements. The Town recognizes a lease/subscription liability and an intangible right-to-use lease/subscription asset (lease/subscription asset) in the government-wide financial statements. The Town recognizes lease/subscription liabilities with an initial, individual value of \$20,000 or more.

At the commencement of a lease/subscription, the Town initially measures the lease/subscription liability at the present value of payments expected to be made during the term. Subsequently, the lease/subscription liability is reduced by the principal portion of payments made. The lease/subscription asset is initially measured as the initial amount of the lease/subscription liability, adjusted for payments made at or before the commencement date, plus certain initial direct costs. Subsequently, the lease/subscription asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases and subscriptions include:

Discount rate	The Town uses the interest rate charged by the lessor/subscription vendor as the discount rate to discount the expected payments to the present value. When the interest rate charged is not provided, the Town generally uses its estimated incremental borrowing rate as the discount rate.
Term	The lease/subscription term includes the noncancellable period of the lease/agreement.
Payments	Lease/subscription payments included in the measurement of the liability are composed of fixed payments and any purchase option price that the Town is reasonably certain to exercise.

The Town monitors changes in circumstances that would require a remeasurement of its lease or subscriptions and will remeasure the lease/subscription asset and liability if certain changes occur that are expected to significantly affect the amount of the lease/subscription liability.

Town of New Canaan, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023

C. Assets, liabilities, deferred outflows/inflows of resources and net position or equity (continued)

Lease/subscription assets are reported with other capital assets and lease/subscription liabilities are reported with long-term debt on the statement of net position.

9. Fund equity and net position

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

Net Investment in Capital Assets	This category presents the net position that reflects capital assets net of depreciation/amortization and net of only the debt applicable to the acquisition or construction of these assets. Debt issued for non-capital purposes, and unspent bond proceeds, are excluded.
Restricted Net Position	This category presents the net position restricted by external parties (creditors, grantors, contributors or laws and regulations).
Unrestricted Net Position	This category presents the net position of the Town which is not classified in the preceding two categories.

Sometimes the Town will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Town's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

In the fund financial statements, fund balances are classified into the following categories:

Nonspendable	This category presents amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.
Restricted	This category presents amounts that can be spent only for specific purposes because of enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
Committed	This category presents amounts that can be used only for specific purposes determined by a formal action at the highest level of decision-making authority for the Town. Commitments may be established, modified, or rescinded only through resolutions approved by the Town Council.
Assigned	This category presents amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Intent is expressed by the passage of a resolution by the Board of Finance or Town Council or by a properly approved purchase order.
Unassigned	This category presents amounts that do not meet the criteria above and are available for any purpose. This category is only reported in the general fund for positive amounts and in any other fund that has a fund balance deficit.

## Town of New Canaan, Connecticut

**Notes to Financial Statements  
As of and for the Year Ended June 30, 2023****C. Assets, liabilities, deferred outflows/inflows of resources and net position or equity (continued)**

The Town will sometimes fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Town's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

**Minimum fund balance policy**

The Board of Finance and Town Council have adopted a minimum fund balance policy for the General Fund. The policy establishes the intent to maintain a level of unassigned fund balance of 10.00% of the general fund operating budget.

**10. Use of estimates**

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

**11. Reclassifications**

Certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

**II. Stewardship, compliance and accountability****A. Basis of budgeting**

The General Fund and Sewer District Fund have legally adopted annual budgets.

The Town uses a basis of budgeting under which purchase orders for contracts or other commitments are recorded in order to reserve that portion of the applicable appropriation. Encumbrances are recognized as a valid and proper charge against a budget appropriation in the year in which the purchase order, contract or other commitment is issued and, accordingly, encumbrances outstanding at year end are reported in the budgetary statements included as required supplementary information.

**B. Donor-restricted endowments**

The Town has received certain endowments for special education programs. The amounts are reflected in net position as restricted for endowments. Investment income is approved for disbursement by the Board of Education or the applicable Trustee and is included in restricted fund balance. At year end, there was no net appreciation available for appropriation from the Sydney Weisner Fund.

## Town of New Canaan, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

**B. Donor-restricted endowments (continued)**

The Town allocates investment income of donor-restricted endowments in accordance with donor restrictions and Connecticut law, which has adopted the provisions of the Uniform Prudent Management of Institutional Funds Act ("UPMIFA"). Under UPMIFA, investment income earned on donor-restricted endowment funds is considered to be unrestricted in the absence of explicit donor restrictions. Further, in the absence of explicit donor restrictions regarding investment appreciation, such appreciation is treated the same as the related investment income. Investment losses that reduce the value of endowment investments below the original principal amount serve to reduce restricted net position or unrestricted net position, depending upon the applicable donor's stipulations regarding the treatment of investment income and appreciation.

**C. Capital projects authorizations**

The following is a summary of certain capital projects:

<u>Project</u>	<u>Project Authorization</u>	<u>Cumulative Expenditures</u>	<u>Balance</u>
2018 Waveny Elevator/Bathrooms/ADA	\$ 4,002,180	\$ 2,086,435	\$ 1,915,745
2018 Police Station Renovation	1,700,000	1,406,384	293,616
2019 Parking Lots	500,000	1,794	498,206
2020 Pavement Management Program	2,438,065	2,114,650	323,415
2020 Co-Generation Plant	775,000	662,201	112,799
2021 Pavement management	2,438,065	2,123,587	314,478
2021 Sidewalks	500,000	305,892	194,108
2021 Ponus Ridge Bridge	2,000,000	109,668	1,890,332
2021 Elm Street Building Project	8,309,000	7,848,581	460,419
2022 Playhouse	1,000,000	698,136	301,864
2023 Pavement Management Program	2,438,065	761,738	1,676,327
2023 East Boiler Replacement	593,000	544,711	48,289
2023 Grove Street	994,775	960,334	34,441
Public Safety Radio Improvements	2,600,000	2,194,257	405,743
Totals	<u>\$ 30,288,150</u>	<u>\$ 21,818,368</u>	<u>\$ 8,469,782</u>

## Town of New Canaan, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

## I. III. Detailed notes

## A. Cash and investments

## 1. Cash

- a. Cash balances are summarized as follows:

Statement of Net Position (Exhibit A)	
Current assets	\$ 14,476,111
Noncurrent assets - temporarily restricted	<u>302,354</u>
Total cash	<u>\$ 14,778,465</u>

## b. Deposits – custodial credit risk

At year end, the Town's bank balance was exposed to custodial credit risk as follows:

Bank balance	<u>\$ 15,485,730</u>
Uninsured and uncollateralized	\$ 4,280,365
Uninsured and collateral held by the pledging bank's trust department, not in the Town's name	<u>1,665,645</u>
Total amount subject to custodial credit risk	<u>\$ 5,946,010</u>

Financial instruments that potentially subject the Town to significant concentrations of credit risk consist primarily of cash. From time to time, the Town's cash account balances exceed the Federal Deposit Insurance Corporation limit. The Town reduces its credit risk by maintaining its cash deposits with major financial institutions and monitoring their credit ratings.

## 2. Investments

- a. Investments are summarized as follows:

Statement of Net Position (Exhibit A)	
Current assets	\$ 31,180,994
Noncurrent assets	
Temporarily restricted	796,376
Permanently restricted	722,355
Statement of Fiduciary Net Position (Exhibit I)	
Pension and OPEB trust funds	<u>178,380,141</u>
Total investments	<u>\$ 211,079,866</u>

## Town of New Canaan, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

**A. Cash and investments (continued)**

- b. The Town's investments (including restricted investments) consisted of the following types and maturities. Specific identification was used to determine the maturities.

Type of Investment	Fair Value	Investment Maturities (In Years)			
		N/A	Less Than 1	1-5 Years	5-10 Years
Mutual funds:					
Equity	\$ 119,455,282	\$ 119,455,282	\$ -	\$ -	\$ -
Bond	60,367,722	-	-	-	60,367,722
Bank money market accounts	8,819,160	-	8,819,160	-	-
U.S. government agency securities	22,437,702	-	-	22,437,702	-
Total	\$ 211,079,866	\$ 119,455,282	\$ 8,819,160	\$ 22,437,702	\$ 60,367,722
Less pension and OPEB funds	(178,380,141)				
Other funds	\$ 32,699,725				

- c. The Town had the following recurring fair value measurements:

Investments by fair value level	Amount	Quoted Market Prices in Active Markets	Significant Observable Inputs
		Level 1	Level 2
Mutual Funds:			
Equity	\$ 119,455,282	\$ 119,455,282	\$ -
Bond	60,367,722	60,367,722	-
U.S. government agency securities	22,437,702	-	22,437,702
Total investments by fair value level	202,260,706	\$ 179,823,004	\$ 22,437,702
<u>Other investments</u>			
Bank money market accounts	8,819,160		
Total investments	\$ 211,079,866		

Level 1: Quoted prices for identical investments in active markets

Level 2: Observable inputs: quoted prices for identical securities in markets that are not active. The fair value was determined based on quoted prices in less active, dealer or broker markets. Fair values are primarily obtained from third party pricing services for identical or comparable assets.

Town of New Canaan, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023

A. Cash and investments (continued)

- d. The Town's investments subject to credit risk had average ratings by Standard & Poor's as follows:

Type of Investment	Ratings		
	AAA	Unrated	Total
Mutual funds			
Bond	\$ -	\$ 60,367,722	\$ 60,367,722
U.S. government agency securities	22,437,702	-	22,437,702
<b>Total</b>	<b>\$ 22,437,702</b>	<b>\$ 60,367,722</b>	<b>\$ 82,805,424</b>

- e. Certain investments are covered by the Securities Investor Protection Corporation ("SIPC") up to \$500,000, including \$250,000 of cash from sale or for purchase of investments, but not cash held solely for the purpose of earning interest. SIPC protects securities such as notes, stocks, debentures, certificates of deposit and money funds.

The following Town investments are held by the counterparty's trust department or agent but not in the Town's name and, therefore, are subject to custodial credit risk.

	Total	Less Insured Amounts	Amount Subject to Custodial Credit Risk
U.S. government agency securities	\$ 22,437,702	\$ 1,000,000	\$ 21,437,702

In addition to the SIPC insurance, the trustees have additional insurance. One account is covered by the trustee's additional insurance up to \$24,500,000 per client with an aggregate loss limit of \$100,000,000. The other account is covered by the trustee's additional insurance with an aggregate loss limit of \$500,000,000.

Town of New Canaan, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023

**B. Receivables**

1. Receivable balances have been disaggregated by type and presented separately in the financial statements. Only receivables for the Town’s government-wide financial statements with allowances for uncollectible accounts, including the applicable allowances for uncollectible accounts, are presented below.

	Property Taxes		
	Taxes	Interest and Lien Fees	Total
Current portion	\$ 578,753	\$ 263,575	\$ 842,328
Long-term portion	767,185	252,499	1,019,684
Less allowance for uncollectibles	<u>(287,278)</u>	<u>(90,118)</u>	<u>(377,396)</u>
Net long-term portion	<u>479,907</u>	<u>162,381</u>	<u>642,288</u>
Total receivable	<u>\$ 1,058,660</u>	<u>\$ 425,956</u>	<u>\$ 1,484,616</u>

**2. Leases receivable**

The Town reports the following lease balances and activity:

Description	Lease Receivable	Deferred Inflows of Resources	Lease Revenue	Lease Interest Revenue
Concession facility	\$ 50,041	\$ 44,811	\$ 12,221	\$ 935
Land	1,137,415	1,102,085	23,040	17,485
Outback building	43,437	41,999	35,999	1,214
Kiwanis Park	-	-	3,486	226
New Canaan Playhouse	-	-	22,729	352
Total	1,230,893	<u>\$ 1,188,895</u>	<u>\$ 97,475</u>	<u>\$ 20,212</u>
Less: current portion	<u>(54,333)</u>			
Long-term portion	<u>\$ 1,176,560</u>			

Description	Terms
Concession facility	In January 2022, the Town is lessor in a five-year lease agreement for the lease of the concession facilities at Mead Park Lodge and Waveny Park. Based on this agreement, the Town is receiving annual payments through December 2026. Extension of the lease requires mutual agreement.

Town of New Canaan, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023

**B. Receivables (continued)**

Description	Terms
Land	In March 1999, the Town entered into an agreement to extend a 1972 land lease through 2071. Based on this agreement, the Town is receiving annual payments through May 2071.
Outback building	In May 2019, the Town is lessor in a five-year lease agreement for the right to use a building. The lease is not reasonably certain of being extended. Based on this agreement, the Town is receiving monthly payments through August 2024.
Kiwanis Park	In May 2022, the Town is lessor in a lease agreement for the right to use a building and tract of land. Based on this agreement, the Town is receiving annual payments through August 2023.
New Canaan Playhouse	The Town is lessor in two lease agreements for the right to use a portion of the playhouse. Both leases were terminated in December 2022.

**C. Interfund accounts**

**1. Interfund payables and receivables**

A summary of interfund balances is as follows:

	Corresponding Fund	Due From	Due To
General Fund			
Small Bonded Capital Projects Fund	N/A	\$ 10,161,633	\$ -
Special Revenue Funds	N/A	2,064,981	2,230,633
Capital Projects Funds	N/A	-	747,865
Waveny Pool Fund	N/A	39,891	-
Internal Service Funds	N/A	-	4,439,303
Total General Fund		12,266,505	7,417,801
Small Bonded Capital Projects Fund	General Fund	-	10,161,633
Waveny Pool Fund	General Fund	-	39,891

## Town of New Canaan, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

**C. Interfund accounts (continued)**

	Corresponding Fund	Due From	Due To
Other Governmental Funds			
Special Revenue Funds			
Sewer Taxing District Fund	General Fund	\$ -	\$ 5,835
School Lunch Fund	General Fund	-	812,515
Summer Learning Fund	General Fund	-	4,787
School Activity Fund	General Fund	-	53,086
Town Projects Fund	General Fund	617,528	147,140
Facilities Rental Fund	General Fund	-	99,949
Special Projects Fund	General Fund	1,135,542	-
Extra Duty Fund	General Fund	-	224,579
State and Federal Educational			
Grants Fund	General Fund	-	645,308
School Donation Fund	General Fund	-	37,806
General Government Fund	General Fund	101,903	264
Affordable Housing Fund	General Fund	375,660	-
Visual and Performing Arts Fund	General Fund	-	33,712
Capital Project Funds			
Tax Supported Capital Fund	General Fund	12,953	-
Special Bonding Fund	General Fund	334,912	-
Special Bonding Fund	Land Acquisition Fund	-	50,000
Public Safety Radio Fund	General Fund	400,000	-
Land Acquisition Fund	Special Bonding Fund	50,000	-
Total Other Governmental Funds		<u>3,028,498</u>	<u>2,114,981</u>
Internal Service Funds			
Education Health Benefits Fund	General Fund	2,396,379	-
Town Health Benefits Fund	General Fund	2,042,924	-
Total Internal Service Funds		<u>4,439,303</u>	<u>-</u>
Grand Total		<u>\$ 19,734,306</u>	<u>\$ 19,734,306</u>

All interfund balances resulted from the time lag between the dates payments occurred between funds for interfund goods, payroll and services provided or in instances where certain funds do not have a cash account.

## Town of New Canaan, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

**C. Interfund accounts (continued)****2. Interfund transfers**

A summary of interfund transfers is as follows:

	Corresponding Fund	Transfers In	Transfers Out
General Fund			
Special Revenue Funds	N/A	\$ 350,000	\$ 88,506
Capital Projects Funds	N/A	2,442,619	232,000
Waveny Pool Fund	N/A	121,396	-
Total General Fund		<u>2,914,015</u>	<u>320,506</u>
Small Bonded Capital Projects Fund			
Road Paving Fund	N/A	526,428	-
Saxe School Improvement Fund	N/A	-	1,856
Total Small Bonded Capital Projects Fund		<u>526,428</u>	<u>1,856</u>
Waveny Pool Fund	General Fund	-	121,396
Other Governmental Funds			
Special Revenue Funds			
Town Projects Fund	Town Projects Fund	150,000	150,000
Special Projects Fund	General Fund	88,506	-
Extra Duty Fund	General Fund	-	350,000
Capital Project Funds			
Tax Supported Capital Fund	General Fund	232,000	-
Special Bonding	General Fund	-	2,442,619
Special Bonding	Land Acquisition Fund	-	50,000
Road Paving Fund	Small Bonded Capital Projects Fund	-	526,428
Road Paving Fund	Saxe School Improvement Fund	-	292,970
Road Paving Fund	South School Improvement Fund	-	41,509
Road Paving Fund	Bridge Replacement Funds	-	297,885
South School Improvement Fund	Road Paving Fund	41,509	-
Saxe School Improvement Fund	Small Bonded Capital Projects Fund	1,856	-
Saxe School Improvement Fund	Road Paving Fund	292,970	-
Saxe School Improvement Fund	Waveny Roof fund	37,170	-
Saxe School Improvement Fund	Track Fund	79,311	-
Saxe School Improvement Fund	Mead Baseball Fields Fund	425	-
Waveny Roof fund	Saxe School Improvement Fund	-	37,170
Track Fund	Saxe School Improvement Fund	-	79,311
Mead Baseball Fields Fund	Saxe School Improvement Fund	-	425
Bridge Replacement Funds	Road Paving Fund	297,885	-
Land Acquisition Fund	Special Bonding	50,000	-
Total Other Governmental Funds		<u>1,271,632</u>	<u>4,268,317</u>
Total		<u>\$ 4,712,075</u>	<u>\$ 4,712,075</u>

Transfers are used to account for the financing by the general fund of various programs and activities in other funds, return of administrative fees to general fund, for extra duty charges, and closing out of capital projects.

## Town of New Canaan, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

**D. Capital assets**

Capital asset activity for the year was as follows:

Governmental Activities:

	Balance July 1, 2022 <i>(as restated)</i> <sup>^</sup>	Increases	Decreases	Balance June 30, 2023
Capital assets not being depreciated/ amortized				
Land	\$ 71,304,044	\$ -	\$ -	\$ 71,304,044
Construction in progress	6,816,511	10,867,299	953,731	16,730,079
Total capital assets not being depreciated/amortized	<u>78,120,555</u>	<u>10,867,299</u>	<u>953,731</u>	<u>88,034,123</u>
Capital assets being depreciated/amortized				
Intangible right-to-use-assets	2,000,624	325,135	-	2,325,759
Land improvements	20,491,051	371,691	-	20,862,742
Buildings and improvements	211,656,260	2,400,498	-	214,056,758
Machinery and equipment	28,585,477	1,271,525	-	29,857,002
Vehicles	13,368,318	336,075	-	13,704,393
Infrastructure	61,863,153	3,970,598	-	65,833,751
Total capital assets being depreciated/ amortized	<u>337,964,883</u>	<u>8,675,522</u>	<u>-</u>	<u>346,640,405</u>
Total capital assets	<u>416,085,438</u>	<u>19,542,821</u>	<u>953,731</u>	<u>434,674,528</u>
Less accumulated depreciation/amortization				
Intangible right-to-use-assets	407,257	809,706	-	1,216,963
Land improvements	7,362,214	851,691	-	8,213,905
Buildings and improvements	88,869,779	6,014,162	-	94,883,941
Machinery and equipment	18,257,963	1,480,403	-	19,738,366
Vehicles	9,225,405	763,760	-	9,989,165
Infrastructure	24,681,512	2,563,279	-	27,244,791
Total accumulated depreciation/amortization	<u>148,804,130</u>	<u>12,483,001</u>	<u>-</u>	<u>161,287,131</u>
Net capital assets being depreciated/ amortized	<u>189,160,753</u>	<u>(3,807,479)</u>	<u>-</u>	<u>185,353,274</u>
Net capital assets	<u>\$267,281,308</u>	<u>\$ 7,059,820</u>	<u>\$ 953,731</u>	<u>\$ 273,387,397</u>

<sup>^</sup>Restated for GASB Statement No. 96 (Exhibit K, Note VI).

Intangible right-to-use assets by category are as follows:

	Asset	Accumulated Amortization
Intangible right-to-use leased buildings and improvements	\$ 1,698,999	\$ 1,028,319
Intangible right-to-use leased machinery and equipment	110,765	61,006
Intangible right-to-use leased infrastructure	12,205	12,205
Intangible right-to-use subscription assets	503,790	115,433
Total intangible right-to-use assets	<u>\$ 2,325,759</u>	<u>\$ 1,216,963</u>

## Town of New Canaan, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

**D. Capital assets (continued)**

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

General government	\$ 187,435
Public safety	909,313
Public works	4,853,429
Parks and recreation	476,348
Education	<u>6,056,476</u>
Total depreciation/amortization expense	<u>\$ 12,483,001</u>

Business-Type Activities:

	<u>Balance</u> <u>July 1, 2022</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 2023</u>
Capital assets being depreciated				
Land improvements	\$ 47,626	\$ -	\$ -	\$ 47,626
Buildings and improvements	1,988,163	73,100	-	2,061,263
Machinery and equipment	<u>153,629</u>	<u>-</u>	<u>-</u>	<u>153,629</u>
Total capital assets being depreciated	<u>2,189,418</u>	<u>73,100</u>	<u>-</u>	<u>2,262,518</u>
Less accumulated depreciation				
Land improvements	11,529	2,273	-	13,802
Buildings and improvements	675,825	38,679	-	714,504
Machinery and equipment	<u>145,947</u>	<u>-</u>	<u>-</u>	<u>145,947</u>
Total accumulated depreciation	<u>833,301</u>	<u>40,952</u>	<u>-</u>	<u>874,253</u>
Net capital assets	<u>\$ 1,356,117</u>	<u>\$ 32,148</u>	<u>\$ -</u>	<u>\$ 1,388,265</u>

Depreciation expense was charged to the Waveny Pool Fund.

**E. Construction commitments**

The Town had the following construction contract commitments:

Rehabilitation of bridge	\$ 914,074
220 Elm Street	235,922
Asbestos abatement	90,300
Waveny House	1,291,050
Playhouse	<u>146,454</u>
Total	<u>\$ 2,677,800</u>

**Town of New Canaan, Connecticut**  
**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

**F. Changes in long-term liabilities**

General obligation bonds, equipment financing notes and leases are direct borrowings and pledge the full faith and credit of the Town.

