

Town of
Wethersfield
CONNECTICUT

Fiscal Year
2014

Comprehensive
Annual
Financial
Report



July 1, 2013 - June 30, 2014

COMPREHENSIVE ANNUAL FINANCIAL REPORT
OF THE
TOWN OF WETHERSFIELD, CONNECTICUT
FOR THE FISCAL YEAR ENDED
June 30, 2014



Prepared by the Finance Department

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TOWN OF WETHERSFIELD, CONNECTICUT

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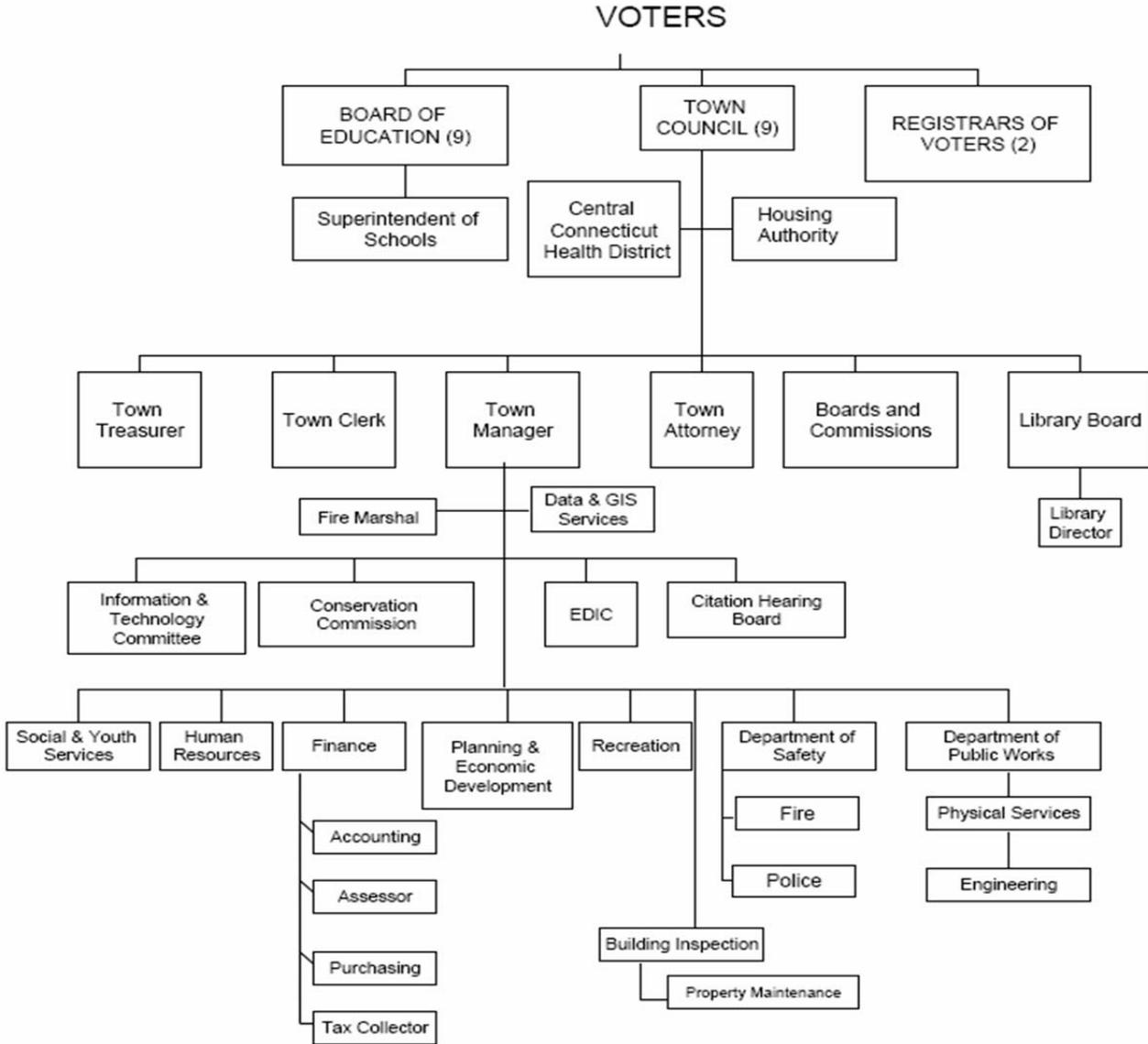
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Introductory Section