**1. Summary of changes**

The following is a summary of changes in long-term liabilities during the fiscal year:

Governmental Activities:

Description	Original Amount	Year of Issue	Year of Maturity	Interest Rate	Balance July 1, 2022 <i>(as restated) ^</i>	Additions	Deductions	Balance June 30, 2023	Current Portion	Long-Term Portion
<u>Bonds:</u>										
General Purpose:										
Refunding bonds	\$ 8,756,000	2015	2025	2.50-3.00%	\$ 4,326,000	\$ -	\$ 839,000	\$ 3,487,000	\$ 839,000	\$ 2,648,000
General obligation	2,400,000	2017	2037	3.00%	1,800,000	-	120,000	1,680,000	120,000	1,560,000
General obligation	11,365,828	2018	2039	2.25-5.00%	8,287,000	-	771,000	7,516,000	774,000	6,742,000
Refunding bonds - Series B	5,459,000	2018	2029	4.00-5.00%	4,791,000	-	456,000	4,335,000	460,000	3,875,000
Refunding bonds - Series C	11,584,000	2018	2025	5.00%	4,034,000	-	1,577,000	2,457,000	1,199,000	1,258,000
General obligation - Series D	5,674,835	2018	2028	3.50-5.00%	4,313,750	-	453,750	3,860,000	453,750	3,406,250
General obligation	6,277,765	2019	2039	4.00-5.00%	5,582,000	-	347,000	5,235,000	347,000	4,888,000
Refunding bonds	14,691,000	2019	2033	4.00-5.00%	10,886,000	-	1,006,000	9,880,000	1,035,000	8,845,000
Refunding bonds	4,155,000	2020	2030	4.00-5.00%	3,755,000	-	535,000	3,220,000	539,000	2,681,000
General obligation	2,727,615	2021	2041	3.00-5.00%	2,555,950	-	171,670	2,384,280	171,670	2,212,610
Refunding bonds	1,307,000	2021	2031	1.50-2.00%	1,185,000	-	124,000	1,061,000	126,000	935,000
General obligation	16,356,842	2022	2042	2.00-4.00%	16,356,842	-	918,933	15,437,909	918,935	14,518,974
Total general purpose					67,872,542	-	7,319,353	60,553,189	6,983,355	53,569,834
School bonds:										
Refunding bonds	634,000	2015	2025	2.50-3.00%	314,000	-	61,000	253,000	61,000	192,000
General obligation	6,900,000	2017	2037	3.00%	5,175,000	-	345,000	4,830,000	345,000	4,485,000
General obligation	8,634,172	2018	2038	2.25-5.00%	5,933,000	-	674,000	5,259,000	671,000	4,588,000
Refunding bonds - Series B	7,411,000	2018	2029	4.00-5.00%	2,539,000	-	1,164,000	1,375,000	1,165,000	210,000
Refunding bonds - Series C	12,854,000	2018	2025	5.00%	5,646,000	-	1,463,000	4,183,000	2,041,000	2,142,000
General obligation - Series D	125,165	2018	2028	3.50-5.00%	106,250	-	6,250	100,000	6,250	93,750
General obligation	3,322,235	2019	2040	4.00-5.00%	2,988,000	-	168,000	2,820,000	168,000	2,652,000
Refunding bonds	364,000	2019	2033	4.00-5.00%	244,000	-	34,000	210,000	35,000	175,000
Refunding bonds	5,470,000	2020	2030	4.00-5.00%	5,470,000	-	1,075,000	4,395,000	1,086,000	3,309,000
General obligation	2,517,385	2021	2041	3.00-5.00%	2,379,050	-	138,330	2,240,720	138,330	2,102,390
Refunding bonds	3,768,000	2021	2031	1.50-2.00%	3,415,000	-	356,000	3,059,000	364,000	2,695,000
General obligation	8,643,158	2022	2042	2.00-4.00%	8,643,158	-	476,067	8,167,091	476,065	7,691,026
Total school bonds					42,852,458	-	5,960,647	36,891,811	6,556,645	30,335,166
Total bonds					110,725,000	-	13,280,000	97,445,000	13,540,000	83,905,000

**Town of New Canaan, Connecticut**  
**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

**F. Changes in long-term liabilities (continued)**

Description	Original Amount	Year of Issue	Year of Maturity	Interest Rate	Balance July 1, 2022 <i>(as restated)</i> <sup>^</sup>	Additions	Deductions	Balance June 30, 2023	Current Portion	Long-Term Portion
Equipment Financing Notes:										
Technology Equipment	\$ 600,000	2019	2023	2.26%	\$ 155,098	\$ -	\$ 155,098	\$ -	\$ -	\$ -
Technology Equipment	621,878	2020	2024	1.00%	313,541	-	155,987	157,554	157,554	-
Technology Equipment	625,367	2021	2025	1.04%	509,641	-	193,981	315,660	157,010	158,650
Technology Equipment	800,000	2022	2026	3.29%	-	800,000	193,584	606,416	195,535	410,881
Total notes					<u>978,280</u>	<u>800,000</u>	<u>698,650</u>	<u>1,079,630</u>	<u>510,099</u>	<u>569,531</u>
Total bonds/notes					111,703,280	800,000	13,978,650	98,524,630	14,050,099	84,474,531
Leases payable					1,401,276	-	440,424	960,852	595,159	365,693
Subscriptions payable					<u>178,655</u>	<u>325,135</u>	<u>152,465</u>	<u>351,325</u>	<u>164,100</u>	<u>187,225</u>
Total long-term debt					113,283,211	1,125,135	14,571,539	99,836,807	14,809,358	85,027,449
Premium					<u>5,666,850</u>	-	417,952	5,248,898	-	5,248,898
Total long-term debt and related liabilities					<u>118,950,061</u>	<u>1,125,135</u>	<u>14,989,491</u>	<u>105,085,705</u>	<u>14,809,358</u>	<u>90,276,347</u>
Compensated absences					2,987,911	3,043,982	2,798,129	3,233,764	646,753	2,587,011
Heart and hypertension					735,587	80,203	62,156	753,634	130,000	623,634
Post closure landfill costs					175,000	-	25,000	150,000	25,000	125,000
Net OPEB liability					<u>7,804,589</u>	<u>2,546,202</u>	<u>5,835,265</u>	<u>4,515,526</u>	-	4,515,526
Total long-term liabilities					<u>\$ 130,653,148</u>	<u>\$ 6,795,522</u>	<u>\$ 23,710,041</u>	<u>\$ 113,738,629</u>	<u>\$ 15,611,111</u>	<u>\$ 98,127,518</u>

<sup>^</sup>Restated for GASB Statement No. 96 (Exhibit K, Note VI).

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

## Town of New Canaan, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

**F. Changes in long-term liabilities (continued)**

The following is a summary of amounts to be provided for the retirement of bond and note maturities:

Year Ended June 30:	Governmental Activities		
	Bond Principal	Note Principal	Total Interest
2024	\$ 13,540,000	\$ 510,099	\$ 3,539,302
2025	12,395,000	360,716	2,965,444
2026	9,040,000	208,815	2,447,161
2027	9,060,000	-	2,072,875
2028	7,255,000	-	1,705,925
2029	6,415,000	-	1,413,575
2030	5,795,000	-	1,159,200
2031	5,520,000	-	934,000
2032	3,960,000	-	764,075
2033	3,875,000	-	646,975
2034	3,880,000	-	529,881
2035	3,190,000	-	425,794
2036	3,085,000	-	337,806
2037	3,030,000	-	252,269
2038	2,195,000	-	172,006
2039	1,640,000	-	108,625
2040	1,520,000	-	66,150
2041	1,125,000	-	33,750
2042	925,000	-	9,250
Totals	\$ 97,445,000	\$ 1,079,630	\$ 19,584,063

**2. Assets pledged as collateral**

The Town's outstanding equipment financing notes of \$1,079,630 are secured with collateral of the equipment purchased.

Town of New Canaan, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023

F. Changes in long-term liabilities (continued)

3. Statutory debt limitations

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

Category	Debt Limit	Net Indebtedness	Balance
General purpose	\$ 320,978,993	\$ 60,553,189	\$ 260,425,804
Schools	641,957,985	36,891,811	605,066,174
Sewer	534,964,988	-	534,964,988
Urban renewal	463,636,323	-	463,636,323
Pension deficit	427,971,990	-	427,971,990

The total overall statutory debt limit for the Town is equal to 7 times the annual receipts for the prior year taxation: \$ 998,601,310

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

4. Authorized/unissued debt

The amount of authorized and unissued bonds are as follows:

Project	Amount
General purpose	\$ 27,599,764
Schools	8,835,882
Total	<u>\$ 36,435,646</u>

5. Heart hypertension

Under Connecticut General Statutes, the Town is obligated to pay for certain former public safety employees job related medical costs for the remainder of the employee's life. The liability represents an actuarially based estimate of future costs.

6. Municipal solid waste landfill closure and post-closure care costs

State and Federal laws and regulations require that the Town perform certain maintenance and monitoring functions at the landfill site for 30 years. Estimated total current costs of landfill post-closure care is \$150,000 which is based on the amount estimated to be paid for all equipment, facilities and services required to monitor and maintain the landfill. However, the actual cost of monitoring and other post-closure care may be higher due to inflation, changes in technology or changes in landfill laws and regulations.

## Town of New Canaan, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

**F. Changes in long-term liabilities (continued)****7. Leases**

Lease agreements are summarized as follows:

Governmental Activities:

Description	Year	Lease Term (years)	Interest Rate*	Original Amount	Balance June 30, 2023
Parking lot	2022	2	1.53%	\$ 12,205	\$ -
Food pantry	2022	3.5	1.53%	40,572	17,640
Office space	2022	4	1.53%	1,658,428	905,268
Copiers	2022	3.5	1.53%	110,765	37,944
Total				<u>\$ 1,821,970</u>	<u>\$ 960,852</u>

\*All interest rates have been imputed based on the rate from recently issued debt as there were no interest rates specified in the lease agreement.

Description	Terms
Parking lot	The Town leases a parking lot. The lease agreement contains a five year extension period that is not reasonably certain of renewal.
Food pantry	The lease term includes a one year additional term that the Town anticipates renewing. The lease payments are estimated based on the original term lease payments.
Office space	The lease agreement was modified and the lease was transferred from the Board of Education to the Town, effective July 1, 2023. No extension terms are expected under the modified lease.
Copiers	The Town has two copier leases which are not renewable and the Town will not acquire the equipment at the end of the term.

The following is a summary of principal and interest payments to maturity:

Governmental Activities:

Year Ending June 30	Principal	Interest	Total
2024	\$ 595,159	\$ 14,701	\$ 609,860
2025	365,693	5,595	371,288
Totals	<u>\$ 960,852</u>	<u>\$ 20,296</u>	<u>\$ 981,148</u>

## Town of New Canaan, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

**F. Changes in long-term liabilities (continued)****8. Subscription arrangements**

Subscription arrangements are summarized as follows:

Governmental Activities:

Description	Year	Subscription Term (years)	Interest Rate*	Original Amount	Balance June 30, 2023
Enterprise immune system	2023	3	4.37%	\$ 116,328	\$ 79,198
Communications network	2023	3	4.37%	150,520	102,477
Regional permitting and cloud software	2023	2	4.37%	58,286	32,008
Network software	2023	4	4.37%	178,655	137,642
Total				<u>\$ 503,789</u>	<u>\$ 351,325</u>

\*All interest rates have been imputed based on the rate from recently issued debt as there were no interest rates specified in the subscription agreement.

Description	Terms
Enterprise immune system	The Town has a subscription arrangement for enterprise immune system software. This arrangement does not include extension or termination terms.
Communications network	The Town has a subscription arrangement for the communications network. This arrangement does not include extension or termination terms.
Regional permitting and cloud software	The Town has a subscription arrangement for regional permitting and cloud software. This arrangement does not include extension or termination terms.
Network software	The Town has a subscription arrangement for network software. The Town has a termination option which is not expected to be exercised. Any option to extend must be mutually agreed upon.

The following is a summary of principal and interest payments to maturity:

Governmental Activities:

Year Ending June 30	Principal	Interest
2024	\$ 164,100	\$ 15,353
2025	138,264	8,182
2026	48,961	2,140
Totals	<u>\$ 351,325</u>	<u>\$ 25,675</u>

## Town of New Canaan, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

**G. Fund balance and restricted net position classifications**

Fund balances are classified as follows:

	General Fund	Small Bonded Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
Nonspendable:				
Leases	\$ 41,998	\$ -	\$ -	\$ 41,998
Special education	-	-	56,500	56,500
Scholarships	-	-	665,855	665,855
<b>Total Nonspendable</b>	<b>41,998</b>	<b>-</b>	<b>722,355</b>	<b>764,353</b>
Restricted:				
General government	-	-	738,258	738,258
American rescue plan act	-	-	3,238,451	3,238,451
Public safety	-	-	104,089	104,089
Public works	-	-	113,996	113,996
Sewer operations*	-	-	3,906,688	3,906,688
Health and welfare programs	-	-	1,045,486	1,045,486
Culture and recreation programs	-	-	147,564	147,564
Education	-	-	1,285,575	1,285,575
Cafeteria operations*	-	-	693,435	693,435
Parking lot repairs and maintenance*	-	-	1,110,419	1,110,419
<b>Total Restricted</b>	<b>-</b>	<b>-</b>	<b>12,383,961</b>	<b>12,383,961</b>
Committed:				
General government	-	-	401,865	401,865
Police	-	-	248,326	248,326
Movie theater operations and projects	-	-	100,463	100,463
Education	-	-	586,290	586,290
Library loan receivable	-	2,000,000	-	2,000,000
Capital projects:				
Public safety radio	-	-	405,743	405,743
Land acquisition	-	-	150,000	150,000
Construction contracts	-	2,677,800	-	2,677,800
Other capital projects	-	-	3,344,592	3,344,592
<b>Total Committed</b>	<b>-</b>	<b>4,677,800</b>	<b>5,237,279</b>	<b>9,915,079</b>

## Town of New Canaan, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

**G. Fund balance and restricted net position classifications (continued)**

	General Fund	Small Bonded Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
Assigned:				
Compensated absences	\$ 265,372	\$ -	\$ -	\$ 265,372
Heart and hypertension	658,158	-	-	658,158
Storm damage	102,151	-	-	102,151
Education	342,101	-	-	342,101
Subsequent year's budget	6,000,000	-	-	6,000,000
Total Assigned	7,367,782	-	-	7,367,782
Unassigned	19,888,761	(15,005,106)	(263)	4,883,392
Total fund balance	\$ 27,298,541	\$(10,327,306)	\$ 18,343,332	\$ 35,314,567
General Fund encumbrances totaled:	\$ 342,101			
*The amount of restricted net position, which was restricted by enabling legislation totaled:				\$ 5,710,542

**H. Deficit fund balance**

The Sydney Weisner fund had a deficit fund balance at year end of \$263. The deficit will be eliminated by income from investments and future transfers from other funds.

**IV. Other information****A. Risk management**

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the Town carries commercial insurance except as noted below. There have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or three prior years.

The Town is a member of the Connecticut Interlocal Risk Management Agency ("CIRMA"), formed by the Connecticut Conference of Municipalities for the purpose of establishing and administering an interlocal risk management program pursuant to the provisions of Section 7-479a et. seq. of the Connecticut General Statutes.

The Town is a member of CIRMA's workers' compensation pool and liability-auto-property ("LAP") risk pools. The workers' compensation pool provides statutory benefits pursuant to the provisions of the Connecticut Workers' Compensation Act. The coverage is subject to an incurred loss retrospective rating plan, and losses incurred in the coverage period will be evaluated at 18, 30 and 42 months after the effective date of coverage. CIRMA's workers' compensation pool retains \$1,000,000 per occurrence and purchases insurance above that amount to the limit of liability of \$25,000,000 per occurrence.

## Town of New Canaan, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

**A. Risk management (continued)**

The Town is also a member of CIRMA's liability-auto-property ("LAP") pool, a risk sharing pool. The LAP pool's retention limits for general, personal injury and advertising injury, auto, employee benefits, law enforcement, public officials and school leaders' liability are \$1,000,000 per occurrence and purchases insurance above that amount to the limit of liability of \$25,000,000 per occurrence.

The Town utilizes a risk management fund (the Internal Service Fund) to account for and finance its uninsured risks of loss. The fund records all claim expenditures and liabilities when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated.

The Town and Board of Education pay premiums to the Internal Service Fund for employees for medical and dental claims. The premium is calculated to cover the estimated cost of claims payment based on historical cost estimates of the amounts needed to pay prior and current year claims. The Town and Board of Education retain insurance policies for employee claims in excess of the maximum liability amounts. Maximum liability to the Town and Board of Education per covered participant is \$100,000 and \$300,000, respectively. A third party administers the plans in exchange for an administrative fee.

Claims liabilities include an estimate of claims incurred but not reported and are the Town's best estimate based on available information.

The claims liability reported in the fund is based upon accounting principles, which require that a liability for estimated claims incurred but not reported be recorded. The amount of claim accrual is based on the ultimate costs of settling the claim, which include past experience data, inflation and other future economic and societal factors and incremental claim adjustment expenses, net of estimated subrogation recoveries. The claim accrual does not include other allocated or unallocated claims adjustment expenses.

Changes in the balances of claim liabilities during the past two years is as follows:

	Claims Payable July 1	Current year Claims and Changes in Estimates	Claims Paid	Claims Payable June 30
<u>Town Health Benefits</u>				
2021-2022	\$ 384,659	\$ 4,409,272	\$ 4,473,931	\$ 320,000
2022-2023	320,000	4,626,561	4,646,561	300,000
<u>Education Health Benefits</u>				
2021-2022	1,217,896	13,785,267	13,485,912	1,517,251
2022-2023	1,517,251	14,569,005	14,708,426	1,377,830
<u>Total</u>				
2021-2022	<u>\$ 1,602,555</u>	<u>\$ 18,194,539</u>	<u>\$ 17,959,843</u>	<u>\$ 1,837,251</u>
2022-2023	<u>\$ 1,837,251</u>	<u>\$ 19,195,566</u>	<u>\$ 19,354,987</u>	<u>\$ 1,677,830</u>

## Town of New Canaan, Connecticut

**Notes to Financial Statements  
As of and for the Year Ended June 30, 2023****B. Commitments and litigation**

Amounts received or receivable from Federal and State grantor agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the Town expects such amounts, if any, to be immaterial.

The Town is a defendant in various lawsuits and the outcome of these lawsuits is not presently determinable. The resolution of these matters are not expected to have a material adverse effect on the financial condition of the Town.

**V. Pensions and other post-employment benefit (“OPEB”) plans****A. Pension plan****1. Plan description****a. Plan administration**

The Town is the administrator of a single employer public employee retirement system (“Plan”), the Retirement Plan of the Town of New Canaan, established and administered by the Town to provide pension benefits for its regular and former employees (excluding teachers who are covered under the Connecticut State Teachers’ Retirement System (“TRS”)). The Plan is considered to be part of the Town of New Canaan’s financial reporting entity and is included in the Town’s financial statement as a pension trust fund. A separate stand-alone financial report is not issued. Benefits may be changed by the Town Council through union agreements or other action.

The plan provides retirement benefits through a single employer contributory defined benefit plan. Members include bargained and non-bargained Town employees and employees of the department of public works (“DPW”), police and fire departments, education department, and the employees of the library. Temporary employees, employees working less than 20 hours per week and any education employee covered under the TRS are excluded. The plan is closed to new entrants except for police and fire department employees and education bargained employees.

A pension committee oversees the pension administration and activities. This committee is comprised of the following voting members: the First Selectman, the Town’s Finance Director, a member of the Board of Finance, an appointee of the police union and an appointee of the fire union. An appointee of the public works union attends the meetings but is not a voting member.

Town of New Canaan, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023

A. Pension plan (continued)

b. Plan membership

As of July 1, 2022, membership in the plan is comprised of the following:

Retirees and beneficiaries receiving benefits	329
Terminated employees entitled to benefits	171
Active members	<u>283</u>
Total	<u><u>783</u></u>

2. Benefit provisions

Normal retirement	Police: 25 years of service or age 50 with 20 years of service
	Fire: Age 50 with 20 years of service
	All others: Age 65 with 5 years of service
Benefit calculation	DPW: 2.25% times average annual compensation times years of credited service, up to a maximum of 30 years
	Police and Fire: 2.5% times average annual compensation times years of credited service, up to a maximum of 30 years
	BOE, Town Hall and Non-bargained Town Employees: 2.0% times average annual compensation times years of credited service, up to a maximum of 30 years
	Library: 2.5% times average annual compensation minus 0.65% of average annual compensation up to covered compensation times years of credited service, up to a maximum of 30 years
Average annual compensation	DPW, Fire and Town Employees: The highest 1 year average of the compensation rate in effect upon termination of the last 10 calendar years
	Police: The highest consecutive 3 year average of the January 1st compensation rates of the last 10 years. Upon attainment of age 55, the 1 year average of the rate of compensation at January 1st
	BOE and Library: The highest consecutive 3 year average of the January 1st compensation rates of the last 10 years
Early retirement age	55 (not applicable to police or fire)
Early retirement service requirement	15 years
Early retirement amount	Accrued benefit as of early retirement date subject to the applicable reduction factor

Town of New Canaan, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023

A. Pension plan (continued)

Disability benefit	<p>DPW: 40% of average final compensation immediately prior to date of disability minus 40% of social security minus Workers' Compensation benefit if disablement occurs during first 5 years of employment</p> <p>Others: 50% of average annual compensation immediately prior to date of disability minus 50% of social security benefits minus Workers' Compensation benefit if disablement occurs during first 5 years of employment. There is no Social Security reduction for Police or Fire members. If disablement occurs after 5 years of service, there is no reduction for Workers' Compensation</p> <p>The sum of the disability, Workers' Compensation, and Social Security benefits cannot exceed compensation before the date of disability</p>
Vesting - age	None
Vesting - service	5 years
Vesting - amount	Vested portion of accrued benefit as of date of termination. Participant may elect to a return of employee contributions with credited interest and forfeit all vested benefits
Death benefit amount	<p>Excess of return of employee contributions with credited interest over special death benefit payable at participant's normal retirement date or first of month following date of death for all others</p> <p>Special Benefit: Surviving spouse or dependent's benefit is 50% (60% for Police or Fire, and 75% for Police or Fire retirees) of average annual compensation immediately prior to death</p>
Cost of living increases	Periodically granted
Plan closure	<p>The plan is closed to the following employees:</p> <p>DPW employees hired after July 1, 2010</p> <p>Non-bargained Town or BOE, Library and Town Hall union employees hired after January 1, 2011</p>

3. Contributions required (as a percentage of pensionable wages)

Police employees	2.5% (effective 7/1/2019); If hired after 5/1/2015 - 8.0%; 0% after completion of 30 years of service
Fire employees	2.5%; If hired after 7/1/2014 - 8.0%; 0% after completion of 30 years of service
DPW employees	3.25%; 0% after completion of 30 years of service
Town Hall union employees	3.5%
Education employees	4.0%; If hired after 1/1/2016 - 8.0%; 0% after completion of 30 years of service for union members
Library	2.0%
All other non-union Town employees	0.5%
Town	Amount determined by the actuary, considering the member contributions. The Town has a policy to pay at least the greater of: (a) 40% of the actuarially determined employer contributions ("ADEC") or (b) 80% of the prior year's actual contribution up to 100% of the ADEC

Town of New Canaan, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023

A. Pension plan (continued)

4. Investments

a. Investment policy

The pension plans' policy in regard to the allocation of invested assets is established and may be amended by the Board of Finance by a majority vote of its members. It is the policy of the Town's Board of Finance to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The following is the Board's adopted asset allocation policy and long-term expected rate of return:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. equity	42.00%	4.90%
International equity	23.00%	6.68%
U.S. bonds	<u>35.00%</u>	1.08%
Total	<u><u>100.00%</u></u>	
Inflation rate		<u><u>2.40%</u></u>
Long-term expected nominal return		<u><u>6.38%</u></u>

b. Concentrations

There were no investments in any one organization that represents 5.00% or more of the pension plans' net position.

c. Long-term expected rate of return

The long-term expected rate of return on the 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 allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class included in the pension plan's target asset allocation (see discussion of the pension plan's investment policy) are summarized above.

d. Money-weighted rate of return

The annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 10.13%.

The money-weighted rate of return expresses investment performance, net of investment expense adjusted for the changing amounts actually invested.

Town of New Canaan, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023

A. Pension plan (continued)

5. Net pension liability (asset)

The components of the net pension liability (asset) were as follows:

Total pension liability	\$ 149,992,729
Plan fiduciary net position	<u>158,991,097</u>
Net pension liability (asset)	<u>\$ (8,998,368)</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>106.00%</u>

6. Actuarial assumptions

Valuation date	July 1, 2022
Actuarial cost method	Entry age normal
Asset valuation method	Fair value
Investment rate of return	6.625%
Inflation	2.40%
Salary increases	0.00-4.20%
Cost of living adjustments	None
Mortality rates	Pub-2010, projected to the valuation date with Scale MP-2021

The actuarial assumptions were based on the results of an actuarial experience study for the period July 1, 2016 through July 1, 2021.

7. Changes from prior year

a. Changes in assumptions

Changes in assumptions were as follows:

Town Plan	From	To
Investment rate of return	6.75%	6.625%
Inflation	2.50%	2.40%
Salary increases	0.00-7.00%	0.00-4.20%
Mortality rate	MP Scale-2020	MP Scale-2021

## Town of New Canaan, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

**A. Pension plan (continued)****b. Benefit changes**

There were no benefit changes during the year.

**8. 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 Town 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.

**9. Changes in the net pension asset**

The Town's net pension asset was measured at June 30, 2023, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation dated as noted below. The changes in net pension asset for the fiscal year were as follows:

Valuation Date: July 1, 2022	Increase (Decrease)		
Town Plan	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balance at July 1, 2022	\$ 149,418,364	\$ 150,350,230	\$ (931,866)
Service cost	2,966,839	-	2,966,839
Interest	10,020,206	-	10,020,206
Differences between expected and actual experience	(2,103,003)	-	(2,103,003)
Changes in assumptions	(2,303,506)	-	(2,303,506)
Contributions - employer	-	1,090,794	(1,090,794)
Contributions - member	-	760,324	(760,324)
Net investment income	-	14,997,837	(14,997,837)
Benefit payments, including refunds of member contributions	(8,006,171)	(8,006,171)	-
Administrative expenses	-	(201,917)	201,917
Net change	574,365	8,640,867	(8,066,502)
Balance at June 30, 2023	\$ 149,992,729	\$ 158,991,097	\$ (8,998,368)

## Town of New Canaan, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

**A. Pension plan (continued)****10. Sensitivity of the net pension asset to changes in the discount rate**

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

	<u>Discount Rate</u>	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Net pension liability (asset)	<u>6.625%</u>	<u>\$ 8,465,100</u>	<u>\$ (8,998,368)</u>	<u>\$ (23,712,129)</u>

**11. Pension expense and deferred outflows of resources and deferred inflows of resources related to pensions**

The Town recognized pension expense of \$2,275,630. The Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Description of Outflows/Inflows</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Net</u>
Differences between expected and actual experience	\$ -	\$ 1,691,319	\$ (1,691,319)
Changes in assumptions	243,474	1,663,643	(1,420,169)
Net difference between projected and actual earnings on pension plan investments	<u>6,817,398</u>	<u>-</u>	<u>6,817,398</u>
Total	<u>\$ 7,060,872</u>	<u>\$ 3,354,962</u>	<u>\$ 3,705,910</u>

Changes of assumptions and experience losses (gains) are amortized over the average remaining service period of actives and inactive which was 3.6 years.

Actual investment earnings below (or above) projected earnings are amortized over the next 5 years.

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

<u>Year Ending June 30,</u>	
2024	\$ (293,669)
2025	(581,133)
2026	5,592,760
2027	<u>(1,012,048)</u>
Total	<u>\$ 3,705,910</u>

Town of New Canaan, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023

**B. Defined contribution retirement savings plan**

Certain Town and Board of Education employees are eligible to participate in a defined contribution retirement savings plan administered by the Town known as the Town of New Canaan 401(a) plan. This is in lieu of the defined benefit plan for Town and Board of Education non-bargained employees hired after January 1, 2011 and for department of public works employees hired on or after July 1, 2010. The benefits and contribution requirements are established by approval of the Town Council. In a defined contribution plan, benefits depend solely on amounts contributed to the Plan plus investment earnings. Employer contributions are based on union contracts. Employees may make additional contributions subject to IRS regulations. The Plan is not reported as a fiduciary fund by the Town as it does not meet the reporting criterion.

The Town matches public works and Town non-bargained employees' contributions up to 7.00% of base pay. The Town matches town hall union employees' contributions up to 6.00% of base pay. The Board of Education matches employees' contributions up to 5.00% of base pay. The Town contributions for each employee are 100% vested.

Voluntary contributions up to the amount allowable under IRS regulations may be made by employees to the Town's 457 plan. These contributions may be withdrawn at any time, although earned interest will not be paid until such time as benefits are otherwise payable to the employee.

During the year, the employer contributions were \$435,272 and employee contributions totaled \$1,351,455.

**C. Connecticut state teachers' retirement system**

**1. Plan description**

Teachers, principals, superintendents or supervisors engaged in service of public schools are provided with pensions through the Connecticut State Teachers' Retirement System ("TRS"), a cost sharing multiple-employer defined benefit pension plan administered by the Teachers' Retirement Board ("TRB"). Chapter 167a of the State Statutes grants authority to establish and amend the benefit terms to the TRB. TRS issues a publicly available financial report that can be obtained at [www.ct.gov/trb](http://www.ct.gov/trb).

**2. Benefit provisions**

Normal retirement	Age 60 with 20 years of credited service in Connecticut, or 35 years of credited service including at least 25 years of service in Connecticut
Benefit calculation	2.00% of the average annual salary times the years of credited service (maximum benefit is 75% of average annual salary during the 3 years of highest salary)
Early retirement	25 years of credited service including 20 years of Connecticut service, or age 55 with 20 years of credited service including 15 years of Connecticut service

Town of New Canaan, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023

C. Connecticut state teachers' retirement system (continued)

Early retirement amount	Benefit amounts are reduced by 6.00% per year for the first 5 years preceding normal retirement age and 4.00% per year for the next 5 years preceding the normal retirement age. Effective July 1, 1999, the reduction for individuals with 30 or more years of service is 3.00% per year by which retirement precedes normal retirement date
Service connected disability amount	2.00% of average annual salary times credited service to date of disability, but not less than 15% of average annual salary, nor more than 50% of average annual salary. In addition, disability benefits under this plan (without regard to cost-of-living adjustments) plus any initial award of social security benefits and workers' compensation cannot exceed 75% of annual average salary
Non-service connected disability service requirement	Five years of credited service
Vesting - service	10 years of service
Vesting - amount	100%
Pre-retirement death benefit amount	Lump-sum return of contributions with interest or surviving spouse benefit depending on length of service

3. Contributions

State of Connecticut

Per Connecticut General Statutes Section 10-183z (which reflects Public Act 79-436 as amended), contribution requirements of active employees and the State of Connecticut are amended and certified by the State Teachers' Retirement Board and appropriated by the General Assembly. The contributions are actuarially determined as an amount that, when combined with employee contributions and investment earnings, is expected to finance the costs of the benefits earned by employees during the year, with any additional amount to finance any unfunded accrued liability.

Employer (school districts)

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

Employees

Each teacher is required to contribute 7.00% of their pensionable wages for the pension benefit.

Town of New Canaan, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023

C. Connecticut state teachers' retirement system (continued)

4. Pension liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources related to pensions

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

Town's proportionate share of the collective net pension liability	\$ -
State's proportionate share of the collective net pension liability associated with the Town	<u>185,994,081</u>
Total	<u>\$ 185,994,081</u>
During the year, the Town recognized pension expense and revenue for on-behalf amounts for contributions to the plan by the State of:	<u>\$ 14,664,295</u>

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

5. Actuarial assumptions

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

Investment rate of return	6.90%
Inflation	2.50%
Salary increases	3.00-6.50%, including inflation
Mortality rates	Mortality rates were based on the PubT-2010 Table, projected generationally with MP-2019

Future cost-of-living increases - For teachers who retired prior to September 1, 1992, pension benefit adjustments are made in accordance with increases in the Consumer Price Index, with a minimum of 3.00% and a maximum of 5.00% per annum. For teachers who were members of the Teachers' Retirement System before July 1, 2007, and retire on or after September 1, 1992, pension benefit adjustments are made that are consistent with those provided for social security benefits on January 1 of the year granted, with a maximum of 6.00% per annum. If the return on assets in the previous year was less than 8.50%, the maximum increase is 1.50%. For teachers who were members of the Teachers' Retirement System after July 1, 2007, pension benefit adjustments are made that are consistent with those provided for social security benefits on January 1 of the year granted, with a maximum of 5.00% per annum. If the return on assets in the previous year was less than 11.50%, the maximum increase is 3.00%, and if the return on the assets in the previous year was less than 8.50%, the maximum increase is 1.00%.

## Town of New Canaan, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

**C. Connecticut state teachers' retirement system (continued)**

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the 5-year period ending June 30, 2019.

**Changes in assumptions and inputs**

There were no changes in assumptions from the prior measurement date.

**Long-term expected rate of return**

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target asset allocation and best estimates of geometric rates of return for each major class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity fund	20.00%	5.40%
Developed market international stock fund	11.00%	6.40%
Emerging market international stock fund	9.00%	8.60%
Core fixed income fund	13.00%	0.80%
Emerging market debt fund	5.00%	3.80%
High yield bond fund	3.00%	3.40%
Real estate fund	19.00%	5.20%
Private equity	10.00%	9.40%
Private credit	5.00%	6.50%
Alternative investments	3.00%	3.10%
Liquidity fund	2.00%	(0.40%)
Total	<u>100.00%</u>	

**6. Discount rate**

The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that State contributions will be made at 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.

## Town of New Canaan, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

**C. Connecticut state teachers' retirement system (continued)****7. Sensitivity of the net pension liability to changes in the discount rate**

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

**8. Plan fiduciary net position**

Detailed information about the Connecticut State Teachers' Retirement Plan fiduciary net position is available in the separately issued State of Connecticut Annual Comprehensive Financial Report as of and for the year ended June 30, 2022.

**D. Other post-employment benefit plan****1. Plan description****a. Plan administration**

The Town is the administrator of a single-employer defined benefit plan, the Town of New Canaan OPEB Plan, established and administered by the Town to provide post-employment benefits, other than pensions, for certain employees and retirees. The plan is considered to be part of the Town of New Canaan's financial reporting entity and is included in the Town's financial statements as a pension and OPEB trust fund. A separate stand-alone financial report is not issued. Benefits may be changed by the Town Council through union agreements or other action of the council.

The Board of Finance serves as the OPEB board and has delegated certain administrative activities and oversight to the First Selectman.

**b. Plan membership**

As of July 1, 2022, the following employees are covered by the benefit terms:

Retirees and beneficiaries receiving benefits	122
Active members	<u>580</u>
Total	<u><u>702</u></u>

**2. Benefit provisions**

The plan provides for medical and dental benefits for all eligible retirees and their spouses. Benefits and contributions are established by contract and may be amended by union negotiations.

Town of New Canaan, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023

D. Other post-employment benefit plan (continued)

3. Contributions (as a percentage of pensionable wages)

Contributions to the plan are established by contract and may be amended by union negotiations and are as follows:

Town non-bargained, police, fire and education employees	None required
DPW and town hall union employees	0.75%
Town	Actuarially determined on an annual basis using the entry age normal method.

Teachers who no longer work for the Board of Education are allowed by State Statute to participate in the Town's group medical insurance plan until they formally begin receiving benefits from the State Teachers' Retirement Plan. These teachers are required to contribute the cost of the insurance to the Town.

4. Investments

a. Investment policy

The OPEB plan's policy in regard to the allocation of invested assets is established and may be amended by the Board of Finance by a majority vote of its members. It is the policy of the Town's Board of Finance to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes.

The following was the Board's adopted asset allocation policy and long-term expected rate of return for the OPEB Plan:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. equity	42.00%	4.90%
International equity	23.00%	6.68%
U.S. bonds	35.00%	1.08%
Total	<u>100.00%</u>	
Inflation rate		<u>2.40%</u>
Long-term expected nominal return		<u>6.38%</u>

b. Concentrations

There were no investments in any one organization that represents 5.00% or more of the OPEB plan's net position.

Town of New Canaan, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023

D. Other post-employment benefit plan (continued)

c. Long-term expected rate of return

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB 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 geometric real rates of return for each major asset class included in the pension plan's target asset allocation (see the discussion of the OPEB plan's investment policy) are summarized above.

d. Money-weighted rate of return

The annual money-weighted rate of return on OPEB plan investments, net of investment expense was 10.69%.

The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

5. OPEB liability

The components of the net OPEB liability were measured as of June 30, 2023 and were as follows:

Total OPEB liability	\$ 23,904,570
Plan fiduciary net position	<u>19,389,044</u>
Net OPEB liability	<u>\$ 4,515,526</u>
Plan fiduciary net position as a percentage of the total OPEB liability	<u>81.11%</u>

6. Actuarial methods and assumptions

Valuation date	July 1, 2022
Actuarial cost method	Entry age normal
Asset valuation method	Fair value
Discount rate	6.625%
Salary increases	0.00 - 6.50%
Healthcare cost trend rates:	
Inflation	2.40%
Initial medical trend rate	6.50%
Ultimate medical trend rate	4.50%
Mortality rates	Pub-2010, projected to the valuation date with Scale MP-2021

Actuarial assumptions are based on the results of an actuarial experience study for the period July 1, 2010 through July 1, 2015.

## Town of New Canaan, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

**D. Other post-employment benefit plan (continued)****7. Change from prior year****a. Changes in assumptions**

Change in assumptions were as follows:

Town Plan	From	To
Investment rate of return	6.75%	6.625%
Inflation	2.50%	2.40%
Salary increases	0.00-7.00%	0.00-6.50%
Mortality rate	MP Scale-2020	MP Scale-2021

**b. Benefit changes**

There were no changes in benefits from the previous measurement date.

**8. 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 plan member contributions will be made at the current contribution rate and that Town contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. 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.

## Town of New Canaan, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

**D. Other post-employment benefit plan (continued)****9. Changes in the OPEB liability**

The Town's OPEB liability was measured at June 30, 2023 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated as noted below:

<u>Valuation Date: July 1, 2022</u>	<u>Increase (Decrease)</u>		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balance at July 1, 2022	\$ 25,278,971	\$17,474,382	\$ 7,804,589
Service cost	856,292	-	856,292
Interest	1,689,909	-	1,689,909
Differences between expected and actual experience	(863,875)	-	(863,875)
Changes in assumptions	(821,048)	-	(821,048)
Contributions - employer	-	2,124,640	(2,124,640)
Contributions - member	-	44,892	(44,892)
Contributions - TRB subsidy	-	111,039	(111,039)
Net investment income	-	1,869,770	(1,869,770)
Benefit payments, including refunds of member contributions	(2,235,679)	(2,235,679)	-
Net change	(1,374,401)	1,914,662	(3,289,063)
Balance at June 30, 2023	<u>\$ 23,904,570</u>	<u>\$19,389,044</u>	<u>\$ 4,515,526</u>

**10. Sensitivity of the OPEB liability to changes in the discount rate**

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

	<u>Discount Rate</u>	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Net OPEB liability	<u>6.625%</u>	<u>\$ 7,220,985</u>	<u>\$ 4,515,526</u>	<u>\$ 2,205,141</u>

## Town of New Canaan, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

**D. Other post-employment benefit plan (continued)****11. Sensitivity of the OPEB liability to changes in the healthcare cost trend rate**

The following presents the OPEB liability, as well as what the OPEB liability would be if it were calculated using trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current trend rates:

	<u>Trend Rate</u>	<u>1% Decrease</u>	<u>Current Trend Rate</u>	<u>1% Increase</u>
Net OPEB liability	<u>4.50-6.50%</u>	<u>\$ 1,760,021</u>	<u>\$ 4,515,526</u>	<u>\$ 7,862,844</u>

**12. OPEB expense and deferred outflows and inflows of resources related to OPEB**

For the fiscal year the Town recognized OPEB expense of \$698,552. The Town reported deferred outflows and inflows of resources related to OPEB from the following sources:

<u>Description of Outflows/Inflows</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Net</u>
Differences between expected and actual experience	\$ 1,356,068	\$ 6,376,628	\$ (5,020,560)
Changes in assumptions	1,172,651	751,468	421,183
Net difference between projected and actual earnings on OPEB plan investments	<u>769,623</u>	<u>-</u>	<u>769,623</u>
Total	<u>\$ 3,298,342</u>	<u>\$ 7,128,096</u>	<u>\$ (3,829,754)</u>

Changes in assumptions and differences between expected and actual experience are amortized over 11.8 years. Differences between projected and actual earnings are amortized over 5 years.

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

<u>Year Ending June 30,</u>	
2024	\$ (519,718)
2025	(546,553)
2026	90,542
2027	(756,204)
2028	(618,452)
Thereafter	<u>(1,479,369)</u>
Total	<u>\$ (3,829,754)</u>

Town of New Canaan, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023

**E. Connecticut state teachers’ retirement board retiree health insurance plan**

**1. Plan description**

Teachers, principals, superintendents or supervisors engaged in service of public schools that are currently receiving a retirement or disability benefit through the Connecticut Teachers' Retirement System are eligible to participate in the Connecticut State Teachers' Retirement System Retiree Health Insurance Plan ("TRS-RHIP") - a cost sharing multiple-employer defined benefit other post-employment benefit plan administered by the Teachers' Retirement Board ("TRB"). Chapter 167a Section 10-183t of the State Statutes grants authority to establish and amend the benefit terms to the TRB. TRS-RHIP issues a publicly available financial report that can be obtained at [www.ct.gov/trb](http://www.ct.gov/trb).

**2. Benefit provisions**

The Plan provides for retiree health insurance benefits. Eligibility is as follows:

Normal retirement	Age 60 with 20 years of credited service in Connecticut, or 35 years of credited service including at least 25 years of service in Connecticut
Early retirement	25 years of credited service including 20 years of Connecticut service, or age 55 with 20 years of credited service including 15 years of Connecticut service
Service connected disability service requirement	No service requirement
Non-service connected disability service requirement	Five years of credited service
Vesting - service	10 years of service

**Retiree health care coverage**

Any member that is currently receiving a retirement or disability benefit is eligible to participate in the Plan. There are two types of the health care benefits offered. Subsidized Local School District Coverage provides a subsidy paid to members still receiving coverage through their former employer and the CTRB Sponsored Medicare Supplemental Plans provide coverage for those participating in Medicare, but not receiving Subsidized Local School District Coverage.

Any member that is not currently participating in Medicare Parts A & B is eligible to continue health care coverage with their former employer. A subsidy of up to \$220 per month for a retired member plus an additional \$220 per month for a spouse enrolled in a local school district plan is provided to the school district to first offset the retiree’s share of the cost of coverage, any remaining portion is used to offset the district’s cost.

The subsidy amount is set by statute. A subsidy amount of \$440 per month may be paid for a retired member, spouse or the surviving spouse of a member who has attained the normal retirement age to participate in Medicare, is not eligible for Part A of Medicare without cost, and contributes at least \$440 per month towards coverage under a local school district plan.

## Town of New Canaan, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

**E. Connecticut state teachers' retirement board retiree health insurance plan (continued)**

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

If a member participating in Medicare Parts A & B so elects, they may enroll in one of the CTRB Sponsored Medicare Supplemental Plans. Active members, retirees, and the State pay equally toward the cost of the basic coverage (medical and prescription drug benefits).

Those participants electing vision, hearing, and/or dental are required by the System's funding policy to pay the full cost of coverage for these benefits, and no liability is assumed by the Plan for these benefits.

**3. Contributions****State of Connecticut**

Per Connecticut General Statutes Section 10-183z, contribution requirements of active employees and the State of Connecticut are amended and certified by the State Teachers' Retirement Board and appropriated by the General Assembly. The State contributions are not currently actuarially funded. The State pays for one third of plan costs through an annual appropriation in the General Fund.

**Employer (school districts)**

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

**Employees**

Each member is required to contribute 1.25% of their annual pensionable wages.

**4. OPEB liabilities, OPEB expense, deferred outflows of resources and deferred inflows of resources related to OPEB**

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

Town's proportionate share of the net collective OPEB liability	\$ -
State's proportionate share of the collective net OPEB liability associated with the Town	16,288,816
Total	<u>\$ 16,288,816</u>
During the year, the Town recognized OPEB expense and revenue for on-behalf amounts for contributions to the plan by the State of:	<u>\$ 207,411</u>

Town of New Canaan, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023

**E. Connecticut state teachers' retirement board retiree health insurance plan (continued)**

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

**5. Actuarial assumptions**

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

Investment rate of return	3.00%
Discount rate	3.53%
Inflation	2.50%
Health care cost trend rate (Medicare)	5.125% decreasing to 4.50% by 2031
Salary increases	3.00-6.50%, including inflation
Mortality rates	Mortality rates were based on the PubT-2010 Table, projected generationally with MP-2019
Year fund net position will be depleted	2027

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the 5-year period ending June 30, 2019.

**Changes in assumptions and inputs**

- The discount rate was increased from 2.17% to 3.53% to reflect the change in the Municipal Bond Index rate.

**Long-term expected rate of return**

The long-term expected rate of return on OPEB plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB 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 weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

All the plan assets are assumed to be invested in cash equivalents due to the need for liquidity. The expected geometric rate of return is 1.50%. Since there have not been any changes to the asset allocation and the recent economic downturn is expected to be temporary, the funding rate of 3.00% continues to be used for the long-term investment rate of return as of June 30, 2022.

## Town of New Canaan, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

**E. Connecticut state teachers' retirement board retiree health insurance plan (continued)****6. Discount rate**

The discount rate used to measure the total OPEB liability was 3.53%. The Municipal Bond Index Rate of 3.54% was used in the determination in the discount rate. 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 annual State contributions will equal the most recent 5-year average of state contributions.

**7. Sensitivity of the OPEB liability to changes in the discount rate and the health care cost trend rate**

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

**8. Plan fiduciary net position**

Detailed information about the Connecticut State Teachers' OPEB Plan fiduciary net position is available in the separately issued State of Connecticut Annual Comprehensive Financial Report as of and for the year ended June 30, 2022.

**F. Plan statements**

**Combining Statement of Fiduciary Net Position**  
**Pension and OPEB Trust Funds**  
**June 30, 2023**

	Defined Benefit Pension Trust	Other Post Employment Benefits Trust Fund	Total
<u>Assets</u>	<u></u>	<u></u>	<u></u>
Investments:			
Mutual funds:			
U.S. equity	\$ 69,631,219	\$ 8,215,481	\$ 77,846,700
International equity	36,212,797	4,387,703	40,600,500
Bond	53,147,081	6,785,860	59,932,941
	<u>158,991,097</u>	<u>19,389,044</u>	<u>178,380,141</u>
<u>Net Position</u>			
Restricted for:			
Pensions	158,991,097	-	158,991,097
OPEB	-	19,389,044	19,389,044
	<u>158,991,097</u>	<u>19,389,044</u>	<u>178,380,141</u>
Total net position	<u>\$ 158,991,097</u>	<u>\$ 19,389,044</u>	<u>\$ 178,380,141</u>

## Town of New Canaan, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

**F. Plan statements (continued)**

**Combining Statement of Changes In Fiduciary Net Position**  
**Pension and OPEB Trust Funds**  
**For the Year Ended June 30, 2023**

	Defined Benefit Pension Trust	Other Post Employment Benefits Trust Fund	Total
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Additions:			
Contributions:			
Employer	\$ 1,090,794	\$ 2,124,640	\$ 3,215,434
Plan members	760,324	44,892	805,216
Teachers' retirement system	-	111,039	111,039
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total contributions	1,851,118	2,280,571	4,131,689
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Investment income (loss):			
Change in fair value of investments	11,472,781	1,456,957	12,929,738
Interest and dividends	3,636,415	422,562	4,058,977
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total investment income (loss)	15,109,196	1,879,519	16,988,715
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Less investment expenses	111,359	9,749	121,108
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Net investment income (loss)	14,997,837	1,869,770	16,867,607
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total additions	16,848,955	4,150,341	20,999,296
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Deductions:			
Benefits	8,006,171	2,235,679	10,241,850
Administration	201,917	-	201,917
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total deductions	8,208,088	2,235,679	10,443,767
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Change in net position	8,640,867	1,914,662	10,555,529
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Net position - July 1, 2022	150,350,230	17,474,382	167,824,612
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Net position - June 30, 2023	<u>\$ 158,991,097</u>	<u>\$ 19,389,044</u>	<u>\$ 178,380,141</u>

Town of New Canaan, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023

VI. Restatements for adoption of GASB Statement No. 96

As a result of the implementation of GASB Statement No. 96 intangible right-to-use subscription assets and subscription liability were recorded as beginning balances. There was no impact on beginning net position. The amounts recorded were increases to the following financial statement accounts:

	<u>Governmental Activities</u>
Capital assets:	
Intangible right-to-use subscription assets	\$ 178,655
Long-term liabilities:	
Subscription liability	178,655

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# Required Supplementary Information

Type	Description
Budgetary	Schedule of Revenues, Expenditures, and Other Financing Sources and Uses - Budget and Actual (Budgetary Basis) - General Fund
	Notes to Required Supplementary Information - Budgets and Budgetary Accounting
<hr/>	
<u>Pension Plans</u>	
Town	Schedule of Changes in Net Pension Liability and Related Ratios and Schedule of Investment Returns
State Teachers' Retirement System	Schedule of Proportionate Share of the Collective Net Pension Liability
	Schedule of Contributions
	Notes to Required Supplementary Information
<hr/>	
<u>Other Post-Employment Benefits Plans</u>	
Town	Schedule of Changes in Net OPEB Liability and Related Ratios and Schedule of Investment Returns
State Teachers' Retirement Board Retiree Health Insurance Plan	Schedule of Proportionate Share of the Collective Net OPEB Liability
	Schedule of Contributions
	Notes to Required Supplementary Information

**Town of New Canaan, Connecticut**  
**General Fund**  
**Required Supplementary Information**  
**Schedule of Revenues, Expenditures, and Other Financing Sources and Uses**  
**Budget and Actual (Budgetary Basis)**  
**For the Year Ended June 30, 2023**

	Original Budget	Additional Appropriations and Transfers	Final Budget	Actual Budgetary Basis	Variance with Final Budget
<b>Revenues</b>					
Tax - current year					
Tax collections	\$ 144,239,893	\$ -	\$ 144,239,893	\$ 145,895,095	\$ 1,655,202
Tax - other than levy					
Tax collections - prior years	300,000	-	300,000	516,013	216,013
Lien fees and interest	250,000	-	250,000	431,940	181,940
<b>Total tax-other than levy</b>	<b>550,000</b>	<b>-</b>	<b>550,000</b>	<b>947,953</b>	<b>397,953</b>
<b>Intergovernmental</b>					
Excess cost grant	1,096,032	-	1,096,032	793,339	(302,693)
CT Judicial revenue distribution	10,000	-	10,000	24,013	14,013
Educational cost sharing grant	407,264	-	407,264	514,483	107,219
School health and welfare	15,496	-	15,496	16,400	904
Other state grants	20,000	-	20,000	65,110	45,110
State grants - police	-	-	-	1,998	1,998
State property tax reimbursement	101,728	-	101,728	101,728	-
Elderly tax exemption	-	-	-	116	116
Veterans exemption	-	-	-	882	882
Municipal revenue sharing	-	-	-	178,613	178,613
FEMA reimbursement	-	-	-	477,329	477,329
COVID state reimbursement	-	-	-	8,452	8,452
<b>Total intergovernmental</b>	<b>1,650,520</b>	<b>-</b>	<b>1,650,520</b>	<b>2,182,463</b>	<b>531,943</b>
<b>Charges for services</b>					
<b>Fees and charges for services</b>					
Concessions and commissions	6,000	-	6,000	1,156	(4,844)
Conveyance fees	2,000,000	-	2,000,000	1,664,869	(335,131)
Dog park fees	15,000	-	15,000	5,069	(9,931)
Fingerprint fees	8,000	-	8,000	7,650	(350)
Flu clinics	8,000	-	8,000	4,650	(3,350)
Inland wetland application/violation fees	30,000	-	30,000	32,632	2,632
Marriage license fees	1,200	-	1,200	920	(280)
MERS fees	50,000	-	50,000	27,359	(22,641)
Miscellaneous income - finance	-	-	-	193,653	193,653
Miscellaneous income - town clerk	1,000	-	1,000	1,572	572
Notary fees	700	-	700	490	(210)
Other classes and programs offset	580,000	-	580,000	650,444	70,444
Park and recreation fees	150,000	-	150,000	27,192	(122,808)
Planning and zoning application fees	10,000	-	10,000	17,400	7,400
Recording fees	75,000	-	75,000	59,581	(15,419)
Senior citizens program	95,000	-	95,000	68,117	(26,883)
State telephone line grant	67,513	-	67,513	55,882	(11,631)
Trade names	700	-	700	620	(80)
Transfer station dump fees	80,000	-	80,000	82,302	2,302
Transfer station recycling	35,000	-	35,000	43,953	8,953
Transfer station sticker fees	150,000	-	150,000	155,392	5,392
Transfer station tipping fees	425,000	-	425,000	415,694	(9,306)
Vital statistics fees	22,000	-	22,000	23,045	1,045
Storm sewer connection fees	1,500	-	1,500	750	(750)
Drainage review	3,000	-	3,000	9,500	6,500
Zoning board of appeals fees	3,000	-	3,000	5,100	2,100
Facilities rental fund	10,000	-	10,000	10,000	-
<b>Total fees and charges for services</b>	<b>3,827,613</b>	<b>-</b>	<b>3,827,613</b>	<b>3,564,992</b>	<b>(262,621)</b>

(Continued)

See Notes to Required Supplementary Information.