TOWN OF WETHERSFIELD, CONNECTICUT

ORGANIZATION CHART





November 20, 2014

Honorable Members of Town Council, Mayor, and Town Manager
Town of Wethersfield
Wethersfield, Connecticut 06109

State law requires that all local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (“GAAP”) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, I hereby submit the Comprehensive Annual Financial Report (“CAFR”) of the Town of Wethersfield, Connecticut (the “Town”), for the fiscal year ended June 30, 2014.

Management assumes full responsibility for the completeness and reliability 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 reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Blum Shapiro & Company, P.C., a firm of licensed certified public accountants, have issued an unmodified (“clean”) opinion on the Town’s financial statements for the year ended June 30, 2014. The independent auditor’s report is located at the front of the financial section of this report.

Management’s discussion and analysis (MD&A) immediately follows the independent auditor’s 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 Government

The Town of Wethersfield, settled in 1634 and incorporated in 1822, is one of the oldest communities in Connecticut. Known as “Ye Most Ancient Towne” in Connecticut, Wethersfield is a suburban, residential town blending a modern cosmopolitan community with strong ties to a deeply rooted colonial heritage dating back to 1634. Covering an area of 13.0 square miles and serving a population of 26,594, the Town is located in the central region of the State, immediately south of the City of Hartford. The Town is empowered to levy a property tax on real property, personal property and motor vehicles located within its boundaries.

The Town has operated under the Council-Manager form of government since 1953. Policy-making and legislative authority are vested in the Town Council, consisting of a Mayor and eight other members, all of whom are elected at large. All members serve two-year terms. The Town Manager is the chief executive of the administrative branch of the Town government and is appointed by and responsible to the Town Council for the administration of all affairs relating to the Town.

The Town provides a full range of municipal services including police and fire protection, maintenance and sanitation, health, human services, library, education, cultural and recreational activities, public improvements, planning and zoning, and general administrative services. The relatively high median age indicates a demand for services to the elderly, which the Town provides with numerous programs and services.

The Council is required to adopt an initial budget for the fiscal year no later than May 15, preceding the beginning of the fiscal year on July 1. This annual budget serves as the foundation for the Town's financial planning and control. The budget is prepared by fund and department. Transfers between departments require the approval of the Town Council. Beginning in 2013, the Council established a separate tax levy to fund road repairs and reconstruction. These funds are accounted for in the Road Improvement Fund.

Local Economy

Wethersfield is an ideal community for business with its strategic location within the Greater Hartford region. Centrally situated on the western bank of the Connecticut River just four miles south of downtown Hartford, Wethersfield is conveniently located on one of New England's key interstate highways, I-91, and within minutes of Interstate 84. The Town has created a business-friendly environment and is focused upon creating business opportunities in the Town's three commercial areas: along the Silas Deane Highway, the Berlin Turnpike, and in Historic Old Wethersfield.

The Town's tax base is diversified and is not reliant on any one employer or major taxpayer. The list of top employers and top taxpayers includes a diversity of business types which include several State offices, apartment complexes, office buildings, retailers and utility companies.

The Town is actively working to maintain the diversity in its economic base through the implementation of the strategies contained within the Town's Economic Development Strategic Plan, which was updated in 2013. The strategic plan is consistent with the Town's current Plan of Conservation and Development (also updated in 2013) and responsive to the challenges and issues facing the Town. The plan's mission is to attract and retain business growth and development for the purpose of expanding and developing the tax base, creating jobs, and improving the quality of life in Wethersfield. The primary goal is to grow the commercial and industrial portion of the grand list to support a diverse and sustainable local economy at a rate that supports a balanced tax base. Other goals are broken down into the categories of marketing and recruitment, business assistance, retention and expansion, business corridors and aesthetics, sites, development services, and administrative.