## Town of New Canaan, Connecticut

**General Fund**  
**Required Supplementary Information**  
**Schedule of Revenues, Expenditures, and Other Financing Sources and Uses**  
**Budget and Actual (Budgetary Basis)**  
**For the Year Ended June 30, 2023**

	Original Budget	Additional Appropriations and Transfers	Final Budget	Actual Budgetary Basis	Variance with Final Budget
Licenses and permits					
Amusement permits	\$ 150	\$ -	\$ 150	\$ 355	\$ 205
Barbers and salons	4,000	-	4,000	4,075	75
Building permits	850,000	-	850,000	947,742	97,742
Dog license clerk fees	3,000	-	3,000	2,795	(205)
Driveway permits	1,000	-	1,000	2,150	1,150
Liquor licenses	400	-	400	460	60
Pistol permits	10,000	-	10,000	4,340	(5,660)
Plan review	60,000	-	60,000	57,600	(2,400)
Refuse and septic inspections	4,200	-	4,200	5,100	900
Restaurant permits	35,000	-	35,000	37,725	2,725
Sales of codes and regulations	5,200	-	5,200	4,220	(980)
Septic permits	45,000	-	45,000	43,450	(1,550)
Sign permits	-	-	-	2,000	2,000
Street opening permits	25,000	-	25,000	12,264	(12,736)
Well permits	5,000	-	5,000	11,800	6,800
Zoning permits	60,000	-	60,000	90,315	30,315
<b>Total licenses and permits</b>	<b>1,107,950</b>	<b>-</b>	<b>1,107,950</b>	<b>1,226,391</b>	<b>118,441</b>
Fines and forfeitures					
False alarm fines	28,000	-	28,000	19,500	(8,500)
Parking tickets	200,000	-	200,000	166,006	(33,994)
<b>Total fines and forfeitures</b>	<b>228,000</b>	<b>-</b>	<b>228,000</b>	<b>185,506</b>	<b>(42,494)</b>
Use of money and property					
Copier revenue - finance	8,000	-	8,000	2,024	(5,976)
Copier revenue - police	1,000	-	1,000	1,795	795
Copier revenue - town clerk	10,000	-	10,000	10,526	526
Paddle tennis fees	78,000	-	78,000	63,540	(14,460)
Parking - box car	15,000	-	15,000	32,573	17,573
Parking meters	190,000	-	190,000	247,801	57,801
Parking permit waiting fees	3,000	-	3,000	916	(2,084)
Parking permits	480,000	-	480,000	330,491	(149,509)
Parking - day passes	2,000	-	2,000	3,642	1,642
Rental of property - finance	200,000	-	200,000	61,153	(138,847)
Rental of property - recreation	10,000	-	10,000	10,486	486
Rental of property - Waveny	110,000	-	110,000	107,698	(2,302)
Waveny custodial fees	4,500	-	4,500	1,125	(3,375)
<b>Total use of money and property</b>	<b>1,111,500</b>	<b>-</b>	<b>1,111,500</b>	<b>873,770</b>	<b>(237,730)</b>
Reimbursements and refunds					
DEEP administration cost revenue	800	-	800	728	(72)
Solar energy credits	-	-	-	25,949	25,949
Member equity	-	-	-	121,560	121,560
NSF fees	100	-	100	200	100
Workers compensation offset	60,000	-	60,000	60,053	53
<b>Total reimbursements and refunds</b>	<b>60,900</b>	<b>-</b>	<b>60,900</b>	<b>208,490</b>	<b>147,590</b>
<b>Total charges for services</b>	<b>6,335,963</b>	<b>-</b>	<b>6,335,963</b>	<b>6,059,149</b>	<b>(276,814)</b>

(Continued)

See Notes to Required Supplementary Information.

**Town of New Canaan, Connecticut**  
**General Fund**  
**Required Supplementary Information**  
**Schedule of Revenues, Expenditures, and Other Financing Sources and Uses**  
**Budget and Actual (Budgetary Basis)**  
**For the Year Ended June 30, 2023**

	Original Budget	Additional Appropriations and Transfers	Final Budget	Actual Budgetary Basis	Variance with Final Budget
Income from investments					
Interest on investments	\$ 500,000	\$ -	\$ 500,000	\$ 1,363,390	\$ 863,390
Net change in fair value	-	-	-	(2,390)	(2,390)
Total income from investments	500,000	-	500,000	1,361,000	861,000
Total revenues	153,276,376	-	153,276,376	156,445,660	3,169,284
Other financing sources					
Sale of capital assets	15,000	-	15,000	69,490	54,490
Transfers in	2,792,619	-	2,792,619	2,914,015	121,396
Appropriation of fund balance	5,500,000	-	5,500,000	-	(5,500,000)
Total other financing sources	8,307,619	-	8,307,619	2,983,505	(5,324,114)
Total revenues and other financing sources	161,583,995	-	161,583,995	159,429,165	(2,154,830)
<b>Expenditures</b>					
<b>General government</b>					
First selectman	605,578	(6,857)	598,721	598,721	-
Finance	1,076,394	6,924	1,083,318	1,080,818	2,500
Tax assessor	350,032	(10,179)	339,853	339,853	-
Tax collector	253,693	(3,691)	250,002	250,002	-
Legal	250,000	219,102	469,102	469,102	-
Human resources	413,840	12,430	426,270	426,270	-
Information technology	424,682	120,974	545,656	545,656	-
Town clerk	448,610	(42,653)	405,957	405,957	-
Registrar of voters	174,195	33,452	207,647	207,647	-
Conservation commission	24,000	-	24,000	24,000	-
Health and security benefits and OPEB	7,718,978	(37,258)	7,681,720	7,681,720	-
Insurance liability	1,553,940	(129,691)	1,424,249	1,424,249	-
Salary offsets	(87,844)	148,806	60,962	60,962	-
Parking	373,008	(22,684)	350,324	350,324	-
Total general government	13,579,106	288,675	13,867,781	13,865,281	2,500
<b>Public safety and protection</b>					
Police	6,859,777	366,051	7,225,828	7,225,828	-
Land use	1,221,326	(53,588)	1,167,738	1,167,738	-
Health	514,899	68,747	583,646	583,646	-
Fire	4,283,917	(197,654)	4,086,263	4,086,263	-
Ambulance corps	567,168	(10,311)	556,857	556,857	-
Animal control	110,408	2,774	113,182	113,182	-
Emergency management	77,997	108,509	186,506	186,506	-
Total public safety and protection	13,635,492	284,528	13,920,020	13,920,020	-

(Continued)

See Notes to Required Supplementary Information.

Town of New Canaan, Connecticut

General Fund  
Required Supplementary Information  
Schedule of Revenues, Expenditures, and Other Financing Sources and Uses  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2023

	Original Budget	Additional Appropriations and Transfers	Final Budget	Actual Budgetary Basis	Variance with Final Budget
Public works					
Public works administration	\$ 320,376	\$ 13,750	\$ 334,126	\$ 334,126	\$ -
Highway	3,379,803	69,385	3,449,188	3,449,188	-
Engineering	360,319	8,600	368,919	368,919	-
Town buildings	1,223,885	103,326	1,327,211	1,327,211	-
Utilities	536,296	(11,807)	524,489	524,489	-
Transfer station	1,703,000	(97,532)	1,605,468	1,605,468	-
Parks	2,087,048	(17,697)	2,069,351	2,069,351	-
Town hall annex	-	145	145	145	-
Nature center	75,234	(9,559)	65,675	65,675	-
Tree warden	539,413	(36,590)	502,823	502,823	-
Total public works	10,225,374	22,021	10,247,395	10,247,395	-
Human services					
Administration	467,536	(30,977)	436,559	436,559	-
Recreation					
Recreation administration	1,369,042	(239,279)	1,129,763	1,129,763	-
Civic activity	25,500	7,260	32,760	32,760	-
Waveny	162,712	28,979	191,691	191,691	-
Paddle tennis	44,042	11,182	55,224	55,224	-
Waveny park buildings	227,193	8,930	236,123	236,123	-
Lapham center	327,311	(8,696)	318,615	318,615	-
Kiwanis park	65,449	(1,089)	64,360	64,360	-
Total recreation	2,221,249	(192,713)	2,028,536	2,028,536	-
Education	99,052,999	-	99,052,999	98,471,398	581,601
Library	2,562,818	-	2,562,818	2,562,818	-
Other agencies					
Health/welfare	271,000	(18,843)	252,157	252,157	-
Day care center	32,000	-	32,000	32,000	-
New Canaan historical society	25,000	-	25,000	25,000	-
Trans private schools	280,000	(53,400)	226,600	226,600	-
Channel 79 TV	38,197	-	38,197	38,197	-
Probate court	12,000	(6,577)	5,423	5,423	-
Total other agencies	658,197	(78,820)	579,377	579,377	-
Human services agencies					
Getabout	46,000	-	46,000	46,000	-
Kids in crisis	85,000	-	85,000	85,000	-
New Canaan cares	18,000	-	18,000	18,000	-
Child guidance center	5,000	-	5,000	5,000	-
Domestic violence crisis center	5,000	-	5,000	5,000	-
Meals on wheels	5,000	-	5,000	5,000	-
Community program mental wellness	10,000	(4,700)	5,300	5,300	-
Total human services agencies	174,000	(4,700)	169,300	169,300	-

(Continued)

See Notes to Required Supplementary Information.

Town of New Canaan, Connecticut

General Fund  
Required Supplementary Information  
Schedule of Revenues, Expenditures, and Other Financing Sources and Uses  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2023

	Original Budget	Additional Appropriations and Transfers	Final Budget	Actual Budgetary Basis	Variance with Final Budget
Contingency	\$ 436,644	\$ (149,657)	\$ 286,987	\$ -	\$ 286,987
Debt service	18,338,580	(226,863)	18,111,717	18,111,717	-
Total expenditures	161,351,995	(88,506)	161,263,489	160,392,401	871,088
Other financing uses					
Transfers out					
Capital projects funds	232,000	88,506	320,506	320,506	-
Total expenditures and other financing uses	161,583,995	-	161,583,995	160,712,907	871,088
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ -	\$ -	\$ -	\$ (1,283,742)	\$ (1,283,742)

(Concluded)

## Town of New Canaan, Connecticut

Notes to Required Supplementary Information  
For the Year Ended June 30, 2023

## Budgets and Budgetary Accounting

The Town adheres to the following procedures in establishing the budgetary data included in the general fund financial statements: Formal budgetary integration is employed as a management control device during the year.

This budget is adopted on a basis consistent with generally accepted accounting principles (modified accrual basis) with the following exceptions:

1. The Town does not recognize as revenue or expenditures payments made for the State Teachers pension and OPEB by the State of Connecticut on the Town's behalf.
2. Encumbrances are reported as expenditures for the budgetary basis of accounting.
3. Certain funds that are required to be reported as part of the general fund under the requirement of GASB No. 54.

Reconciliation to Exhibit D	Revenues	Expenditures
Budgetary basis - RSI 1A	\$ 156,445,660	\$ 160,392,401
State teachers' retirement on behalf amount	14,664,295	14,664,295
State teachers' OPEB on behalf amount	207,411	207,411
Current year encumbrances charged to budgetary expenditures	-	(342,101)
Prior year encumbrances liquidated in the current year	-	558,357
Other funds (Schedule 2)	24,541	38,035
GAAP basis - Exhibit D	\$ 171,341,907	\$ 175,518,398

Requests for annual appropriations, except for the Board of Education, are submitted not later than the third Tuesday preceding the first Tuesday in February to the Selectmen. The Selectmen shall compile a recommended budget which shall be submitted to the Board of Finance for its consideration not later than the first Tuesday of February in each year.

The Board of Education submits its preliminary budget estimates to the Board of Selectmen, not later than the third Tuesday preceding the first Tuesday in February, and compiles and submits its recommended budget, directly to the Board of Finance, not later than the first Tuesday in February in each year.

Requests for capital expenditures are submitted to the Selectmen. The Selectmen shall submit to the Board of Finance, not later than two weeks after the first Tuesday of February, a recommended budget of such capital expenditures.

The Board of Finance shall prepare tentative budget recommendations and hold a public hearing which shall be held not later than the sixth Tuesday following the first Tuesday of February.

After the public hearing, the Board of Finance prepares and presents its recommendations to the Board of Selectmen, for submission to the Town Council.

The recommendations for appropriations prepared by the Board of Finance are delivered to the Selectmen not later than the seventh Tuesday following the first Tuesday of February.

The Town Council may approve, disapprove or reduce, but may not increase the amount of the appropriations.

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

Whenever the Board of Selectmen or the First Selectman requests a special appropriation, the Board of Finance shall deliver a recommendation to the Selectmen and the Selectmen shall present the recommendation to a meeting of the Town Council.

The Board of Finance, in accordance with the provisions of the Charter and the Connecticut General Statutes, is authorized to transfer unexpended balances from one appropriation to another, with the exception of the wage contingency account.

The Board of Education, which is not a separate legal entity but a function of the Town, is authorized under State law to make any transfers required within their budget at their discretion.

There were no additional appropriations during the year.

## Town of New Canaan, Connecticut

Required Supplementary Information  
Town Retirement Plan  
Last Ten Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Schedule of Changes in Net Pension Liability and Related Ratios</b>										
Total pension liability										
Service cost	\$ 2,966,839	\$ 2,852,729	\$ 2,960,340	\$ 2,846,481	\$ 2,939,320	\$ 2,826,270	\$ 2,935,269	\$ 2,695,932	\$ 2,592,242	\$ 2,868,110
Interest	10,020,206	9,682,995	9,314,956	8,965,021	8,740,902	8,398,655	7,717,704	7,504,642	7,352,135	7,073,402
Effect of plan changes	-	-	-	-	-	-	-	506,821	194,578	-
Differences between expected and actual experience	(2,103,003)	-	(1,034,903)	-	(1,447,770)	-	22,864	-	(2,254,962)	-
Changes in assumptions	(2,303,506)	-	1,460,853	-	(416,242)	-	1,230,675	(1,769,003)	-	-
Benefit payments, including refunds of member contributions	(8,006,171)	(7,313,425)	(6,974,503)	(6,515,276)	(6,294,510)	(6,241,651)	(5,979,940)	(5,822,206)	(5,466,241)	(5,291,409)
Net change in total pension liability	574,365	5,222,299	5,726,743	5,296,226	3,521,700	4,983,274	5,926,572	3,116,186	2,417,752	4,650,103
Total pension liability - July 1	149,418,364	144,196,065	138,469,322	133,173,096	129,651,396	124,668,122	118,741,550	115,625,364	113,207,612	108,557,509
Total pension liability - June 30 (a)	<u>\$ 149,992,729</u>	<u>\$ 149,418,364</u>	<u>\$ 144,196,065</u>	<u>\$ 138,469,322</u>	<u>\$ 133,173,096</u>	<u>\$ 129,651,396</u>	<u>\$ 124,668,122</u>	<u>\$ 118,741,550</u>	<u>\$ 115,625,364</u>	<u>\$ 113,207,612</u>
Plan fiduciary net position										
Contributions - employer	\$ 1,090,794	\$ 1,647,180	\$ 1,543,662	\$ 1,446,047	\$ 1,319,772	\$ 1,220,851	\$ 867,862	\$ 781,558	\$ 1,044,321	\$ 1,000,000
Contributions - member	760,324	681,824	671,072	644,825	605,533	580,656	524,182	420,349	321,443	282,464
Net investment income (loss)	14,997,837	(24,694,537)	38,193,940	8,415,000	9,064,783	9,713,540	13,373,989	1,939,230	3,599,333	18,155,372
Benefit payments, including refunds of member contributions	(8,006,171)	(7,313,425)	(6,974,502)	(6,515,276)	(6,294,510)	(6,241,651)	(5,979,940)	(5,822,206)	(5,466,241)	(5,291,409)
Administration	(201,917)	(74,336)	(147,591)	(101,921)	(145,730)	(24,235)	(87,966)	(91,972)	(107,428)	(104,582)
Net change in plan fiduciary net position	8,640,867	(29,753,294)	33,286,581	3,888,675	4,549,848	5,249,161	8,698,127	(2,773,041)	(608,572)	14,041,845
Plan fiduciary net position - July 1	150,350,230	180,103,524	146,816,943	142,928,268	138,378,420	133,129,259	124,431,132	127,204,173	127,812,745	113,770,900
Plan fiduciary net position - June 30 (b)	<u>\$ 158,991,097</u>	<u>\$ 150,350,230</u>	<u>\$ 180,103,524</u>	<u>\$ 146,816,943</u>	<u>\$ 142,928,268</u>	<u>\$ 138,378,420</u>	<u>\$ 133,129,259</u>	<u>\$ 124,431,132</u>	<u>\$ 127,204,173</u>	<u>\$ 127,812,745</u>
Net pension asset - June 30 (a)-(b)	<u>\$ (8,998,368)</u>	<u>\$ (931,866)</u>	<u>\$ (35,907,459)</u>	<u>\$ (8,347,621)</u>	<u>\$ (9,755,172)</u>	<u>\$ (8,727,024)</u>	<u>\$ (8,461,137)</u>	<u>\$ (5,689,582)</u>	<u>\$ (11,578,809)</u>	<u>\$ (14,605,133)</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>106.00%</u>	<u>100.62%</u>	<u>124.90%</u>	<u>106.03%</u>	<u>107.33%</u>	<u>106.73%</u>	<u>106.79%</u>	<u>104.79%</u>	<u>110.01%</u>	<u>112.90%</u>
Covered payroll	<u>\$ 20,352,034</u>	<u>\$ 21,646,563</u>	<u>\$ 20,814,003</u>	<u>\$ 21,313,604</u>	<u>\$ 20,493,850</u>	<u>\$ 22,141,000</u>	<u>\$ 21,289,231</u>	<u>\$ 22,449,000</u>	<u>\$ 21,585,538</u>	<u>\$ 24,137,000</u>
Net pension asset as a percentage of covered payroll	<u>(44.21%)</u>	<u>(4.30%)</u>	<u>(172.52%)</u>	<u>(39.17%)</u>	<u>(47.60%)</u>	<u>(39.42%)</u>	<u>(39.74%)</u>	<u>(25.34%)</u>	<u>(53.64%)</u>	<u>(60.51%)</u>
<b>Schedule of Investment Returns</b>										
Annual money weighted rate of return, net of investment expense	<u>10.13%</u>	<u>(13.84%)</u>	<u>26.25%</u>	<u>5.95%</u>	<u>6.60%</u>	<u>7.43%</u>	<u>10.90%</u>	<u>1.55%</u>	<u>2.85%</u>	<u>16.16%</u>

N/A - not available

See Notes to Required Supplementary Information.

## Town of New Canaan, Connecticut

**Required Supplementary Information**  
**Town Retirement Plan**  
**Schedule of Contributions**  
**Last Ten Years**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarially determined contributions	\$ 1,090,794	\$ 1,647,180	\$ 1,543,662	\$ 1,446,047	\$ 1,319,772	\$ 1,220,851	\$ 867,862	\$ 781,558	\$ 2,610,790	\$ 2,515,090
Contributions in relation to the actuarially determined contribution	<u>1,090,794</u>	<u>1,647,180</u>	<u>1,543,662</u>	<u>1,446,047</u>	<u>1,319,772</u>	<u>1,220,851</u>	<u>867,862</u>	<u>781,558</u>	<u>1,044,321</u>	<u>1,000,000</u>
Contribution excess (deficiency)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,566,469)</u>	<u>\$ (1,515,090)</u>
Covered payroll	<u>\$ 20,352,034</u>	<u>\$ 21,646,563</u>	<u>\$ 20,814,003</u>	<u>\$ 21,313,604</u>	<u>\$ 20,493,850</u>	<u>\$ 22,141,000</u>	<u>\$ 21,289,231</u>	<u>\$ 22,449,000</u>	<u>\$ 21,585,538</u>	<u>\$ 24,137,000</u>
Contributions as a percentage of covered payroll	<u>5.36%</u>	<u>7.61%</u>	<u>7.42%</u>	<u>6.78%</u>	<u>6.44%</u>	<u>5.51%</u>	<u>4.08%</u>	<u>3.48%</u>	<u>4.84%</u>	<u>4.14%</u>

**Town of New Canaan, Connecticut**  
**Notes to Required Supplementary Information**  
**Town Retirement Plan**  
**Schedule of Contributions**  
**Last Ten Years**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Changes of benefit terms	None	None	None	None	None	None	None	None	None	None
The actuarially determined contribution rates are calculated as of	July 1, 2021	July 1, 2020	July 1, 2018	July 1, 2018	July 1, 2016	July 1, 2016	July 1, 2015	July 1, 2015	July 1, 2013	July 1, 2013
Actuarial methods and assumptions used to determine contribution rates:										
Actuarial cost method	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal
Amortization method	Level percent of salary. Amortized over 15 years on an open basis	Level percent of salary. Amortized over 15 years on an open basis	Level percent of salary. Amortized over 15 years on an open basis	Level percent of salary. Amortized over 15 years on an open basis	Level percent of salary. Amortized over 15 years on an open basis	Level percent of salary. Amortized over 15 years on an open basis	Level percent of salary. Amortized over 15 years on an open basis	Level percent of salary. Amortized over 15 years on an open basis	Level percent of salary. Amortized over 15 years on an open basis	Level percent of salary. Amortized over 15 years on an open basis
Asset valuation method	5-year smoothing period; recognized 20% per year	5-year smoothing period; recognized 20% per year	5-year smoothing period; recognized 20% per year	5-year smoothing period; recognized 20% per year	5-year smoothing period; recognized 20% per year	5-year smoothing period; recognized 20% per year	5-year smoothing period; recognized 20% per year	5-year smoothing period; recognized 20% per year	5-year smoothing period; recognized 20% per year	5-year smoothing period; recognized 20% per year
Inflation rate	2.50%	2.50%	2.75%	2.75%	2.75%	2.75%	3.00%	3.00%	1.25%	1.25%
Salary increases	0.00% - 7.00%	0.00% - 7.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
Investment rate of return (net)	6.75%	6.75%	6.75%	6.75%	6.75%	6.75%	7.00%	7.00%	7.00%	7.00%
Mortality rate	Pub-2010 projected to the valuation date with Scale MP-2020	Pub-2010 projected to the valuation date with Scale MP-2020	RP-2014 projected to the valuation date with Scale MP-2018	RP-2014 projected to the valuation date with Scale MP-2018	RP-2014 projected to the valuation date with Scale MP-2016	RP-2014 projected to the valuation date with Scale MP-2016	RP-2000 fully projected with separate male and female tables	RP-2000 fully projected with separate male and female tables	RP-2000 fully projected with separate male and female tables	RP-2000 fully projected with separate male and female tables

**Town of New Canaan, Connecticut**  
**Required Supplementary Information**  
**Connecticut State Teachers' Retirement System**  
**Last Nine Years (3)**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b><u>Schedule of Proportionate Share of the Collective Net Pension Liability</u></b>									
Town's proportion of the collective net pension liability	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
Town's proportionate share of the collective net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State of Connecticut's proportionate share of the collective net pension liability associated with the Town	<u>185,994,081</u>	<u>151,798,901</u>	<u>191,663,228</u>	<u>173,702,347</u>	<u>133,934,601</u>	<u>131,580,108</u>	<u>138,818,045</u>	<u>107,096,225</u>	<u>98,988,998</u>
Total	<u>\$ 185,994,081</u>	<u>\$ 151,798,901</u>	<u>\$ 191,663,228</u>	<u>\$ 173,702,347</u>	<u>\$ 133,934,601</u>	<u>\$ 131,580,108</u>	<u>\$ 138,818,045</u>	<u>\$ 107,096,225</u>	<u>\$ 98,988,998</u>
Town's covered payroll	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>
Town's proportionate share of the collective net pension liability as a percentage of its covered payroll	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
Plan fiduciary net position as a percentage of the collective total pension liability	<u>54.06%</u>	<u>60.77%</u>	<u>49.24%</u>	<u>52.00%</u>	<u>57.69%</u>	<u>55.93%</u>	<u>52.26%</u>	<u>59.50%</u>	<u>61.51%</u>
<b><u>Schedule of Contributions</u></b>									
Contractually required contribution (1)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions in relation to the contractually required contribution	-	-	-	-	-	-	-	-	-
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Town's covered payroll	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>
Contributions as a percentage of covered payroll	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>

**Notes:**

- (1) Local employers are not required to contribute to the plan.
- (2) Not applicable since 0% proportionate share of the collective net pension liability.
- (3) These schedules are intended to present information for 10 years. Additional years will be presented as they become available.