The net taxable grand list of October 1, 2013 was \$2.206 billion, which was a decrease of 5.06% from the 2012 Grand List. In accordance with State statutes that mandate communities perform property revaluation every 5 years, the October 1, 2013 grand list was a revaluation year for the Town, and the results reflect the downward movement in home values nationwide. Overall, commercial property values increased 1% while residential properties decreased an average of 9%. With residential real estate comprising approximately 80% of the grand list this decrease in values created a shift in the property tax burden to the commercial properties. The median change for all cities and towns completing revaluations in 2013 was a decrease of 9%. The median decrease for the Town's eight peer communities surrounding the City of Hartford was 8%.

Median household incomes within the Town are appreciably higher than for the state as a whole. According to the year 2012 census data, the Town's median family income was \$98,235, while the state's was \$87,182. The Town's population has remained stable over the last ten years at approximately 26,000.

The Town's unemployment rate ranks better than state and national levels. The Town's unemployment rate as of September 2014 was 5.6% compared to state and national levels of 6.4% and 5.9% respectively. The Town's rate was significantly improved from September 2013 when it was 6.8%.

The Town maintains credit ratings of Aa2 from Moody's (August 2014) and AA+ from Standard & Poor's (August 2014).

Long-term Financial Planning: A five-year capital improvement plan is prepared as part of the annual budget process. This plan attempts to identify and provide a responsible funding/execution plan for public betterments to ensure a stable community infrastructure. The plan is designed to budget adequate reserves for replacement of obsolete equipment and vehicles and provide for the betterment of town-wide roads. The Town ranks projects based on safety issues and the needs of the departments and uses funding methods that best utilize financial resources.

The five-year program projects capital improvement program needs, as reviewed by the Town Capital Improvements Advisory Committee, in eight major categories: Community/Economic Development, Drainage, Fire Safety, Sidewalk Construction, Pavement Maintenance, Parks and Recreation, School Buildings and Town Buildings.

Capital Projects: Major capital projects include a \$75 million renovation to the Wethersfield High School, which was approved at referendum on April 24, 2012. The construction portion of the multi-phase project began in September 2013 and will continue through September 2016. The Town is dedicated to the planned long-term maintenance of roads. The Town adopted a separate mill levy for road infrastructure improvements, which was implemented in the 2012-13 budget process. This levy will be supplemented by available State grants to provide approximately \$1.5 million a year for annual road improvements.

Other Postemployment Benefit (OPEB) Liabilities: The Town developed a health benefit strategic plan to manage health insurance costs. During fiscal year 2013, an OPEB Trust Fund was established and a funding policy was adopted. The Town spends approximately \$2.5 million annually on current retiree benefits. The Town will continue to pay for these benefits through the annual budget process. In 2013, approximately \$6.2 million was transferred from past retirement reserves to establish the OPEB Trust. An additional \$1.8 million was transferred from medical self-insurance reserves to the Trust Fund in FY15. The OPEB actuarial accrued liability associated with current and future retirees as of July 1, 2013 was \$56.8 million; the current required annual contribution, as calculated by the Town's actuary, is \$6.0 million. The Town has eliminated eligibility for post-retirement medical benefits for all new employees, except new hires who join the Police Union.

Relevant Financial Policies

The Town has adopted a comprehensive set of financial policies. The most significant of these are summarized as follows:

General Fund Reserves General Fund fund balance is to be maintained at a level of 7% to 10 % of the annual General Fund revenue budget.

Medical Self-Insurance Reserves Reserves in the Hospital Medical Insurance Fund (a self-insurance internal service fund) are to be maintained at 10% of the previous year's annual claims.

Other Post-Employment Benefits (OPEB) Trust Funding Upon establishment of the Trust Fund in 2013, \$6.2 million was deposited into the Trust, and the Town has committed to increase its annual funding (in addition to pay-as-you-go benefits) from \$200,000 in 2014 to \$1.6 million in 2021.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Wethersfield for its comprehensive annual financial report for the fiscal year ended June 30, 2013. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. Management believes the current comprehensive annual financial report continues to meet the Certificate of Achievement Program requirements and will submit to the GFOA to determine its eligibility for another certificate.

The Town also received the GFOA's Distinguished Budget Presentation Award for its annual budget document for the fiscal year that began on July 1, 2014. To qualify for the Distinguished Budget Presentation Award, the government's budget document had to be judged proficient as a policy document, a financial plan, an operations guide, and a communications device.