**Town of New Canaan, Connecticut**  
**Notes to Required Supplementary Information**  
**Connecticut State Teachers' Retirement System**  
**Schedule of Contributions**  
**Last Nine Years (1)**

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Changes of benefit terms	None	None	None	None	Beginning January 1, 2018, member contributions increased from 6.00% to 7.00% of salary	None	None	None	None
The actuarially determined contribution rates are calculated as of	June 30, 2020	June 30, 2020	June 30, 2018	June 30, 2018	June 30, 2016	June 30, 2016	June 30, 2014	June 30, 2014	June 30, 2012
Actuarial methods and assumptions used to determine contribution rates:									
Actuarial cost method	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age
Amortization method	Level percent of salary, closed, grading to a level dollar	Level percent of salary, closed, grading to a level dollar	Level percent of salary, closed, grading to a level dollar	Level percent of salary, closed, grading to a level dollar	Level percent of salary, closed	Level percent of salary, closed	Level percent of salary, closed	Level percent of salary, closed	Level percent of salary, closed
Remaining amortization period	27.8 years	27.8 years	30 years	30 years	20.4 years	20.4 years	21.4 years	21.4 years	22.4 years
Asset valuation method	4 year smoothing	4 year smoothing	4 year smoothing	4 year smoothing	4 year smoothing	4 year smoothing	4 year smoothing	4 year smoothing	4 year smoothing
Inflation rate	2.50%	2.50%	2.50%	2.50%	2.75%	2.75%	3.00%	3.00%	3.00%
Salary increases	3.00%-6.50%, average, including inflation	3.00%-6.50%, average, including inflation	3.25%-6.50%, average, including inflation	3.25%-6.50%, average, including inflation	3.25%-6.50%, average, including inflation	3.25%-6.50%, average, including inflation	3.75%-7.00%, average, including inflation	3.75%-7.00%, average, including inflation	3.75%-7.00%, average, including inflation
Cost-of-living adjustments	1.75%-3.00% based on retirement date	1.75%-3.00% based on retirement date	1.75%-3.00% based on retirement date	1.75%-3.00% based on retirement date	1.75%-3.00% based on retirement date	1.75%-3.00% based on retirement date	2.00%-3.00% based on retirement date	2.00%-3.00% based on retirement date	2.00%-3.00% based on retirement date
Investment rate of return (net)	6.90%	6.90%	6.90%	6.90%	8.00%	8.00%	8.50%	8.50%	8.50%
Mortality rate	PubT-2010 Table projected generationally with MP-2019	PubT-2010 Table projected generationally with MP-2019	RP-2014 White Collar table projected to the year 2020 using the BB improvement scale	RP-2014 White Collar table projected to the year 2020 using the BB improvement scale	RP-2014 White Collar table projected to the year 2020 using the BB improvement scale	RP-2014 White Collar table projected to the year 2020 using the BB improvement scale	RP-2000 Combined Mortality Table projected 19 years using scale AA	RP-2000 Combined Mortality Table projected 19 years using scale AA	RP-2000 Combined Mortality Table projected 19 years using scale AA

(1) This schedule is intended to present information for 10 years. Additional years will be presented as they become available

## Town of New Canaan, Connecticut

**Required Supplementary Information  
Other Post-Employment Benefit (OPEB) Plan  
Last Seven Years (1)**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<b>Schedule of Changes in Net OPEB Liability and Related Ratios</b>							
Total OPEB liability							
Service cost	\$ 856,292	\$ 831,351	\$ 872,802	\$ 849,438	\$ 850,205	\$ 823,444	\$ 797,524
Interest	1,689,909	1,589,686	1,599,474	1,528,559	1,902,210	1,812,172	1,719,592
Changes of benefit terms	-	-	(16,306)	-	-	-	-
Differences between expected and actual experience	(863,875)	1,455,692	(1,686,602)	209,364	(7,361,894)	(144,196)	70,970
Changes in assumptions	(821,048)	-	1,320,224	-	327,337	-	-
Benefit payments, including refunds of member contributions	(2,235,679)	(2,592,311)	(1,806,823)	(1,321,355)	(1,186,152)	(1,182,487)	(1,300,481)
Net Change in total OPEB liability	(1,374,401)	1,284,418	282,769	1,266,006	(5,468,294)	1,308,933	1,287,605
OPEB liability - July 1	25,278,971	23,994,553	23,711,784	22,445,778	27,914,072	26,605,139	25,317,534
OPEB liability - June 30 (a)	<u>\$ 23,904,570</u>	<u>\$ 25,278,971</u>	<u>\$ 23,994,553</u>	<u>\$ 23,711,784</u>	<u>\$ 22,445,778</u>	<u>\$ 27,914,072</u>	<u>\$ 26,605,139</u>
Plan fiduciary net position							
Contributions - employer	\$ 2,124,640	\$ 2,798,140	\$ 2,143,236	\$ 1,676,872	\$ 1,589,891	\$ 1,575,960	\$ 1,740,902
Contributions - member	44,892	41,401	41,215	40,233	39,351	37,581	36,375
Contributions - TRB subsidy	111,039	74,152	82,670	84,483	96,261	106,527	59,579
Net investment income (loss)	1,869,770	(2,879,729)	4,165,635	871,270	881,937	864,143	1,103,293
Benefit payments, including refunds of member contributions	(2,235,679)	(2,592,311)	(1,806,823)	(1,321,355)	(1,186,152)	(1,182,487)	(1,300,481)
Administration	-	(547)	(18,582)	(584)	(12,584)	(584)	(18,000)
Net change in plan fiduciary net position	1,914,662	(2,558,894)	4,607,351	1,350,919	1,408,704	1,401,140	1,621,668
Plan fiduciary net position - July 1	17,474,382	20,033,276	15,425,925	14,075,006	12,666,302	11,265,162	9,643,494
Plan fiduciary net position - June 30 (b)	<u>19,389,044</u>	<u>17,474,382</u>	<u>20,033,276</u>	<u>15,425,925</u>	<u>14,075,006</u>	<u>12,666,302</u>	<u>11,265,162</u>
Net pension liability - June 30 (a)-(b)	<u>\$ 4,515,526</u>	<u>\$ 7,804,589</u>	<u>\$ 3,961,277</u>	<u>\$ 8,285,859</u>	<u>\$ 8,370,772</u>	<u>\$ 15,247,770</u>	<u>\$ 15,339,977</u>
Plan fiduciary net position as a percentage of the total OPEB liability	<u>81.11%</u>	<u>69.13%</u>	<u>83.49%</u>	<u>65.06%</u>	<u>62.71%</u>	<u>45.38%</u>	<u>42.34%</u>
Covered payroll	<u>\$ 60,094,526</u>	<u>\$ 61,216,147</u>	<u>\$ 59,433,152</u>	<u>\$ 59,496,547</u>	<u>\$ 57,623,774</u>	<u>\$ 54,352,121</u>	<u>\$ 52,641,279</u>
Net OPEB liability as a percentage of covered payroll	<u>7.51%</u>	<u>12.75%</u>	<u>6.67%</u>	<u>13.93%</u>	<u>14.53%</u>	<u>28.05%</u>	<u>29.14%</u>
<b>Schedule of Investment Returns</b>							
Annual money weighted rate of return, net of investment expense	<u>10.69%</u>	<u>(14.18%)</u>	<u>26.33%</u>	<u>6.01%</u>	<u>6.71%</u>	<u>7.36%</u>	<u>10.91%</u>

(1) This schedule is intended to present information for 10 years. Additional years will be presented as they become available.

**Town of New Canaan, Connecticut**  
**Required Supplementary Information**  
**Other Post-Employment Benefit (OPEB) Plan**  
**Schedule of Contributions**  
**Last Ten Years**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarially determined contributions	\$ 1,174,414	\$ 1,463,375	\$ 1,585,823	\$ 1,558,637	\$ 2,062,462	\$ 2,035,960	\$ 2,578,301	\$ 2,505,269	\$ 2,744,420	\$ 2,666,479
Contributions in relation to the actuarially determined contribution	<u>2,124,640</u>	<u>2,798,140</u>	<u>2,143,236</u>	<u>1,676,872</u>	<u>1,589,891</u>	<u>1,575,960</u>	<u>1,740,902</u>	<u>1,357,099</u>	<u>1,599,484</u>	<u>1,766,512</u>
Contribution excess (deficiency)	<u>\$ 950,226</u>	<u>\$ 1,334,765</u>	<u>\$ 557,413</u>	<u>\$ 118,235</u>	<u>\$ (472,571)</u>	<u>\$ (460,000)</u>	<u>\$ (837,399)</u>	<u>\$ (1,148,170)</u>	<u>\$ (1,144,936)</u>	<u>\$ (899,967)</u>
Covered payroll	<u>\$ 60,094,526</u>	<u>\$ 61,216,147</u>	<u>\$ 59,433,152</u>	<u>\$ 59,496,547</u>	<u>\$ 57,623,774</u>	<u>\$ 54,352,121</u>	<u>\$ 52,641,279</u>	<u>\$ 52,427,000</u>	<u>\$ 52,427,000</u>	<u>\$ 50,969,000</u>
Contributions as a percentage of covered payroll	<u>3.54%</u>	<u>4.57%</u>	<u>3.61%</u>	<u>2.82%</u>	<u>2.76%</u>	<u>2.90%</u>	<u>3.31%</u>	<u>2.59%</u>	<u>3.05%</u>	<u>3.47%</u>

**Town of New Canaan, Connecticut**  
**Notes to Required Supplementary Information**  
**Other Post-Employment Benefit (OPEB) Plan**  
**Schedule of Contributions**  
**Last Ten Years**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Changes of benefit terms	None	None	None	None	None	None	None	None	None	None
The actuarially determined contribution rates are calculated as of	July 1, 2020	July 1, 2020	June 30, 2018	June 30, 2018	June 30, 2016	June 30, 2016	June 30, 2014	June 30, 2014	June 30, 2012	June 30, 2012
Actuarial methods and assumptions used to determine contribution rates:										
Actuarial cost method	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Projected unit credit	Projected unit credit	Projected unit credit	Projected unit credit
Amortization method	Level percentage of salary	Level percentage of salary	Level percentage of salary	Level percentage of salary	Level percentage of salary	Level percentage of salary	Level dollar	Level dollar	Level dollar	Level dollar
Asset valuation method	Fair value	Fair value	Fair value	Fair value	Fair value	Fair value	Fair value	Fair value	Fair value	Fair value
Inflation rate	2.50%	2.50%	2.75%	2.75%	2.75%	2.75%	N/A	N/A	N/A	N/A
Healthcare inflation rate - initial	6.50%	6.50%	7.25%	7.25%	7.75%	7.75%	N/A	N/A	N/A	N/A
Healthcare inflation rate - ultimate	4.50%	4.50%	4.75%	4.75%	7.75%	7.75%	N/A	N/A	N/A	N/A
Salary increases	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	N/A	N/A	N/A	N/A
Investment rate of return (net)	6.75%	6.75%	6.75%	6.75%	6.75%	6.75%	7.00%	7.00%	7.00%	7.00%
Mortality rate	PUB-2010 projected to the valuation date with Scale MP-2020 for projections for the current year.	PUB-2010 projected to the valuation date with Scale MP-2020 for projections for the current year.	RP-2014 projected to the valuation date with Scale MP-2018 for projections for the current year.	RP-2014 projected to the valuation date with Scale MP-2018 for projections for the current year.	RP-2014 projected to the valuation date with Scale MP-2016 for projections for the current year.	RP-2014 projected to the valuation date with Scale MP-2016 for projections for the current year.	RP-2000 Mortality table, projected to the valuation date with Scale AA or as used in the Connecticut State Teachers' Retirement System 2010 OPEB valuation.	RP-2000 Mortality table, projected to the valuation date with Scale AA or as used in the Connecticut State Teachers' Retirement System 2010 OPEB valuation.	RP-2000 Mortality table, projected to the valuation date with Scale AA or as used in the Connecticut State Teachers' Retirement System 2010 OPEB valuation.	RP-2000 Mortality table, projected to the valuation date with Scale AA or as used in the Connecticut State Teachers' Retirement System 2010 OPEB valuation.

N/A - Not available

Town of New Canaan, Connecticut

Required Supplementary Information  
 Connecticut State Teachers' Retirement Board Retiree Health Insurance Plan  
 Last Six Years (3)

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
<b><u>Schedule of Proportionate Share of the Collective Net OPEB Liability</u></b>						
Town's proportion of the collective net OPEB liability	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
Town's proportionate share of the collective net OPEB liability	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
State of Connecticut's proportionate share of the collective net OPEB liability associated with the Town	<u>16,288,816</u>	<u>16,538,212</u>	<u>28,586,577</u>	<u>27,089,860</u>	<u>26,774,353</u>	<u>33,867,227</u>
<b>Total</b>	<u><b>\$ 16,288,816</b></u>	<u><b>\$ 16,538,212</b></u>	<u><b>\$ 28,586,577</b></u>	<u><b>\$ 27,089,860</b></u>	<u><b>\$26,774,353</b></u>	<u><b>\$33,867,227</b></u>
Town's covered payroll	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>
Town's proportionate share of the collective net OPEB liability as a percentage of its covered payroll	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
Plan fiduciary net position as a percentage of the collective total OPEB liability	<u>9.46%</u>	<u>6.11%</u>	<u>2.50%</u>	<u>2.08%</u>	<u>1.49%</u>	<u>1.79%</u>
<b><u>Schedule of Contributions</u></b>						
Contractually required contribution (1)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Contributions in relation to the contractually required contribution	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Town's covered payroll	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>
Contributions as a percentage of covered payroll	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>

(1) Local employers are not required to contribute to the plan

(2) Not applicable since 0% proportionate share of the collective net OPEB liability

(3) These schedules are intended to present information for 10 years. Additional years will be presented as they become available.

Town of New Canaan, Connecticut

Notes to Required Supplementary Information  
 Connecticut State Teachers' Retirement Board Retiree Health Insurance Plan  
 Schedule of Contributions  
 Last Six Years (1)

	2023	2022	2021	2020	2019	2018
Changes of benefit terms	None	None	None	None	None	None
The actuarially determined contribution rates are calculated as of	June 30, 2022	June 30, 2020	June 30, 2020	June 30, 2018	June 30, 2018	June 30, 2016
Actuarial methods and assumptions used to determine contribution rates:						
Actuarial cost method	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age
Amortization method	Level percentage, open	Level percentage, closed	Level percentage, closed	Level percentage, open	Level percentage, open	Level percentage, open
Amortization period	30 years	30 years	30 years	30 years	30 years	30 years
Asset valuation method	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value
Inflation rate	2.50%	2.50%	2.50%	2.75%	2.75%	2.75%
Healthcare inflation rate	Initial 6.75% decreasing to 4.50% (ultimate) by 2023	Initial 5.125% decreasing to 4.50% (ultimate) by 2023	Initial 5.125% decreasing to 4.50% (ultimate) by 2023	Initial 5.95% decreasing to 4.75% (ultimate) by 2025	Initial 5.95% decreasing to 4.75% (ultimate) by 2025	Initial 7.25% decreasing to 5.00% (ultimate) by 2022
Salary increases	3.00% to 6.50%, including inflation	3.00% to 6.50%, including inflation	3.00% to 6.50%, including inflation	3.25% to 6.50%, including inflation	3.25% to 6.50%, including inflation	3.25% to 6.50%, including inflation
Investment rate of return (net)	3.00%	3.00%	3.00%	3.00%	3.00%	4.25%
Mortality rate	PubT-2010 Table projected generationally with MP-2019	PubT-2010 Table projected generationally with MP-2019	PubT-2010 Table projected generationally with MP-2019	RP-2014 White Collar table with employee and annuitant rates blended from ages 50 to 80, projected to the year 2020 using the BB improvement scale	RP-2014 White Collar table with employee and annuitant rates blended from ages 50 to 80, projected to the year 2020 using the BB improvement scale	RP-2014 White Collar table with employee and annuitant rates blended from ages 50 to 80, projected to the year 2020 using the BB improvement scale

(1) These schedules are intended to present information for 10 years. Additional years will be presented as they become available.

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# **Supplemental Schedules**

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# General Fund

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The general fund is the principal fund of the Town and is used to account for all activities of the Town, except those required to be accounted for in another fund. The general fund accounts for the normal recurring activities of the Town (i.e., general government, public safety, public works, health, social services, recreation, education, etc.). These activities are funded principally by property taxes, user fees and grants from other governmental units.

<b>Fund</b>	<b>Function</b>
Dog Fund	Revenue collected for dog licenses

## Town of New Canaan, Connecticut

**General Fund  
Combining Balance Sheet  
June 30, 2023**

<u>Assets</u>	<u>General Fund</u>	<u>Dog Fund</u>	<u>Eliminations</u>	<u>Total</u>
Cash	\$ 2,983,893	\$ 77,385	\$ -	\$ 3,061,278
Restricted cash	302,354	-	-	302,354
Investments	23,121,353	-	-	23,121,353
Receivables (net):				
Property taxes	1,484,616	-	-	1,484,616
Intergovernmental	431,677	-	-	431,677
Accounts	543,437	-	-	543,437
Leases	1,230,893	-	-	1,230,893
Due from other funds	12,267,005	-	(500)	12,266,505
Other	42,323	-	-	42,323
<b>Total assets</b>	<b><u>\$ 42,407,551</u></b>	<b><u>\$ 77,385</u></b>	<b><u>\$ (500)</u></b>	<b><u>\$ 42,484,436</u></b>
 <u>Liabilities</u>				
Accounts payable	\$ 3,343,421	\$ 15,264	\$ -	\$ 3,358,685
Accrued payroll and related liabilities	1,188,691	-	-	1,188,691
Due to other funds	7,417,801	500	(500)	7,417,801
Unearned revenue	39,520	-	-	39,520
Performance bonds	302,354	-	-	302,354
Other	196,320	-	-	196,320
<b>Total liabilities</b>	<b><u>12,488,107</u></b>	<b><u>15,764</u></b>	<b><u>(500)</u></b>	<b><u>12,503,371</u></b>
 <u>Deferred Inflows of Resources</u>				
Unavailable revenue:				
Property taxes	1,484,616	-	-	1,484,616
Advance property tax collections	9,013	-	-	9,013
Lease related	1,188,895	-	-	1,188,895
<b>Total deferred inflows of resources</b>	<b><u>2,682,524</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>2,682,524</u></b>
 <u>Fund Balances</u>				
Nonspendable	41,998	-	-	41,998
Assigned	7,367,782	-	-	7,367,782
Unassigned	19,827,140	61,621	-	19,888,761
<b>Total fund balances</b>	<b><u>27,236,920</u></b>	<b><u>61,621</u></b>	<b><u>-</u></b>	<b><u>27,298,541</u></b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b><u>\$ 42,407,551</u></b>	<b><u>\$ 77,385</u></b>	<b><u>\$ (500)</u></b>	<b><u>\$ 42,484,436</u></b>

## Town of New Canaan, Connecticut

**General Fund**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**For The Year Ended June 30, 2023**

	General Fund	Dog Fund	Total
Revenues:			
Property taxes	\$ 146,843,048	\$ -	\$ 146,843,048
Intergovernmental	17,054,169	-	17,054,169
Charges for services	6,059,149	24,541	6,083,690
Income from investments	1,363,390	-	1,363,390
Net change in fair value	(2,390)	-	(2,390)
Total revenues	<u>171,317,366</u>	<u>24,541</u>	<u>171,341,907</u>
Expenditures:			
Current:			
General government	13,865,281	-	13,865,281
Public safety and protection	13,920,020	38,035	13,958,055
Public works	10,247,395	-	10,247,395
Social services	436,559	-	436,559
Parks and recreation	2,028,536	-	2,028,536
Education	113,559,360	-	113,559,360
Payments to other agencies	3,311,495	-	3,311,495
Debt service	18,111,717	-	18,111,717
Total expenditures	<u>175,480,363</u>	<u>38,035</u>	<u>175,518,398</u>
Excess (deficiency) of revenues over expenditures	<u>(4,162,997)</u>	<u>(13,494)</u>	<u>(4,176,491)</u>
Other financing sources (uses):			
Sale of capital assets	69,490	-	69,490
Transfers in	2,914,015	-	2,914,015
Transfers out	(320,506)	-	(320,506)
Net other financing sources (uses)	<u>2,662,999</u>	<u>-</u>	<u>2,662,999</u>
Net change in fund balances	(1,499,998)	(13,494)	(1,513,492)
Fund balances - July 1, 2022	<u>28,736,918</u>	<u>75,115</u>	<u>28,812,033</u>
Fund balances - June 30, 2023	<u>\$ 27,236,920</u>	<u>\$ 61,621</u>	<u>\$ 27,298,541</u>

Town of New Canaan, Connecticut

Report of Tax Collector  
For the Year Ended June 30, 2023

Grand List Year	Uncollected Taxes July 1, 2022	Current Year Levy	Lawful Corrections		Transfers to Suspense	Adjusted Amount Collectible	Collections			Uncollected Taxes June 30, 2023
			Additions	Deductions			Net Taxes Collected	Interest Liens & Other Fees	Total	
2005	\$ 781	\$ -	\$ -	\$ 781	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2006	830	-	-	830	-	-	-	-	-	-
2007	1,221	-	-	-	-	1,221	-	-	-	1,221
2008	-	-	-	-	-	-	-	-	-	-
2009	-	-	32	-	-	32	32	-	32	-
2010	-	-	-	-	-	-	-	-	-	-
2011	-	-	5	-	-	5	5	-	5	-
2012	-	-	-	-	-	-	-	-	-	-
2013	-	-	447	-	-	447	447	-	447	-
2014	25,290	-	7	-	10,566	14,731	7	3	10	14,724
2015	28,368	-	111	2	-	28,477	750	938	1,688	27,727
2016	36,752	-	151	3	-	36,900	827	953	1,780	36,073
2017	85,220	-	1,205	3	-	86,422	35,055	20,159	55,214	51,367
2018	272,974	-	961	6,487	4,103	263,345	62,778	45,786	108,564	200,567
2019	404,232	-	33,940	10,079	-	428,093	190,905	64,845	255,750	237,188
2020	<u>565,108</u>	<u>-</u>	<u>37,326</u>	<u>74,341</u>	<u>-</u>	<u>528,093</u>	<u>241,972</u>	<u>54,771</u>	<u>296,743</u>	<u>286,121</u>
Subtotal	1,420,776	-	74,185	92,526	14,669	1,387,766	532,778	187,455	720,233	854,988
2021	<u>-</u>	<u>146,509,801</u>	<u>157,260</u>	<u>290,344</u>	<u>-</u>	<u>146,376,717</u>	<u>145,885,767</u>	<u>243,510</u>	<u>146,129,277</u>	<u>490,950</u>
Total	<u>\$ 1,420,776</u>	<u>\$ 146,509,801</u>	<u>\$ 231,445</u>	<u>\$ 382,870</u>	<u>\$ 14,669</u>	<u>\$ 147,764,483</u>	<u>\$ 146,418,545</u>	<u>\$ 430,965</u>	<u>\$ 146,849,510</u>	1,345,938
								Interest and liens receivable		516,074
								Allowance for doubtful accounts		<u>(377,396)</u>
								Net taxes receivable		<u>\$ 1,484,616</u>

# Other Governmental Funds

## Special Revenue Funds

Special revenue funds are used to account for specific revenues that are restricted or committed to expenditures for particular purposes.

<b>Fund</b>	<b>Funding Source</b>	<b>Function</b>
Sewer District Fund	User Fees	Maintenance and operation of the distribution system and sewer plant
School Lunch Fund	Fees	Operations of the school cafeterias
Subrecipient Grant Fund	Grants	The revenues received and passed through to a subrecipient
Summer Learning Fund	Fees	Summer school program
School Activity Fund	Activity fees and contributions	Student activity funds and school scholarships.
School Scholarships Fund	Contributions and income from investments	Scholarships
Town Projects Fund	Grants and fees	Federal and state grants, movie theater operations, recreation programs and parking.
Facilities Rental Fund	Fees	Rental of school properties
Special Projects Fund	Grants/Fees/Contributions	Donations from individuals and private organizations
Extra Duty Fund	Fees	Revenues related to extra duties performed by police officers and fire department employees
State and Federal Educational Grants Fund	Grants	Revenues from federal, state and local grants for educational purposes
School Donation Fund	Contributions	Donations from PTOs and booster clubs for education
General Government Fund	Fees	Operation of the railway station, property rental, and historic document preservation and community investment.

# Other Governmental Funds

Fund	Funding Source	Function
Affordable Housing Fund	Fees	Affordable housing projects
Visual and Performing Arts Fund	Contributions	School musicals and other arts

## Capital Projects Funds

Capital project funds are used to account for acquisition and construction of major capital assets other than those financed by proprietary and trust funds.

Fund	Funding Source	Function
Sewer Capital Improvement Fund	Transfers In	Sewer capital improvement projects
Road Paving Fund	Debt Issuance	Road paving projects
South School Improvement Fund	Debt Issuance	Improvements at the South School
Saxe School Improvement Fund	Debt Issuance	Improvements at the Saxe School
Tax Supported Capital Fund	Transfers In	Capital acquisitions which, by nature, occur over the course of multiple years
Special Bonding Fund	Debt Issuance	Approved working capital for projects that will be ultimately financed through general obligation bonds
Waveny Roof Fund	Debt Issuance	Replacing the new roof at Waveny
Track Fund	Contributions/Transfers In	High school track replacement and the water tower turf
Mead Baseball Fields Fund	Debt Issuance	Mead Park baseball fields
Public Safety Radio Fund	Debt Issuance	Improvement of the public safety radio system
Bridge Replacement Fund	Grants/Debt Issuance	Bridge replacements
Land Acquisition Fund	Transfers In	Land acquisition

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# Other Governmental Funds

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## Permanent Funds

Permanent funds are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes as categorized by the fund title.

Fund	Funding Source	Function
Sydney Weisner Fund	Income from investments	Investment earnings to be used for special education programs

Town of New Canaan, Connecticut

Combining Balance Sheet  
June 30, 2023

Special Revenue Funds

	Sewer District Fund	School Lunch Fund	Subrecipient Grant Fund	Summer Learning Fund	School Activity Fund	School Scholarships Fund	Town Projects Fund	Facilities Rental Fund
<u>Assets</u>								
Cash	\$ 1,359,462	\$ 1,685,007	\$ 12,652	\$ 337,843	\$ 490,928	\$ 19,368	\$ 830,468	\$ 310,353
Investments	-	-	-	-	-	1,442,863	5,004,384	-
Receivables:								
Sewer use	12,527	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	165,170	-
Accounts	31,915	6,486	-	-	-	-	-	29,516
Leases	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	617,528	-
Other	1,731	21,662	-	-	-	-	19,519	-
Total assets	<u>\$ 1,405,635</u>	<u>\$ 1,713,155</u>	<u>\$ 12,652</u>	<u>\$ 337,843</u>	<u>\$ 490,928</u>	<u>\$ 1,462,231</u>	<u>\$ 6,637,069</u>	<u>\$ 339,869</u>
<u>Liabilities</u>								
Accounts payable	\$ 61,804	\$ 871	\$ 12,652	\$ 2,224	\$ 50	\$ -	\$ 182,096	\$ -
Accrued payroll	10,748	10,847	-	27,455	-	-	-	1,264
Due to other funds	5,835	812,515	-	4,787	53,086	-	147,140	99,949
Unearned revenue	7,575	195,487	-	133,068	-	-	307,086	-
Other	5,177	-	-	-	-	-	1,512,827	-
Total liabilities	<u>91,139</u>	<u>1,019,720</u>	<u>12,652</u>	<u>167,534</u>	<u>53,136</u>	<u>-</u>	<u>2,149,149</u>	<u>101,213</u>
<u>Deferred Inflows of Resources</u>								
Unavailable revenue:								
Sewer use	12,527	-	-	-	-	-	-	-
<u>Fund Balances</u>								
Nonspendable	-	-	-	-	-	665,855	-	-
Restricted	1,301,969	693,435	-	-	437,792	796,376	4,348,870	-
Committed	-	-	-	170,309	-	-	139,050	238,656
Unassigned	-	-	-	-	-	-	-	-
Total fund balances	<u>1,301,969</u>	<u>693,435</u>	<u>-</u>	<u>170,309</u>	<u>437,792</u>	<u>1,462,231</u>	<u>4,487,920</u>	<u>238,656</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,405,635</u>	<u>\$ 1,713,155</u>	<u>\$ 12,652</u>	<u>\$ 337,843</u>	<u>\$ 490,928</u>	<u>\$ 1,462,231</u>	<u>\$ 6,637,069</u>	<u>\$ 339,869</u>

(continued)

Town of New Canaan, Connecticut

Other Governmental Funds  
Combining Balance Sheet  
June 30, 2023

	Special Revenue Funds							Total Special Revenue Funds
	Special Projects Fund	Extra Duty Fund	State and Federal Educational Grants Fund	School Donation Fund	General Government Fund	Affordable Housing Fund	Visual and Performing Arts Fund	
<u>Assets</u>								
Cash	\$ 137,799	\$ 226,598	\$ 657,667	\$ 285,884	\$ 498,723	\$ -	\$ 73,786	\$ 6,926,538
Investments	-	-	-	-	-	460,905	-	6,908,152
Receivables:								
Sewer use	-	-	-	-	-	-	-	12,527
Intergovernmental	-	-	18,648	-	-	-	-	183,818
Accounts	-	318,948	-	-	-	-	-	386,865
Leases	-	-	-	-	-	-	-	-
Due from other funds	1,135,542	-	-	-	101,903	375,660	-	2,230,633
Other	-	-	-	-	-	-	-	42,912
Total assets	<u>\$ 1,273,341</u>	<u>\$ 545,546</u>	<u>\$ 676,315</u>	<u>\$ 285,884</u>	<u>\$ 600,626</u>	<u>\$ 836,565</u>	<u>\$ 73,786</u>	<u>\$ 16,691,445</u>
<u>Liabilities</u>								
Accounts payable	\$ 76,225	\$ 47,701	\$ 1,134	\$ 70,753	\$ 5,660	\$ -	\$ -	\$ 461,170
Accrued payroll	2,239	24,940	18,540	-	-	-	-	96,033
Due to other funds	-	224,579	645,308	37,806	264	-	33,712	2,064,981
Unearned revenue	33,072	-	-	-	78,528	-	-	754,816
Other	-	-	-	-	1,873	-	-	1,519,877
Total liabilities	<u>111,536</u>	<u>297,220</u>	<u>664,982</u>	<u>108,559</u>	<u>86,325</u>	<u>-</u>	<u>33,712</u>	<u>4,896,877</u>
<u>Deferred Inflows of Resources</u>								
Unavailable revenue:								
Sewer use	-	-	-	-	-	-	-	12,527
<u>Fund Balances</u>								
Nonspendable	-	-	-	-	-	-	-	665,855
Restricted	1,161,805	-	11,333	-	151,023	836,565	40,074	9,779,242
Committed	-	248,326	-	177,325	363,278	-	-	1,336,944
Unassigned	-	-	-	-	-	-	-	-
Total fund balances	<u>1,161,805</u>	<u>248,326</u>	<u>11,333</u>	<u>177,325</u>	<u>514,301</u>	<u>836,565</u>	<u>40,074</u>	<u>11,782,041</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,273,341</u>	<u>\$ 545,546</u>	<u>\$ 676,315</u>	<u>\$ 285,884</u>	<u>\$ 600,626</u>	<u>\$ 836,565</u>	<u>\$ 73,786</u>	<u>\$ 16,691,445</u>

(Continued)

Town of New Canaan, Connecticut

Other Governmental Funds  
Combining Balance Sheet  
June 30, 2023

	Capital Projects Funds					Total Capital Projects Funds	Permanent Fund	Total Other Governmental Funds
	Sewer Capital Improvement Fund	Tax Supported Capital Fund	Special Bonding Fund	Public Safety Radio Fund	Land Acquisition Fund		Sydney Weisner Fund	
<u>Assets</u>								
Cash	\$ -	\$ 2,000,783	\$ 1,086,370	\$ 5,743	\$ 100,000	\$ 3,192,896	\$ -	\$ 10,119,434
Investments	2,613,983	-	-	-	-	2,613,983	56,237	9,578,372
Receivables:						-		
Sewer use	-	-	-	-	-	-	-	12,527
Intergovernmental	-	-	-	-	-	-	-	183,818
Accounts	-	-	-	-	-	-	-	386,865
Due from other funds	-	12,953	334,912	400,000	50,000	797,865	-	3,028,498
Other	43,395	-	-	-	-	43,395	-	86,307
<b>Total assets</b>	<b>\$ 2,657,378</b>	<b>\$ 2,013,736</b>	<b>\$ 1,421,282</b>	<b>\$ 405,743</b>	<b>\$ 150,000</b>	<b>\$ 6,648,139</b>	<b>\$ 56,237</b>	<b>\$ 23,395,821</b>
<u>Liabilities</u>								
Accounts payable	\$ 52,659	\$ 40,073	\$ 353	\$ -	\$ -	\$ 93,085	\$ -	\$ 554,255
Accrued payroll	-	-	-	-	-	-	-	96,033
Due to other funds	-	-	50,000	-	-	50,000	-	2,114,981
Unearned revenue	-	-	-	-	-	-	-	754,816
Other	-	-	-	-	-	-	-	1,519,877
<b>Total liabilities</b>	<b>52,659</b>	<b>40,073</b>	<b>50,353</b>	<b>-</b>	<b>-</b>	<b>143,085</b>	<b>-</b>	<b>5,039,962</b>
<u>Deferred Inflows of Resources</u>								
Unavailable revenue:								
Sewer use	-	-	-	-	-	-	-	12,527
<u>Fund Balances</u>								
Nonspendable	-	-	-	-	-	-	56,500	722,355
Restricted	2,604,719	-	-	-	-	2,604,719	-	12,383,961
Committed	-	1,973,663	1,370,929	405,743	150,000	3,900,335	-	5,237,279
Unassigned	-	-	-	-	-	-	(263)	(263)
<b>Total fund balances</b>	<b>2,604,719</b>	<b>1,973,663</b>	<b>1,370,929</b>	<b>405,743</b>	<b>150,000</b>	<b>6,505,054</b>	<b>56,237</b>	<b>18,343,332</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 2,657,378</b>	<b>\$ 2,013,736</b>	<b>\$ 1,421,282</b>	<b>\$ 405,743</b>	<b>\$ 150,000</b>	<b>\$ 6,648,139</b>	<b>\$ 56,237</b>	<b>\$ 23,395,821</b>

(Concluded)

Town of New Canaan, Connecticut

Other Governmental Funds  
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances  
For the Year Ended June 30, 2023

Special Revenue Funds

	Sewer District Fund	School Lunch Fund	Subrecipient Grant Fund	Summer Learning Fund	School Activity Fund	School Scholarships Fund	Town Projects Fund	Facilities Rental Fund
Revenues:								
Intergovernmental	\$ 19,074	\$ -	\$ 236,109	\$ -	\$ -	\$ -	\$ 3,264,783	\$ -
Charges for services	1,880,042	2,707,168	-	185,116	137,378	-	137,578	223,550
Income from investments	-	30,702	-	5,020	528	31,379	28,694	5,058
Net change in fair value	-	-	-	-	-	111,559	-	-
Contributions	-	1,283	-	-	-	-	-	-
Total revenues	<u>1,899,116</u>	<u>2,739,153</u>	<u>236,109</u>	<u>190,136</u>	<u>137,906</u>	<u>142,938</u>	<u>3,431,055</u>	<u>228,608</u>
Expenditures:								
Current:								
General government	-	-	17,013	-	-	-	1,059,937	-
Public safety and protection	-	-	-	-	-	-	39,898	-
Public works	1,399,236	-	-	-	-	-	213,095	-
Social services	-	-	-	-	-	-	32,478	-
Parks and recreation	-	-	-	-	-	-	776,258	-
Education	-	2,648,528	219,096	203,364	113,485	30,101	-	252,075
Capital outlay	-	-	-	-	-	-	233,886	-
Total expenditures	<u>1,399,236</u>	<u>2,648,528</u>	<u>236,109</u>	<u>203,364</u>	<u>113,485</u>	<u>30,101</u>	<u>2,355,552</u>	<u>252,075</u>
Excess (deficiency) of revenues over expenditures	<u>499,880</u>	<u>90,625</u>	<u>-</u>	<u>(13,228)</u>	<u>24,421</u>	<u>112,837</u>	<u>1,075,503</u>	<u>(23,467)</u>
Other financing sources (uses):								
Issuance of debt	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	150,000	-
Transfers out	-	-	-	-	-	-	(150,000)	-
Net other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	499,880	90,625	-	(13,228)	24,421	112,837	1,075,503	(23,467)
Fund balances, July 1, 2022	<u>802,089</u>	<u>602,810</u>	<u>-</u>	<u>183,537</u>	<u>413,371</u>	<u>1,349,394</u>	<u>3,412,417</u>	<u>262,123</u>
Fund balances, June 30, 2023	<u>\$ 1,301,969</u>	<u>\$ 693,435</u>	<u>\$ -</u>	<u>\$ 170,309</u>	<u>\$ 437,792</u>	<u>\$ 1,462,231</u>	<u>\$ 4,487,920</u>	<u>\$ 238,656</u>

(Continued)

Town of New Canaan, Connecticut

Other Governmental Funds  
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances  
For the Year Ended June 30, 2023

	Special Revenue Funds							
	Special Projects Fund	Extra Duty Fund	State and Federal Educational Grants Fund	School Donation Fund	General Government Fund	Affordable Housing Fund	Visual and Performing Arts Fund	Total Special Revenue Funds
Revenues:								
Intergovernmental	\$ 25,500	\$ -	\$ 1,730,306	\$ -	\$ -	\$ -	\$ -	\$ 5,275,772
Charges for services	257,377	2,013,168	-	-	190,314	375,660	-	8,107,351
Income from investments	-	-	4,600	5,243	-	11,728	84	123,036
Net change in fair value	-	-	-	-	-	-	-	111,559
Contributions	253,232	-	10,910	470,841	-	-	62,850	799,116
Total revenues	536,109	2,013,168	1,745,816	476,084	190,314	387,388	62,934	14,416,834
Expenditures:								
Current:								
General government	258,825	-	-	-	171,404	350,000	-	1,857,179
Public safety and protection	103,867	1,748,660	-	-	-	-	-	1,892,425
Public works	275	-	-	-	-	-	-	1,612,606
Social services	157,290	-	-	-	-	-	-	189,768
Parks and recreation	93,735	-	-	-	-	-	-	869,993
Education	-	-	1,742,620	376,756	-	-	83,933	5,669,958
Capital outlay	-	-	-	-	-	-	-	233,886
Total expenditures	613,992	1,748,660	1,742,620	376,756	171,404	350,000	83,933	12,325,815
Excess (deficiency) of revenues over expenditures	(77,883)	264,508	3,196	99,328	18,910	37,388	(20,999)	2,091,019
Other financing sources (uses):								
Issuance of debt	-	-	-	-	-	-	-	-
Transfers in	88,506	-	-	-	-	-	-	238,506
Transfers out	-	(350,000)	-	-	-	-	-	(500,000)
Net other financing sources (uses)	88,506	(350,000)	-	-	-	-	-	(261,494)
Net change in fund balances	10,623	(85,492)	3,196	99,328	18,910	37,388	(20,999)	1,829,525
Fund balances, July 1, 2022	1,151,182	333,818	8,137	77,997	495,391	799,177	61,073	9,952,516
Fund balances, June 30, 2023	\$ 1,161,805	\$ 248,326	\$ 11,333	\$ 177,325	\$ 514,301	\$ 836,565	\$ 40,074	\$ 11,782,041

(Continued)

**Town of New Canaan, Connecticut**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Other Governmental Funds**  
**For the Year Ended June 30, 2023**

	Capital Projects Funds						
	Sewer Capital Improvement Fund	Road Paving Fund	South School Improvement Fund	Saxe School Improvement Fund	Tax Supported Capital Fund	Special Bonding Fund	Waveny Roof Fund
Revenues:							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	-	-	-
Income from investments	20,434	-	-	-	-	88,749	-
Net change in fair value	-	-	-	-	-	-	-
Contributions	-	-	-	-	6,636	-	-
<b>Total revenues</b>	<b>20,434</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,636</b>	<b>88,749</b>	<b>-</b>
Expenditures:							
Current:							
General government	-	-	-	-	-	-	-
Public safety and protection	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-
Social services	-	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-
Capital outlay	205,219	36,966	-	-	835,023	1,673,532	-
<b>Total expenditures</b>	<b>205,219</b>	<b>36,966</b>	<b>-</b>	<b>-</b>	<b>835,023</b>	<b>1,673,532</b>	<b>-</b>
Excess (deficiency) of revenues over expenditures	(184,785)	(36,966)	-	-	(828,387)	(1,584,783)	-
Other financing sources (uses):							
Issuance of debt	-	-	-	-	-	1,125,135	-
Transfers in	-	-	41,509	411,732	232,000	-	-
Transfers out	-	(1,158,792)	-	-	-	(2,492,619)	(37,170)
<b>Net other financing sources (uses)</b>	<b>-</b>	<b>(1,158,792)</b>	<b>41,509</b>	<b>411,732</b>	<b>232,000</b>	<b>(1,367,484)</b>	<b>(37,170)</b>
<b>Net change in fund balances</b>	<b>(184,785)</b>	<b>(1,195,758)</b>	<b>41,509</b>	<b>411,732</b>	<b>(596,387)</b>	<b>(2,952,267)</b>	<b>(37,170)</b>
Fund balances, July 1, 2022	2,789,504	1,195,758	(41,509)	(411,732)	2,570,050	4,323,196	37,170
<b>Fund balances, June 30, 2023</b>	<b>\$ 2,604,719</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,973,663</b>	<b>\$ 1,370,929</b>	<b>\$ -</b>

(Continued)

**Town of New Canaan, Connecticut**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Other Governmental Funds**  
**For the Year Ended June 30, 2023**

	Capital Projects Funds					Total Capital Projects Funds	Permanent Fund	Total Other Governmental Funds
	Track Fund	Mead Baseball Fields Fund	Public Safety Radio Fund	Bridge Replacement Fund	Land Acquisition Fund		Sydney Weisner Fund	
Revenues:								
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,275,772
Charges for services	-	-	-	-	-	-	-	8,107,351
Income from investments	-	-	-	-	-	109,183	5	232,224
Net change in fair value	-	-	-	-	-	-	-	111,559
Contributions	-	-	-	-	-	6,636	-	805,752
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>115,819</b>	<b>5</b>	<b>14,532,658</b>
Expenditures:								
Current:								
General government	-	-	-	-	-	-	-	1,857,179
Public safety and protection	-	-	-	-	-	-	-	1,892,425
Public works	-	-	-	-	-	-	-	1,612,606
Social services	-	-	-	-	-	-	-	189,768
Parks and recreation	-	14,441	-	-	-	14,441	-	884,434
Education	-	-	-	-	-	-	150	5,670,108
Capital outlay	-	-	-	(74,874)	-	2,675,866	-	2,909,752
<b>Total expenditures</b>	<b>-</b>	<b>14,441</b>	<b>-</b>	<b>(74,874)</b>	<b>-</b>	<b>2,690,307</b>	<b>150</b>	<b>15,016,272</b>
Excess (deficiency) of revenues over expenditures	-	(14,441)	-	74,874	-	(2,574,488)	(145)	(483,614)
Other financing sources (uses):								
Issuance of debt	-	-	-	-	-	1,125,135	-	1,125,135
Transfers in	-	-	-	297,885	50,000	1,033,126	-	1,271,632
Transfers out	(79,311)	(425)	-	-	-	(3,768,317)	-	(4,268,317)
<b>Net other financing sources (uses)</b>	<b>(79,311)</b>	<b>(425)</b>	<b>-</b>	<b>297,885</b>	<b>50,000</b>	<b>(1,610,056)</b>	<b>-</b>	<b>(1,871,550)</b>
<b>Net change in fund balances</b>	<b>(79,311)</b>	<b>(14,866)</b>	<b>-</b>	<b>372,759</b>	<b>50,000</b>	<b>(4,184,544)</b>	<b>(145)</b>	<b>(2,355,164)</b>
Fund balances, July 1, 2022	79,311	14,866	405,743	(372,759)	100,000	10,689,598	56,382	20,698,496
<b>Fund balances, June 30, 2023</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 405,743</b>	<b>\$ -</b>	<b>\$ 150,000</b>	<b>\$ 6,505,054</b>	<b>\$ 56,237</b>	<b>\$ 18,343,332</b>

(Concluded)

## Town of New Canaan, Connecticut

**Sewer District Fund**  
**Schedule of Revenues, Expenditures**  
**and Changes in Fund Balance**  
**Budget and Actual**  
**For the Year Ended June 30, 2023**

	Original Budget	Additional Appropriations and Transfers	Final Budget	Actual Budgetary Basis	Variance with Final Budget
<b>Revenues</b>					
Use charges	\$ 1,627,200	\$ -	\$ 1,627,200	\$ 1,683,538	\$ 56,338
Income from investments	750	-	750	-	(750)
Intergovernmental nitrogen credit	24,350	-	24,350	19,074	(5,276)
Sewer connection permits	1,300	-	1,300	2,400	1,100
Disposal fees	273,000	-	273,000	194,104	(78,896)
<b>Total revenues</b>	<b>1,926,600</b>	<b>-</b>	<b>1,926,600</b>	<b>1,899,116</b>	<b>(27,484)</b>
<b>Expenditures</b>					
<b>Current:</b>					
Collections	66,610	468	67,078	65,460	1,618
Personnel services	550,659	-	550,659	493,721	56,938
Contracted services	312,500	71,784	384,284	349,161	35,123
Repairs and maintenance	72,500	6,251	78,751	52,160	26,591
Materials and supplies	144,900	46,657	191,557	144,580	46,977
Utilities	278,480	187	278,667	184,510	94,157
Insurance	87,550	75	87,625	84,885	2,740
Other	9,755	62	9,817	5,402	4,415
Contingency	395,546	(89,988)	305,558	19,357	286,201
Debt service	8,100	-	8,100	-	8,100
<b>Total expenditures</b>	<b>1,926,600</b>	<b>35,496</b>	<b>1,962,096</b>	<b>1,399,236</b>	<b>562,860</b>
Excess (deficiency) of revenues over expenditures	-	(35,496)	(35,496)	499,880	535,376
<b>Other financing sources</b>					
Appropriation of fund balance	-	35,496	35,496	-	(35,496)
<b>Net change in fund balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 499,880</b>	<b>\$ 499,880</b>

# Internal Service Funds

Internal service funds are used to account for risk financing activities.

Fund	Function
Town Health Benefits Fund	Risk financing activities for the self-insured health insurance plan for employees.
Education Health Benefits Fund	Risk financing activities for the self-insured health insurance plan for employees of the Board of Education.

## Town of New Canaan, Connecticut

**Internal Service Funds**  
**Combining Schedule of Net Position**  
**June 30, 2023**

	Town Health <u>Benefits Fund</u>	Education Health <u>Benefits Fund</u>	<u>Total</u>
<u>Assets</u>			
Current assets:			
Cash	\$ -	\$ 384,915	\$ 384,915
Accounts receivable	45,197	125,073	170,270
Due from other funds	2,042,924	2,396,379	4,439,303
Prepaid expenses	-	178,511	178,511
	<u>2,088,121</u>	<u>3,084,878</u>	<u>5,172,999</u>
<u>Liabilities</u>			
Current liabilities:			
Accounts payable	82,926	98,088	181,014
Claims payable	300,000	1,377,830	1,677,830
	<u>382,926</u>	<u>1,475,918</u>	<u>1,858,844</u>
<u>Net Position</u>			
Unrestricted	<u>\$ 1,705,195</u>	<u>\$ 1,608,960</u>	<u>\$ 3,314,155</u>

## Town of New Canaan, Connecticut

**Internal Service Funds**  
**Combining Schedule of Revenues, Expenses and Changes in Net Position**  
**For the Year Ended June 30, 2023**

	Town Health <u>Benefits Fund</u>	Education Health <u>Benefits Fund</u>	<u>Total</u>
Operating revenues:			
Charges for services	<u>\$ 7,418,380</u>	<u>\$ 17,018,466</u>	<u>\$ 24,436,846</u>
Operating expenses:			
Claims incurred	4,626,561	14,569,005	19,195,566
HSA contributions	321,565	1,008,835	1,330,400
Administration	<u>2,289,124</u>	<u>2,256,536</u>	<u>4,545,660</u>
Total operating expenses	<u>7,237,250</u>	<u>17,834,376</u>	<u>25,071,626</u>
Change in net position	181,130	(815,910)	(634,780)
Total net position - July 1, 2022	<u>1,524,065</u>	<u>2,424,870</u>	<u>3,948,935</u>
Total net position - June 30, 2023	<u>\$ 1,705,195</u>	<u>\$ 1,608,960</u>	<u>\$ 3,314,155</u>

## Town of New Canaan, Connecticut

**Internal Service Funds**  
**Combining Schedule of Cash Flows**  
**For the Year Ended June 30, 2023**

	<u>Town Health Benefits Fund</u>	<u>Education Health Benefits Fund</u>	<u>Total</u>
Cash flows from operating activities:			
Receipts from customers and premiums	\$ 5,470,985	\$ 16,528,860	\$ 21,999,845
Payments for benefits and claims	(4,646,561)	(14,708,426)	(19,354,987)
Payments for HSA contributions	(321,565)	(1,008,835)	(1,330,400)
Payments for administration	<u>(2,287,946)</u>	<u>(2,203,190)</u>	<u>(4,491,136)</u>
Net increase (decrease) in cash	(1,785,087)	(1,391,591)	(3,176,678)
Cash - July 1, 2022	<u>1,785,087</u>	<u>1,776,506</u>	<u>3,561,593</u>
Cash - June 30, 2023	<u>\$ -</u>	<u>\$ 384,915</u>	<u>\$ 384,915</u>
Reconciliation of operating income (loss) to net cash from operating activities:			
Operating income (loss)	\$ 181,130	\$ (815,910)	\$ (634,780)
Adjustments to reconcile operating income (loss) to net cash from operating activities:			
Changes in operating assets and liabilities:			
(Increase) decrease in:			
Accounts receivable	(45,197)	355,507	310,310
Due from other funds	(1,902,198)	(845,113)	(2,747,311)
Prepaid expenses	-	(41,366)	(41,366)
Increase (decrease) in:			
Accounts payable	1,178	94,712	95,890
Claims payable	<u>(20,000)</u>	<u>(139,421)</u>	<u>(159,421)</u>
Net cash from operating activities	<u>\$ (1,785,087)</u>	<u>\$ (1,391,591)</u>	<u>\$ (3,176,678)</u>

# Statistical Section

This part of the Town's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Town's overall financial health.

Table	Description
Financial Trends (Tables 1-4)	These schedules contain trend information to help the reader understand how the Town's financial performance and well-being have changed over time
Revenue Capacity (Tables 5-7)	These schedules contain information to help the reader assess the Town's most significant local revenue source, the property tax
Debt Capacity (Tables 8-11)	These schedules present information to help the reader assess the affordability of the Town's current levels of outstanding debt and the Town's ability to issue additional debt in the future
Demographic and Economic Information (Tables 12-14)	These schedules offer demographic and economic indicators to help the reader understand the environment within which the Town's financial activities take place
Operating Information (Tables 15-16)	These schedules contain service and infrastructure data to help the reader understand how the information in the Town's financial report relates to the services the Town provides and the activities it performs

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the fiscal year.