The preparation of this report would not have been possible without the skill, effort, and dedication of the entire staff of the Finance Department. We wish to thank the Town Manager and all departments for their assistance in providing the data necessary to prepare this report. Credit also is due to Mayor Montinieri and the Town Council for their unfailing support for maintaining the highest standards of professionalism in the management of the Town's finances.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Michael J. O'Neil". The signature is stylized and cursive, with a large initial "M" and "J".

Michael J. O'Neil
Finance Director



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Town of Wethersfield
Connecticut**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2013

Executive Director/CEO

TOWN OF WETHERSFIELD, CONNECTICUT

**LIST OF PRINCIPAL OFFICIALS
JUNE 30, 2014**

TOWN COUNCIL

Mayor Paul F. Montinieri (D)
Dep. Mayor Steve M. Barry (D)
Donna H. Hemmann (R)
Mike J. Hurley (R)
Jeffrey R. Kotkin (D)
Stathis Manousos (R)
Tony Martino (D)
Michael L. Rell (R)
Gerri Roberts (D)

TOWN TREASURER

Harry L. Lichtenbaum (D)
S. Bradley Milvae (Asst.) (R)

TOWN DEPARTMENTS

Jeffrey K. Bridges, Jr., Town Manager
Michael J. O'Neil, Finance Director
Chandler Rose, Tax Assessor
Marlene Desjardins, Tax Collector
Mike Turner, Town Engineer
Sally A. Katz, Director of Physical Services
Peter Gillespie, Director of Planning & Economic Development
Dolores Sassano, Town Clerk
James L. Cetran, Chief of Police
Richard Bailey, Fire Chief
Anthony Dignoti, Fire Marshal
Steven Lattarulo, Chief Building Official
Kathy Bagley, Director of Parks & Recreation and Director of Social & Youth Services
Brook Berry, Library Director

EDUCATION

Michael T. Emmett, Superintendent of Schools
Timothy Howes, Assistant Superintendent of Finance and Human Resources

AUDITORS

Blum, Shapiro & Company, P.C.

Financial Section

BlumShapiro

Accounting | Tax | Business Consulting

Independent Auditors' Report

To the Members of the Town Council
Town of Wethersfield, Connecticut

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Wethersfield, Connecticut, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Town of Wethersfield, Connecticut's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Wethersfield, Connecticut, as of June 30, 2014 and the respective changes in financial position and, where applicable, cash flows thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 18, the budgetary comparison information on pages 54 through 57, the schedule of changes in net pension liability and related ratios on page 58, the schedule of employer contributions on page 59, and the schedule of investment returns on page 60 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional

procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the Town of Wethersfield, Connecticut, as of and for the year ended June 30, 2013 (not presented herein), and have issued our report thereon dated December 10, 2013, which contained unmodified opinions on the respective financial statements of the governmental activities, each major fund and the aggregate remaining fund information. The accompanying General Fund balance sheet as of June 30, 2013 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the 2013 financial statements. The accompanying General Fund balance sheet has been subjected to the auditing procedures applied in the audit of the 2013 basic financial statements and certain additional procedures including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the General Fund balance sheet is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2013.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 20, 2014 on our consideration of the Town of Wethersfield, Connecticut's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Wethersfield, Connecticut's internal control over financial reporting and compliance.

Blum, Shapiro & Company, P.C.

West Hartford, Connecticut
November 20, 2014



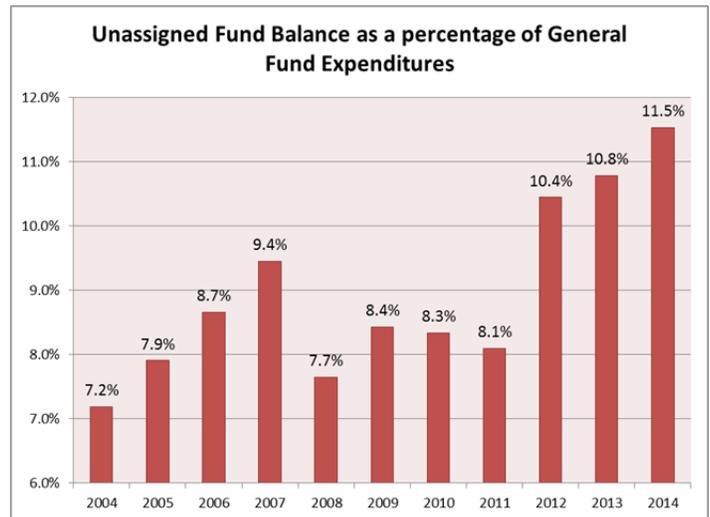
TOWN OF WETHERSFIELD, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
 June 30, 2014

This discussion and analysis of the Town of Wethersfield, Connecticut's (the Town) financial performance is provided by management to provide an overview of the Town's financial activities for the fiscal year ended June 30, 2014. Please read this MD&A in conjunction with the Town's financial statements, Exhibits I to IX.