## Town of New Canaan, Connecticut

**Net Position by Component  
Last Ten Years  
(Unaudited)**

June 30

	2023	2022	2021	2020 (as restated)	2019	2018	2017	2016	2015	2014
<b>Governmental activities</b>										
Net investment in capital assets	\$ 169,999,418	\$ 152,655,820	\$ 157,965,130	\$ 146,095,955	\$ 148,240,757	\$ 137,636,402	\$ 133,764,958	\$ 115,588,687	\$ 112,332,577	\$ 97,437,742
Restricted	25,810,594	11,165,650	8,561,715	6,590,759	6,662,400	5,420,359	2,544,051	983,733	1,100,079	1,095,042
Unrestricted	7,172,748	37,617,535	45,523,900	43,708,141	35,882,489	37,686,105	29,739,055	51,012,408	51,488,216	63,864,740
<b>Total governmental activities net position</b>	<b>202,982,760</b>	<b>201,439,005</b>	<b>212,050,745</b>	<b>196,394,855</b>	<b>190,785,646</b>	<b>180,742,866</b>	<b>166,048,064</b>	<b>167,584,828</b>	<b>164,920,872</b>	<b>162,397,524</b>
<b>Business - type activities</b>										
Net investment in capital assets	1,388,265	1,356,117	1,172,245	988,157	770,869	611,257	430,030	104,326	(157,349)	(265,682)
Unrestricted	(160,849)	(88,920)	(68,914)	80,629	147,120	110,498	1,694,476	1,529,588	901,206	1,104,543
<b>Total business - type activities net position</b>	<b>1,227,416</b>	<b>1,267,197</b>	<b>1,103,331</b>	<b>1,068,786</b>	<b>917,989</b>	<b>721,755</b>	<b>2,124,506</b>	<b>1,633,914</b>	<b>743,857</b>	<b>838,861</b>
<b>Net position</b>										
Net investment in capital assets	171,387,683	154,011,937	159,137,375	147,084,112	149,011,626	138,247,659	134,194,988	115,693,013	112,175,228	97,172,060
Restricted	25,810,594	11,165,650	8,561,715	6,590,759	6,662,400	5,420,359	2,544,051	983,733	1,100,079	1,095,042
Unrestricted	7,011,899	37,528,615	45,454,986	43,788,770	36,029,609	37,796,603	31,433,531	52,541,996	52,389,422	64,969,283
<b>Total net position</b>	<b>\$ 204,210,176</b>	<b>\$ 202,706,202</b>	<b>\$ 213,154,076</b>	<b>\$ 197,463,641</b>	<b>\$ 191,703,635</b>	<b>\$ 181,464,621</b>	<b>\$ 168,172,570</b>	<b>\$ 169,218,742</b>	<b>\$ 165,664,729</b>	<b>\$ 163,236,385</b>

Source: Current and prior year financial statements.

Town of New Canaan, Connecticut

Changes In Net Position  
Last Ten Years  
(Unaudited)

	Fiscal Year Ended									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<u>Expenses</u>										
Governmental activities:										
General government	\$12,666,725	\$ 21,380,415	\$12,102,884	\$ 11,953,487	\$10,710,546	\$ 10,869,000	\$ 11,171,436	\$14,304,136	\$13,927,757	\$14,486,310
Public safety and protection	21,166,607	19,049,839	15,846,190	16,934,570	17,085,455	13,860,076	14,035,819	14,002,071	13,497,198	6,643,644
Operation of plant	-	-	-	-	-	1,287,146	1,244,989	1,411,102	1,296,224	1,210,846
Public works	18,021,451	19,972,942	15,045,386	19,748,352	17,261,728	13,087,339	11,485,558	11,060,666	10,965,881	9,975,712
Social services	806,779	765,643	728,610	1,043,637	1,261,525	745,672	602,034	586,266	588,735	472,580
Parks and recreation	3,423,697	2,606,757	1,781,072	2,215,568	2,213,862	2,040,125	2,012,654	2,002,347	1,925,203	1,845,191
Education	125,541,256	117,996,933	111,171,095	109,074,449	112,660,053	113,878,538	110,347,745	103,225,348	101,929,112	92,072,085
Payments to other agencies	-	-	-	-	-	2,968,868	3,661,458	2,857,203	2,814,388	2,698,495
Interest	3,374,162	3,897,765	3,696,874	4,141,314	4,044,535	3,691,511	3,705,525	4,042,987	4,252,098	4,074,541
Total governmental activities	185,000,677	185,670,294	160,372,111	165,111,377	165,237,704	162,428,275	158,267,218	153,492,126	151,196,596	133,479,404
Business-type activities:										
Railroad	-	-	-	-	-	-	172,766	169,935	164,554	164,554
Property rental	-	-	-	-	-	-	1,967	4,283	4,136	4,136
Waveny pool	500,206	443,203	370,282	346,587	377,329	387,528	385,745	376,078	360,848	360,848
Movie theatre	-	-	-	-	-	-	16,037	28,769	81,421	81,421
Parking	-	-	-	-	-	-	51,303	-	-	-
Total business-type activities	500,206	443,203	370,282	346,587	377,329	387,528	627,818	579,065	610,959	610,959
Total expenses	185,500,883	186,113,497	160,742,393	165,457,964	165,615,033	162,815,803	158,895,036	154,071,191	151,807,555	134,090,363
<u>Program revenues</u>										
Governmental activities:										
Charges for services										
General government	4,672,796	5,557,372	5,085,485	3,409,272	4,838,142	3,035,683	1,947,195	2,215,534	2,293,337	2,904,132
Public safety and protection	2,151,120	1,348,354	1,294,315	1,222,120	1,435,435	3,510,871	3,309,780	2,540,902	2,720,013	2,600,802
Operation of plant	-	-	-	-	-	1,519,656	1,418,861	1,372,192	1,389,931	1,535,866
Public works	2,650,449	2,827,017	2,671,590	2,355,613	1,142,886	913,706	954,575	1,007,171	1,089,047	1,094,055
Social services	549,612	479,386	710,167	577,347	544,938	325,818	59,628	59,217	54,009	750
Parks and recreation	914,204	1,120,546	690,579	722,463	936,192	940,892	861,530	867,419	703,717	779,964
Education	3,253,212	2,963,790	1,430,896	2,016,643	3,189,245	2,583,651	2,421,952	2,187,812	2,428,664	2,371,039
Operating grants and contributions	23,108,983	18,354,169	20,068,969	17,799,875	17,637,115	20,208,199	18,841,904	14,871,710	14,680,403	14,642,531
Capital grants and contributions	598,076	446,416	798,500	17,143	488,533	4,792,481	3,270,134	364,636	1,922,479	804,367
Total governmental activities	37,898,452	33,097,050	32,750,501	28,120,476	30,212,486	37,830,957	33,085,559	25,486,593	27,281,600	26,733,506

(Continued)

Source: Current and prior year financial statements.

Town of New Canaan, Connecticut

Changes In Net Position  
Last Ten Years  
(Unaudited)

	Fiscal Year Ended									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Business-type activities:										
Charges for services										
Railroad	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 193,366	\$ 204,233	\$ 194,955	\$ 163,080
Property rental	-	-	-	-	-	-	9,600	9,600	8,800	9,600
Wavenny pool	581,821	589,103	365,296	465,634	535,567	538,178	544,362	472,821	472,292	490,098
Movie theatre	-	-	-	-	-	-	104,099	114,722	134,008	114,072
Parking	-	-	-	-	-	-	206,656	85,912	-	24,636
Capital grants and contributions										
Railroad	-	-	-	-	-	-	-	-	28,582	45,677
<b>Total business-type activities</b>	<b>581,821</b>	<b>589,103</b>	<b>365,296</b>	<b>465,634</b>	<b>535,567</b>	<b>538,178</b>	<b>1,058,083</b>	<b>887,288</b>	<b>838,637</b>	<b>847,163</b>
Total program revenues	38,480,273	33,686,153	33,115,797	28,586,110	30,748,053	38,369,135	34,143,642	26,373,881	28,120,237	27,580,669
Total net expense/revenue										
Governmental activities	147,102,225	152,573,244	127,621,610	136,990,901	135,025,218	124,597,318	125,181,659	128,005,533	123,914,996	106,745,898
Business-type activities	(81,615)	(145,900)	4,986	(119,047)	(158,238)	(150,650)	(430,265)	(308,223)	(227,678)	(236,204)
<b>Total net expense</b>	<b>147,020,610</b>	<b>152,427,344</b>	<b>127,626,596</b>	<b>136,871,854</b>	<b>134,866,980</b>	<b>124,446,668</b>	<b>124,751,394</b>	<b>127,697,310</b>	<b>123,687,318</b>	<b>106,509,694</b>
<u>General revenues</u>										
Governmental activities:										
Property taxes	146,807,334	142,759,035	141,210,986	141,474,500	143,580,010	138,896,404	134,675,018	130,933,151	125,708,130	121,713,956
Grants and contributions not restricted to specific programs	-	-	-	-	-	8,816	1,293,517	18,221	162,671	14,628
Income from investments	1,595,614	200,498	119,461	1,157,360	1,525,984	633,426	410,151	298,737	244,233	297,591
Net change in fair value of investments	109,169	(992,729)	311,372	-	-	-	-	-	-	-
Gain on sale of capital assets	-	-	-	-	-	-	-	-	-	118,360
Other	12,467	-	-	-	-	-	-	-	-	1,036,166
<b>Total governmental activities</b>	<b>148,524,584</b>	<b>141,966,804</b>	<b>141,641,819</b>	<b>142,631,860</b>	<b>145,105,994</b>	<b>139,538,646</b>	<b>136,378,686</b>	<b>131,250,109</b>	<b>126,115,034</b>	<b>123,180,701</b>
Business-type activities:										
Income from investments	-	12,666	-	-	-	295	2,575	1,216	631	579
<b>Total general revenues</b>	<b>148,524,584</b>	<b>141,979,470</b>	<b>141,641,819</b>	<b>142,631,860</b>	<b>145,105,994</b>	<b>139,538,941</b>	<b>136,381,261</b>	<b>131,251,325</b>	<b>126,115,665</b>	<b>123,181,280</b>
<u>Total other changes in net position</u>										
Governmental activities:										
Transfers in (transfers out)	121,396	(5,300)	(39,531)	(31,750)	(37,996)	(50,318)	(57,752)	(580,616)	323,317	(75,259)
Business-type activities:										
Transfers in (transfers out)	(121,396)	5,300	39,531	31,750	37,996	50,318	57,752	580,616	(323,317)	75,259
<b>Total other changes in net position</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Change in net position										
Governmental activities	1,543,755	(10,611,740)	13,980,678	5,609,209	10,042,780	14,891,010	11,139,275	2,663,960	2,523,355	16,359,544
Business-type activities	(39,781)	163,866	34,545	150,797	196,234	201,263	490,592	890,055	(95,008)	312,042
<b>Total change in net position</b>	<b>\$ 1,503,974</b>	<b>\$ (10,447,874)</b>	<b>\$ 14,015,223</b>	<b>\$ 5,760,006</b>	<b>\$ 10,239,014</b>	<b>\$ 15,092,273</b>	<b>\$ 11,629,867</b>	<b>\$ 3,554,015</b>	<b>\$ 2,428,347</b>	<b>\$ 16,671,586</b>

Source: Current and prior year financial statements.

(Concluded)



Town of New Canaan, Connecticut

Governmental Funds  
Changes in Fund Balances  
Last Ten Years  
(Unaudited)

Fiscal Year Ended June 30,

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Revenues										
Property taxes	\$ 146,843,048	\$ 142,661,041	\$ 141,063,958	\$ 141,558,586	\$ 143,161,338	\$ 140,063,808	\$ 135,854,827	\$ 131,939,267	\$ 127,397,341	\$ 123,757,589
Intergovernmental	22,722,309	17,984,602	19,940,026	17,173,578	17,180,233	25,472,329	18,897,077	14,493,654	13,983,410	16,521,104
Charges for services	14,191,041	14,309,635	11,878,338	10,292,083	11,586,838	11,675,701	11,860,459	9,926,834	12,268,926	10,915,513
Income from investments	1,595,614	200,498	119,461	1,157,360	1,525,984	633,426	297,940	290,508	238,881	282,971
Net change in fair value of investments	109,169	(992,729)	311,372	-	-	-	-	-	-	-
Contributions	984,750	815,983	927,443	643,440	945,415	708,533	280,084	328,947	1,289,567	1,089,281
Other	12,467	-	-	-	-	-	-	-	-	-
<b>Total revenues</b>	<b>186,458,398</b>	<b>174,979,030</b>	<b>174,240,598</b>	<b>170,825,047</b>	<b>174,399,808</b>	<b>178,553,797</b>	<b>167,190,387</b>	<b>156,979,210</b>	<b>155,178,125</b>	<b>152,566,458</b>
Expenditures										
Current:										
General government	15,722,460	15,472,192	14,979,970	13,937,201	12,912,916	13,300,316	12,877,284	12,746,165	12,986,160	13,392,386
Public safety and protection	15,850,480	14,226,486	14,040,698	13,524,427	12,938,875	12,507,717	12,153,460	12,240,341	12,271,475	10,800,842
Public works	11,860,001	11,328,906	11,288,708	10,504,512	10,204,319	9,776,075	9,250,311	9,275,484	9,465,283	8,442,517
Social services	626,327	594,697	587,787	824,410	1,083,937	740,672	559,058	606,457	595,872	463,844
Parks and recreation	2,912,970	2,134,440	1,721,659	1,876,622	1,874,771	1,790,134	1,814,780	1,818,352	1,706,592	1,663,902
Education	119,229,468	110,181,860	109,799,967	106,676,278	107,669,455	107,499,371	104,693,810	96,048,159	94,439,015	89,988,696
Payments to other agencies	3,311,495	13,166,421	3,099,837	3,017,284	3,008,603	2,968,868	3,661,458	2,857,203	2,814,388	2,698,495
Debt service										
Principal	13,978,650	13,061,352	7,706,643	12,625,492	28,397,211	13,407,722	12,782,346	12,632,339	11,117,398	9,525,255
Interest	4,133,067	4,616,007	9,548,317	4,351,462	3,926,011	4,803,553	4,953,946	4,382,568	4,667,636	4,508,126
Capital outlay	18,667,905	13,330,999	14,743,377	10,780,041	15,323,913	21,013,045	21,840,425	11,492,990	20,594,324	13,594,565
<b>Total expenditures</b>	<b>206,292,823</b>	<b>198,113,360</b>	<b>187,516,963</b>	<b>178,117,729</b>	<b>197,340,011</b>	<b>187,807,473</b>	<b>184,586,878</b>	<b>164,100,058</b>	<b>170,658,143</b>	<b>155,078,628</b>
Excess (deficiency) of revenues over expenditures	(19,834,425)	(23,134,330)	(13,276,365)	(7,292,682)	(22,940,203)	(9,253,676)	(17,396,491)	(7,120,848)	(15,480,018)	(2,512,170)
Other financing sources (uses)										
Issuance of debt	1,125,135	25,002,704	5,245,000	9,600,000	7,269,967	20,000,000	9,300,000	8,439,281	6,540,000	20,130,000
Issuance of refunding bonds	-	-	5,075,000	24,680,000	37,470,000	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	(5,955,250)	(28,813,477)	(26,574,992)	-	-	-	-	-
Issuance of equipment financing notes	-	625,367	621,878	-	-	790,242	600,000	800,000	736,000	1,076,256
Premium	-	2,194,419	1,725,001	6,042,351	3,546,020	776,563	454,870	914,439	170,390	202,876
Sale of capital assets	69,490	51,600	1,325	17,550	22,462	22,400	30,795	38,705	101,562	122,034
Insurance settlement	-	-	-	-	500,000	-	-	-	147,499	411,555
Transfers in	4,712,075	2,620,720	5,975,212	4,533,145	3,329,120	4,379,448	1,097,325	4,838,172	4,972,143	1,670,176
Transfers out	(4,590,679)	(2,626,020)	(6,014,743)	(4,564,895)	(3,367,116)	(4,429,766)	(1,155,077)	(5,418,788)	(4,648,826)	(1,745,435)
<b>Total other financing sources (uses)</b>	<b>1,316,021</b>	<b>27,868,790</b>	<b>6,673,423</b>	<b>11,494,674</b>	<b>22,195,461</b>	<b>21,538,887</b>	<b>10,327,913</b>	<b>9,611,809</b>	<b>8,018,768</b>	<b>21,867,462</b>
<b>Net change in fund balances</b>	<b>\$ (18,518,404)</b>	<b>\$ 4,734,460</b>	<b>\$ (6,602,942)</b>	<b>\$ 4,201,992</b>	<b>\$ (744,742)</b>	<b>\$ 12,285,211</b>	<b>\$ (7,068,578)</b>	<b>\$ 2,490,961</b>	<b>\$ (7,461,250)</b>	<b>\$ 19,355,292</b>
Debt service as a percentage of non-capital expenditures	9.60%	9.50%	10.10%	16.70%	16.70%	10.90%	10.90%	11.10%	10.50%	9.90%

Source: Current and prior year financial statements.

Town of New Canaan, Connecticut

Assessed Value and Estimated Actual Value of Taxable Property  
Last Ten Years  
(Unaudited)

Fiscal Year	Real Property	Personal Property	Motor Vehicle	Less Exemptions	Total Net Taxable Assessed Value	(1) Direct Tax Rate	Total Estimated Actual Value	Taxable Assessed Value as a Percent of Actual
2014	\$ 7,987,452,336	\$ 66,567,550	\$ 248,515,992	\$ 3,188,840	\$ 8,299,347,038	14.590	\$ 11,856,210,054	70%
2015	7,715,343,233	70,602,570	255,458,083	3,062,140	8,038,341,746	15.540	11,483,345,351	70%
2016	7,796,166,213	72,780,380	261,552,370	3,507,262	8,126,991,701	15.985	11,609,988,144	70%
2017	7,881,823,880	74,022,290	265,035,780	3,361,410	8,217,520,540	16.312	11,739,315,057	70%
2018	7,953,003,522	74,379,110	271,603,690	3,434,260	8,295,552,062	16.960	11,850,788,660	70%
2019	7,999,217,956	77,539,670	270,744,420	3,181,600	8,344,320,446	16.960	11,920,457,780	70%
2020	7,362,952,987	82,556,990	264,428,964	3,578,860	7,706,360,081	18.240	11,009,085,830	70%
2021	7,378,692,137	90,732,455	268,111,791	3,596,740	7,733,939,643	18.160	11,048,485,204	70%
2022	7,430,917,210	94,817,640	277,809,305	3,544,350	7,799,999,805	18.164	11,142,856,864	70%
2023	7,491,767,860	104,930,650	342,828,410	3,380,410	7,936,146,510	18.372	11,337,352,157	70%

Source: Town tax records (Assessor's department)

Note:

(1) This represents the Town's mill rate per \$1,000 of taxable property. There are no overlapping tax rates.

Town of New Canaan, Connecticut

Principal Property Taxpayers  
Current Year and Nine Years Ago  
(Unaudited)

Taxpayer	2023			2014		
	Assessed Value	Rank	Percent of Taxable Assessed Valuation (1)	Assessed Value	Rank	Percent of Taxable Assessed Valuation (1)
M2 Partners LLC	\$ 60,774,910	1	0.77%	N/A	N/A	N/A
Eversource Energy	51,760,830	2	0.65%	N/A	N/A	N/A
Town Close Association LTD Partners	26,020,890	3	0.33%	\$ 20,043,800	4	0.24%
Country Club of New Canaan	24,228,450	4	0.31%	25,511,140	1	0.31%
Aquarion Water Company of CT	17,673,430	5	0.22%	10,664,060	10	0.13%
New Canaan Lumber Co	17,491,880	6	0.22%	15,475,180	6	0.19%
Krakoff, Reed	11,892,020	7	0.15%	N/A	N/A	N/A
Tropin, Kenneth G. Trustee	10,500,000	8	0.13%	17,131,170	5	0.21%
Canaan Parish Redevelopment LTD Partners	10,174,640	9	0.13%	N/A	N/A	N/A
Bricklell Edie Successor Trustee	10,150,000	10	0.13%	N/A	N/A	N/A
Connecticut Light and Power	N/A	N/A	N/A	22,137,800	2	0.27%
Grace Property Holdings	N/A	N/A	N/A	20,124,440	3	0.24%
Clark, Huguette M.	N/A	N/A	N/A	14,791,280	7	0.18%
Simon, Edward Trustee	N/A	N/A	N/A	13,195,210	8	0.16%
JR Silverberg Realty LLC	N/A	N/A	N/A	12,797,890	9	0.15%
<b>Total</b>	<b>\$ 240,667,050</b>		<b>3.04%</b>	<b>\$ 171,871,970</b>		<b>2.08%</b>
(1) Based on October 1, 2021 and 2012 net taxable grand list of:	<u>\$ 7,936,146,510</u>			<u>\$ 8,299,347,038</u>		

Source: Town assessor department

**Town of New Canaan, Connecticut**  
**Property Tax Levies and Collections**  
**Last Ten Years**  
**(Unaudited)**

Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date		Balance Uncollected
		Amount	Percentage of Levy		Amount	Percentage of Levy	
2014	\$121,316,433	\$120,824,077	99.59%	\$ 492,356	\$121,316,433	100.00%	\$ -
2015	125,351,665	125,033,642	99.75%	318,023	125,351,665	100.00%	-
2016	130,453,388	130,015,344	99.66%	423,320	130,438,664	99.99%	14,724
2017	134,542,165	134,029,719	99.62%	484,719	134,514,438	99.98%	27,727
2018	138,764,406	138,231,071	99.62%	497,262	138,728,333	99.97%	36,073
2019	141,942,913	141,199,881	99.48%	691,665	141,891,546	99.96%	51,367
2020	141,037,183	140,233,139	99.43%	603,477	140,836,616	99.86%	200,567
2021	140,846,546	140,096,324	99.47%	513,034	140,609,358	99.83%	237,188
2022	142,371,688	141,806,580	99.60%	278,987	142,085,567	99.80%	286,121
2023	146,376,717	145,885,767	99.66%	-	145,885,767	99.66%	490,950

Source: Tax department records

Town of New Canaan, Connecticut

Ratios of Outstanding Debt by Type  
Last Ten Years  
(Unaudited)

Fiscal Year	Governmental Activities						Business-type Activities		(1) Percentage of Debt to Personal Income	(1) Total Debt Outstanding per Capita
	General Obligation Bonds and Premium	Clean Water Notes	Equipment Financing Notes	Leases Payable	Subscriptions Payable	Total Debt Outstanding	Waveny Pool Bonds	Total		
2014	\$ 125,614,185	\$ 3,500,797	\$ 1,030,608	\$ -	\$ -	\$ 130,145,590	\$ 1,656,640	\$ 131,802,230	6.37%	\$ 6,566
2015	121,361,607	2,816,359	1,109,342	-	-	125,287,308	1,499,603	126,786,911	5.92%	6,271
2016	119,342,000	2,118,109	1,154,349	-	-	122,614,458	1,337,171	123,951,629	5.79%	6,130
2017	116,597,584	1,405,765	1,116,520	-	-	119,119,869	1,167,172	120,287,041	5.60%	5,931
2018	124,314,348	679,043	1,149,491	-	-	126,142,882	872,000	127,014,882	5.54%	6,234
2019	114,585,568	-	1,859,522	-	-	116,445,090	635,000	117,080,090	5.15%	5,743
2020	109,693,474	-	1,148,030	-	-	110,841,504	424,000	111,265,504	4.61%	5,488
2021	102,132,558	-	931,265	1,819,265	-	104,883,088	212,000	105,095,088	4.36%	5,183
2022	116,391,850	-	978,280	1,401,276	178,655	118,950,061	-	118,950,061	4.78%	5,754
2023	102,693,898	-	1,079,630	960,852	351,325	105,085,705	-	105,085,705	4.22%	5,083

Source: Current and prior year financial statements.

Notes:

(1) - Population and Personal Income data can be found in table 12.

**Town of New Canaan, Connecticut**  
**Ratios of General Bonded Debt Outstanding**  
**Last Ten Years**  
**(Unaudited)**

Fiscal Year	Governmental Activities <hr/> General Obligation Bonds and Premium	Business-type Activities <hr/> Wavney Pool Bonds	<hr/> Total	(1) Bonded Debt Percentage of Actual Taxable Value of Property	Outstanding Bonded Debt per Capita
2014	\$ 125,614,185	\$ 1,656,640	\$ 127,270,825	1.53%	\$ 6,340
2015	121,361,607	1,499,603	122,861,210	1.53%	6,077
2016	119,342,000	1,337,171	120,679,171	1.48%	5,969
2017	116,597,584	1,167,172	117,764,756	1.43%	5,807
2018	124,314,348	872,000	125,186,348	1.51%	6,144
2019	114,585,568	635,000	115,220,568	1.38%	5,652
2020	109,693,474	424,000	110,117,474	1.43%	5,432
2021	102,132,558	212,000	102,344,558	1.32%	5,048
2022	116,391,850	-	116,391,850	1.49%	5,630
2023	102,693,898	-	102,693,898	1.29%	4,968

Source: Current and prior year financial statements.

Note:

(1) - Actual taxable value data can be found in Table 5

**Town of New Canaan, Connecticut**  
**Schedule of Debt Limitation**  
**Connecticut Statutes, Section 7-374(b)**  
**As of and for the Year Ended June 30, 2023**  
**(Unaudited)**

Total tax collections (including interest and fees) for the prior year \$ 142,657,330

Debt Limitation Multiples	General Purpose	Schools	Sewer	Urban Renewal	Pension Deficit
2-1/4 times base	\$ 320,978,993	\$ -	\$ -	\$ -	\$ -
4-1/2 times base	-	641,957,985	-	-	-
3-3/4 times base	-	-	534,964,988	-	-
3-1/4 times base	-	-	-	463,636,323	-
3 times base	-	-	-	-	427,971,990
 Total debt limitation	 <u>320,978,993</u>	 <u>641,957,985</u>	 <u>534,964,988</u>	 <u>463,636,323</u>	 <u>427,971,990</u>
 Indebtedness: Bonds payable	 <u>60,553,189</u>	 <u>36,891,811</u>	 <u>-</u>	 <u>-</u>	 <u>-</u>
 Debt limitation in excess of outstanding debt	 <u>\$ 260,425,804</u>	 <u>\$ 605,066,174</u>	 <u>\$ 534,964,988</u>	 <u>\$ 463,636,323</u>	 <u>\$ 427,971,990</u>

The total net indebtedness above amounts to: \$ 97,445,000

In no event shall total indebtedness exceed seven times the base for debt limitation computation \$ 998,601,310

There is no overlapping debt for the Town.

Source: Current and prior year financial statements.

## Town of New Canaan, Connecticut

**Legal Debt Margin Information  
Last Ten Years  
(Unaudited)**

Year Ended June 30	Debt Limit	Net Debt Applicable To Limit	Legal Debt Margin	Percentage of Net Debt Applicable to Limit
2014	\$ 853,570,200	\$ 126,416,798	\$ 727,153,402	14.81%
2015	883,702,169	122,008,730	761,693,439	13.81%
2016	915,312,223	118,834,617	796,477,606	12.98%
2017	915,312,223	118,805,671	796,506,552	12.98%
2018	971,350,758	122,432,043	848,918,715	12.60%
2019	972,568,632	112,050,000	860,518,632	11.52%
2020	992,498,605	105,901,000	886,597,605	10.67%
2021	990,897,740	98,208,000	892,689,740	9.91%
2022	987,124,250	110,725,000	876,399,250	11.22%
2023	998,601,310	97,445,000	901,156,310	9.76%

Source: Town audit reports

Town of New Canaan, Connecticut

Demographic and Economic Statistics  
Last Ten Years  
(Unaudited)

<u>Year Ended June 30,</u>	<u>(1) Population</u>	<u>(1) Median Age</u>	<u>(1) Personal Income</u>	<u>(1) Per Capita Personal Income</u>	<u>(1) Median Household Income</u>	<u>(1) Education Level</u>	<u>(2) School Enrollment</u>	<u>(1) Unemployment Rate</u>
2014	20,073	43	\$ 2,067,619,365	\$ 103,005	\$ 225,667	N/A	4,168	3.6%
2015	20,219	43	2,140,100,274	105,846	210,605	N/A	4,168	3.3%
2016	20,219	43	2,140,100,274	105,846	212,096	74.2% Bachelor degree or more	4,174	3.3%
2017	20,280	42	2,146,556,880	105,846	168,311	76.2% Bachelor degree or more	4,210	3.8%
2018	20,376	43	2,292,626,016	112,516	176,601	77.7% Bachelor degree or more	4,237	3.8%
2019	20,357	43	2,419,083,381	118,833	211,875	77.2% Bachelor degree or more	4,134	3.2%
2020	20,273	43	2,416,136,140	119,180	192,428	77.0% Bachelor degree or more	4,172	3.2%
2021	20,276	44	2,409,457,908	118,833	190,227	79.5% Bachelor degree or more	4,176	5.1%
2022	20,672	43	2,488,392,000	120,375	215,297	80.2% Bachelor degree or more	4,069	4.8%
2023	20,672	43	2,488,392,000	120,375	215,297	80.2% Bachelor degree or more	4,193	4.8%

Sources:

(1) U.S. Census Bureau, American Community Survey

(2) Town records

N/A - Not available

Town of New Canaan, Connecticut

Principal Employers  
Current Year and Nine Years Ago  
(Unaudited)

Employer	2023			2014		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
Town of New Canaan	956	1	11.65%	919	1	11.55%
Waveny Care Center/New Canaan Inn	500	2	6.09%	440	2	5.53%
Silver Hill Hospital	334	3	4.07%	311	3	3.91%
YMCA	250	4	3.05%	230	5	2.89%
New Canaan Country School	164	5	2.00%	250	4	3.14%
St. Luke's School	142	6	1.73%	120	6	1.51%
Walter Stewart Market	133	7	1.62%	N/A	N/A	N/A
Bankwell Bank	103	8	1.26%	N/A	N/A	N/A
ACME Markets	85	9	1.04%	N/A	N/A	N/A
Moran Towing	75	10	0.91%	N/A	N/A	N/A
Unimin Corporation	N/A	N/A	N/A	114	7	1.43%
Food Emporium	N/A	N/A	N/A	65	8	0.82%
Karl Chevrolet	N/A	N/A	N/A	35	9	0.44%
St. Aloysius School	N/A	N/A	N/A	16	10	0.20%
Total	<u>2,742</u>		<u>33.42%</u>	<u>2,500</u>		<u>31.42%</u>

Source: Organization contact, Town records, CERC report, CT DOL and The Connecticut Economic Digest (August 2023).

Town of New Canaan, Connecticut

Full-Time Equivalent Town Government Employees By Function  
Last Ten Years  
(Unaudited)

Function	Fiscal Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>General Government</b>										
First Selectman's Office	3	3	3	3	3	3	3	3	3	3
Town Clerk	3	3	3	3	3	3	3	3	3	3
Finance and Human Resources	10	10	10	10	10	8	8	8	7	7
Information Technology	3	3	3	3	3	3	3	3	3	3
Tax Collector	3	3	3	3	3	3	3	3	3	3
Tax Assessor	3	3	3	3	3	3	3	3	3	3
Parking Authority	3	3	3	3	5	5	4	4	4	4
<b>General Government Total</b>	<b>28</b>	<b>28</b>	<b>28</b>	<b>28</b>	<b>30</b>	<b>28</b>	<b>27</b>	<b>27</b>	<b>26</b>	<b>26</b>
<b>Public Safety and Health</b>										
Police Department Sworn	43	44	44	44	47	47	47	46	46	45
Police Department Civilian	6	6	6	6	6	6	6	6	5	5
Fire Department and Fire Marshal	25	25	25	25	25	26	26	26	26	26
Land Use	7	9	8	12	11	9	10	10	10	9
Health Department	4	4	4	-	-	-	-	-	-	-
<b>Public Safety and Health Total</b>	<b>85</b>	<b>88</b>	<b>87</b>	<b>87</b>	<b>89</b>	<b>88</b>	<b>89</b>	<b>88</b>	<b>87</b>	<b>85</b>
<b>Public Works</b>										
Public Works Administration	2	2	2	2	2	2	2	3	3	3
Engineering	2	2	2	2	2	1	1	1	1	1
Town Buildings	3	2	2	2	2	2	2	2	1	1
Highway	25	25	26	26	25	26	25	26	26	26
Transfer Station	4	4	4	4	5	5	5	5	6	6
Parks	15	13	13	13	14	13	13	13	12	13
Sewer Plant	4	4	4	4	4	4	5	5	5	5
<b>Public Works Total</b>	<b>55</b>	<b>52</b>	<b>53</b>	<b>53</b>	<b>54</b>	<b>53</b>	<b>53</b>	<b>55</b>	<b>54</b>	<b>55</b>
<b>Government Services Total</b>										
Recreation	5	7	7	7	7	8	8	8	7	7
Health and Human Services	4	4	4	5	5	4	4	5	8	8
<b>Government Services Total</b>	<b>9</b>	<b>11</b>	<b>11</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>13</b>	<b>15</b>	<b>15</b>
<b>Education</b>	<b>779</b>	<b>779</b>	<b>757</b>	<b>749</b>	<b>745</b>	<b>746</b>	<b>739</b>	<b>733</b>	<b>727</b>	<b>727</b>
<b>Total</b>	<b>956</b>	<b>958</b>	<b>936</b>	<b>929</b>	<b>930</b>	<b>927</b>	<b>920</b>	<b>916</b>	<b>909</b>	<b>908</b>

Source: Town and Education human resource departments.

**Town of New Canaan, Connecticut**  
**Operating Indicators By Function/Program**  
**Last Ten Years**  
**(Unaudited)**

Fiscal Year

Function/Program	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Police:</b>										
Calls for service	14,328	13,680	13,110	12,091	15,659	18,585	19,401	18,253	16,254	14,928
Adult arrest	114	142	118	119	125	143	167	197	165	169
Juvenile arrest	9	4	9	19	11	24	2	27	29	31
Speeding citations only	204	118	132	224	312	428	761	328	374	337
Traffic citations	751	712	643	717	728	1,162	2,132	1,787	1,610	1,310
<b>Fire:</b>										
Total fire runs	46	41	33	26	37	52	36	46	42	51
Overpressure/rupture	-	2	1	1	-	-	-	3	1	4
Rescue/EMS	132	133	122	133	174	132	157	144	125	98
Hazardous condition	103	114	168	104	120	140	120	121	125	153
Service call	155	145	229	303	367	306	255	218	197	140
Good intent	95	88	137	148	164	183	132	125	115	94
False alarm	494	499	501	304	360	328	339	360	463	427
Severe weather	-	-	-	3	2	2	3	-	2	2
Special	-	-	7	2	3	-	3	-	-	-
Total incidents	1,025	1,027	1,198	1,025	1,227	1,143	1,045	1,017	1,070	969
Property loss	\$ 82,465	\$ 91,900	\$ 109,230	\$ 3,624,200	\$ 327,350	\$ 437,100	\$ 747,450	\$ 116,220	\$ 1,938,600	\$ 1,986,000
<b>Building safety:</b>										
Total building permits	2,062	1,931	2,197	1,613	2,070	1,764	1,706	1,938	1,495	1,607
Total value all permits	\$ 80,157,566	\$ 130,879,456	\$ 78,370,008	\$ 59,707,504	\$ 153,753,294	\$ 80,553,913	\$ 85,284,471	\$ 87,098,743	\$ 58,465,725	\$ 115,247,613
<b>Public service:</b>										
Garbage collected (tons)	6,092	6,765	7,007	6,186	6,096	6,165	6,670	7,144	8,038	7,572
Recycle collected (tons)	1,359	1,308	1,616	1,686	1,580	1,520	1,431	1,526	1,657	1,732
<b>Parks and recreation:</b>										
<b>Wavney Pool:</b>										
Family	730	809	812	624	627	622	700	838	660	659
Family - nonresident	112	111	100	-	120	100	100	100	100	100
Individual	153	183	168	152	181	199	88	102	84	90
Nanny	82	115	99	48	73	73	84	99	88	100
Senior Citizen	223	190	182	155	174	166	169	161	141	135
Pool Fees	\$ 540,172	\$ 572,680	\$ 579,057	\$ 450,268	\$ 535,567	\$ 563,604	\$ 536,653	\$ 560,312	\$ 542,547	\$ 718,191
<b>Paddle Tennis:</b>										
Adult	254	312	273	249	266	231	244	247	251	244
Daily	29	37	55	24	-	38	19	9	12	15
Family	43	61	54	22	11	43	48	58	60	61
Number of family members	148	165	-	88	-	122	126	160	170	171
Senior Citizen	74	85	64	67	54	54	42	41	38	39
Youth	5	9	24	3	5	3	7	5	3	2
Permit Fees	\$ 59,440	\$ 75,220	\$ 78,591	\$ 55,831	\$ 46,210	\$ 44,243	\$ 37,330	\$ 35,410	\$ 34,824	\$ 34,552

Source: Various Town departments

Town of New Canaan, Connecticut

Capital Asset Statistics by Function/Program  
Last Ten Years  
(Unaudited)

Function/Program	Fiscal Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Police:										
Station	1	1	1	1	1	1	1	1	1	1
Patrol Units	15	15	15	13	13	13	13	10	10	10
Fire:										
Stations	1	1	1	1	1	1	1	1	1	1
Fire Apparatus	12	12	12	12	12	12	6	9	9	9
Ambulance:										
Stations	1	1	1	1	1	1	1	1	1	1
Ambulances	3	3	2	3	3	3	3	3	3	3
Public Works:										
Streets (Miles)	125	125	125	125	125	125	125	125	125	125
Traffic Lights	27	27	27	27	27	27	27	27	27	27
Traffic Lights - Town Owned	2	2	2	2	2	2	2	2	2	2
Decorative Lamp posts - Town Owned	154	154	154	154	154	154	154	154	154	154
Dump Trucks	154	14	14	13	13	13	13	13	13	13
Other Vehicles/Heavy Equipment	92	92	91	90	90	81	81	85	85	85
Parks and Recreation:										
Acreage	445.94	445.94	445.94	445.94	445.94	445.94	445.94	445.94	445.94	445.94
Parks	6	6	6	6	6	6	6	6	6	6
Baseball/Softball fields	10	10	10	10	10	10	10	10	10	10
Soccer/Football fields	15	15	15	15	15	15	15	15	15	15
Basketball courts	1	1	1	1	1	1	1	1	1	1
Tennis courts	15	15	15	16	16	16	16	16	16	16
Swimming pools	1	1	1	1	1	1	1	1	1	1
Parks with playground equipment	3	3	3	3	3	3	3	3	3	3
Library:										
Facilities	1	1	1	1	1	1	1	1	1	1
Facilities:										
Town Buildings	43	41	41	41	41	39	39	39	38	38
Total Schools	5	5	5	5	5	5	5	5	5	5
Wastewater:										
Sanitary sewers (miles)	26	26	26	26	26	26	26	26	26	26
Storm sewers (miles)	55	55	55	50	50	50	50	50	50	50
Pump Stations	3	3	3	3	3	3	3	3	3	3
Water:										
Fire Hydrants	403	403	403	396	396	386	386	386	297	297

Source: Various Town departments

# Trend Information

This part of the Town's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Town's overall financial health.

<b>Table</b>	<b>Description</b>
Financial Information (Table 17)	This schedule contains trend information to help the reader understand how the Town's budgetary basis revenues and expenditures have changed over time.

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the fiscal year.

**Table 17  
(1 of 5)**

**Town of New Canaan, Connecticut**

**General Fund  
Schedule of Revenues, Expenditures, and Other Financing Sources and Uses  
Current and Prior Year Actual (Budgetary Basis)  
For the Year Ended June 30, 2022 and June 30, 2023**

	Actual Budgetary Basis		Variance with Prior Year
	Prior Year	Current Year	
<u>Revenues</u>			
Tax - current year			
Tax collections	\$ 141,895,873	\$ 145,895,095	\$ 3,999,222
Tax - other than levy			
Tax collections - prior years	344,761	516,013	171,252
Lien fees and interest	420,407	431,940	11,533
Total tax-other than levy	765,168	947,953	182,785
<u>Intergovernmental</u>			
Excess cost grant	955,713	793,339	(162,374)
CT Judicial revenue distribution	18,505	24,013	5,508
Educational cost sharing grant	457,654	514,483	56,829
School health and welfare reimbursements	17,451	16,400	(1,051)
Other state grants	17,673	65,110	47,437
State grants - police	-	1,998	1,998
State property rebate	75,056	101,728	26,672
Elderly tax exemption	103	116	13
Veterans exemption	799	882	83
Municipal revenue sharing	26,672	178,613	151,941
FEMA Reimbursement	126,062	477,329	351,267
COVID state reimbursement	839,174	8,452	(830,722)
Total intergovernmental	2,534,862	2,182,463	(352,399)
<u>Charges for services</u>			
Fees and charges for services			
Concessions and commissions	9,074	1,156	(7,918)
Conveyance fees	2,312,335	1,664,869	(647,466)
Dog park fees	8,970	5,069	(3,901)
Fingerprint fees	6,360	7,650	1,290
Flu clinics	9,336	4,650	(4,686)
Inland wetland application/violation fees	36,270	32,632	(3,638)
Marriage license fees	1,200	920	(280)
MERS fees	74,163	27,359	(46,804)
Miscellaneous income - finance	160,445	193,653	33,208
Miscellaneous income - town clerk	2,782	1,572	(1,210)
Notary fees	775	490	(285)
Other classes and programs offset	583,771	650,444	66,673
Park and recreation fees	182,124	27,192	(154,932)
Planning and zoning application fees	16,200	17,400	1,200
Recording fees	100,697	59,581	(41,116)
Senior citizens program	76,485	68,117	(8,368)
State telephone line grant	47,546	55,882	8,336
Trade names	429	620	191
Transfer station dump fees	82,191	82,302	111
Transfer station recycling	146,652	43,953	(102,699)
Transfer station sticker fees	84,855	155,392	70,537
Transfer station tipping fees	477,660	415,694	(61,966)
Vital statistics fees	20,305	23,045	2,740
Storm sewer connection fee	7,488	750	(6,738)
Drainage review	10,000	9,500	(500)
Zoning board of appeals fees	5,500	5,100	(400)
Facilities rental fund	10,000	10,000	-
Total fees and charges for services	4,473,613	3,564,992	(908,621)

(Continued)

Town of New Canaan, Connecticut

General Fund  
Schedule of Revenues, Expenditures, and Other Financing Sources and Uses  
Current and Prior Year Actual (Budgetary Basis)  
For the Year Ended June 30, 2022 and June 30, 2023

	Actual Budgetary Basis		Variance with Prior Year
	Prior Year	Current Year	
Licenses and permits			
Amusement permits	\$ 305	\$ 355	\$ 50
Barbers and salons	3,825	4,075	250
Blasting permit fees	180	-	(180)
Building permits	1,022,248	947,742	(74,506)
Dog license clerk fees	2,701	2,795	94
Driveway permits	2,150	2,150	-
Liquor licenses	280	460	180
Pistol permits	6,580	4,340	(2,240)
Plan review	64,850	57,600	(7,250)
Refuse and septic inspections	6,450	5,100	(1,350)
Restaurant permits	35,800	37,725	1,925
Sales of codes and regulations	6,112	4,220	(1,892)
Septic permits	53,550	43,450	(10,100)
Sign permits	1,500	2,000	500
Street opening permits	31,936	12,264	(19,672)
Well permits	7,800	11,800	4,000
Zoning permits	91,464	90,315	(1,149)
Total licenses and permits	1,337,731	1,226,391	(111,340)
Fines and forfeitures			
False alarm fines	20,130	19,500	(630)
Parking tickets	197,528	166,006	(31,522)
Total fines and forfeitures	217,658	185,506	(32,152)
Use of money and property			
Copier revenue - finance	3,032	2,024	(1,008)
Copier revenue - police	1,550	1,795	245
Copier revenue - town clerk	15,864	10,526	(5,338)
Paddle tennis fees	76,515	63,540	(12,975)
Parking - box car	7,909	32,573	24,664
Parking meters	218,100	247,801	29,701
Parking permit waiting fees	950	916	(34)
Parking permits	319,477	330,491	11,014
Parking - day passes	1,203	3,642	2,439
Rental of property - finance	84,324	61,153	(23,171)
Rental of property - recreation	28,338	10,486	(17,852)
Rental of property - Waveny	133,325	107,698	(25,627)
Waveny custodial fees	2,543	1,125	(1,418)
Total use of money and property	893,130	873,770	(19,360)
Reimbursements and refunds			
DEEP admin cost revenue - P&Z	1,020	728	(292)
Insurance recoveries	10,000	-	(10,000)
Solar energy credits	23,662	25,949	2,287
Member equity	125,063	121,560	(3,503)
NSF fees	100	200	100
Workers comp offset	76,411	60,053	(16,358)
Total reimbursements and refunds	236,256	208,490	(27,766)
Total charges for services	7,158,388	6,059,149	(1,099,239)

(Continued)

Town of New Canaan, Connecticut

General Fund  
Schedule of Revenues, Expenditures, and Other Financing Sources and Uses  
Current and Prior Year Actual (Budgetary Basis)  
For the Year Ended June 30, 2022 and June 30, 2023

	Actual Budgetary Basis		Variance with Prior Year
	Prior Year	Current Year	
Income from investments			
Interest on investments	\$ 160,646	\$ 1,363,390	\$ 1,202,744
Net change in fair value	(748,264)	(2,390)	745,874
Total income from investments	(587,618)	1,361,000	1,948,618
Total revenues	151,766,673	156,445,660	4,678,987
Other financing sources			
Transfers in	883,667	2,914,015	2,030,348
Sale of capital assets	51,600	69,490	17,890
Total other financing sources	935,267	2,983,505	2,048,238
Total revenues and other financing sources	152,701,940	159,429,165	6,727,225
<u>Expenditures</u>			
General government			
First Selectman	560,076	598,721	38,645
Finance	1,017,660	1,080,818	63,158
Tax Assessor	344,918	339,853	(5,065)
Tax Collector	260,423	250,002	(10,421)
Legal	353,557	469,102	115,545
Human Resources	390,696	426,270	35,574
Information Technology	424,714	545,656	120,942
Town Clerk	422,963	405,957	(17,006)
Registrar of Voters	142,112	207,647	65,535
Conservation Commission	17,054	24,000	6,946
Health and Security Benefits and OPEB	8,329,899	7,681,720	(648,179)
Insurance Liability	1,426,579	1,424,249	(2,330)
Salary Offsets	62,156	60,962	(1,194)
Parking	338,790	350,324	11,534
Total general government	14,091,597	13,865,281	(226,316)
Public safety and protection			
Police	6,688,290	7,225,828	537,538
Land Use	992,886	1,167,738	174,852
Health	628,446	583,646	(44,800)
Fire	3,932,215	4,086,263	154,048
Ambulance Corps	561,011	556,857	(4,154)
Animal Control	103,525	113,182	9,657
Emergency Management	121,496	186,506	65,010
Total public safety and protection	13,027,869	13,920,020	892,151

(Continued)

Town of New Canaan, Connecticut

General Fund  
Schedule of Revenues, Expenditures, and Other Financing Sources and Uses  
Current and Prior Year Actual (Budgetary Basis)  
For the Year Ended June 30, 2022 and June 30, 2023

	Actual Budgetary Basis		Variance with Prior Year
	Prior Year	Current Year	
Public works			
Public Works Admin	\$ 311,705	\$ 334,126	\$ 22,421
Highway	3,371,446	3,449,188	77,742
Engineering	366,626	368,919	2,293
Town Buildings	1,333,933	1,327,211	(6,722)
Utilities	507,399	524,489	17,090
Transfer Station	1,696,486	1,605,468	(91,018)
Parks	1,836,993	2,069,351	232,358
Town Hall Annex	34,000	145	(33,855)
Nature Center	60,431	65,675	5,244
Tree Warden	443,505	502,823	59,318
Total public works	9,962,524	10,247,395	284,871
Human services			
Administration	458,901	436,559	(22,342)
Recreation			
Recreation Administration	1,166,835	1,129,763	(37,072)
Civic Activity	22,472	32,760	10,288
Waveny	142,715	191,691	48,976
Paddle Tennis	72,674	55,224	(17,450)
Waveny Park Buildings	231,304	236,123	4,819
Lapham Center	284,077	318,615	34,538
Kiwanis Park	68,171	64,360	(3,811)
Total recreation	1,988,248	2,028,536	40,288
Board of Education	91,940,816	98,471,398	6,530,582
Library	2,425,633	2,562,818	137,185
Other agencies			
Health/Welfare	253,151	252,157	(994)
Day Care Center	32,000	32,000	-
New Canaan Historical Society	25,000	25,000	-
Trans Private Schools	212,300	226,600	14,300
Channel 79 TV	38,197	38,197	-
Probate Court	11,140	5,423	(5,717)
Total other agencies	571,788	579,377	7,589
Human services agencies			
Getabout	46,000	46,000	-
Kids In Crisis	90,000	85,000	(5,000)
Child Guidance Center	5,000	5,000	-
Domestic Violence Crisis Center	5,000	5,000	-
New Canaan Cares	18,000	18,000	-
Meals On Wheels	5,000	5,000	-
Community Program Mental Wellness	-	5,300	5,300
Total human services agencies	169,000	169,300	300

(Continued)

Town of New Canaan, Connecticut

General Fund  
Schedule of Revenues, Expenditures, and Other Financing Sources and Uses  
Current and Prior Year Actual (Budgetary Basis)  
For the Year Ended June 30, 2022 and June 30, 2023

	Actual Budgetary Basis		Variance with Prior Year
	Prior Year	Current Year	
Debt service	\$ 17,414,551	\$ 18,111,717	\$ 697,166
Total expenditures	152,050,927	160,392,401	8,341,474
Other financing uses			
Transfers out			
Capital projects funds	1,747,502	320,506	(1,426,996)
Waveny pool fund	5,300	-	(5,300)
Total other financing uses	1,752,802	320,506	(1,432,296)
Total expenditures and other financing uses	153,803,729	160,712,907	6,909,178
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ (1,101,789)	\$ (1,283,742)	\$ (181,953)

(Concluded)