Financial Highlights

- The Town's total net position at the close of the fiscal year was \$82.5 million, an increase of \$4.4 million or 5.5% over the previous fiscal year. Of the Town's total net position at June 30, 2014, \$5.2 million or 6.2% is *unrestricted* and may be used to meet the government's ongoing obligations to citizens and creditors.
- At the end of the current fiscal year, the total fund balance for the General Fund was \$11.79 million, which is an increase of \$1.3 million from the prior fiscal year. This change was primarily due to an increase in tax collections and building permit revenues.

- As of June 30, 2014, the General Fund *unassigned* fund balance of \$10.25 million represents approximately 11.5% of budgeted General Fund expenditures (\$88.83 million) as compared to 10.8% in the prior year. The Town maintains a General Fund unassigned fund balance at a level that meets the guidelines established by rating agencies and as prescribed within the Town's written financial policies (currently 7%-10%). Rating agencies evaluate municipalities to determine the financial condition of the



community and assign a bond rating that influences the rate of interest paid on debt issues. Accordingly, a strong fund balance demonstrates the Town's commitment to fiscal responsibility, reduces bonding costs, and indicates an ability to meet unforeseen emergencies.

- The Town of Wethersfield's *combined* governmental funds include the General Fund, Capital Projects Fund, and other non-major funds. The governmental funds reported *combined* ending fund balances of \$10.43 million, which is a decrease of \$5.0 million from the prior fiscal year. The decrease is due to the funding of the high school renovation project from reserves in anticipation of bond proceeds and state grant reimbursements.

- The Town Council levied a separate mill rate of .27 or \$605,000 which is presented in the Capital Projects Fund and dedicated to road improvements.
- The Town began the construction phase of the \$84 million Wethersfield High School renovation project in FY 14. The project is estimated to be completed by September 2016.
- The Town of Wethersfield's total bonded debt had a net decrease of \$2.4 million (approximately 9.3%) as of the end of the fiscal year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Town of Wethersfield's basic financial statements. This annual report consists of four parts: 1) management's discussion and analysis (this section), 2) the basic financial statements, 3) required supplementary information, and 4) an additional section that presents combining statements for non-major governmental funds and internal service funds. The basic financial statements include two kinds of statements that present different views of the Town:

- The first two statements are *government-wide financial statements* that provide both long-term and short-term information about the Town's overall financial status (Exhibits I and II, respectively).
- The remaining statements are *fund financial statements* that focus on individual parts of the Town government, reporting the Town's operations in more detail than the government-wide statements (Exhibits III to IX).
 - The *governmental funds statements* tell how general government services such as police, fire and parks were financed in the short-term as well as what remains for future spending.
 - *Proprietary funds statements* offer short and long-term financial information about the activities the government operates like business, that is, the Town's Medical and Heart and Hypertension internal service funds.
 - *Fiduciary funds statements* provide information about the financial relationships in which the Town acts solely as a trustee or agent for the benefit of those outside of the government.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by required supplementary information that further explains and supports the information in the financial statements.

Major Features of the Basic Financial Statements - Figure A-1

		<u>Fund Financial Statements</u>		
<u>Type of Statements</u>	<u>Government-wide Financial Statements</u>	<u>Governmental Funds</u>	<u>Proprietary Funds</u>	<u>Fiduciary Funds</u>
<i>Scope</i>	Entire Town government (except fiduciary activities).	Activities primarily supported by taxes, grants, and similar revenue sources.	Activities the Town operates similar which have significant support from fees and charges.	Instances in which the Town administers resources as trustee on behalf of someone else such as pension trust funds.
<i>Required financial statements</i>	<ul style="list-style-type: none"> ➤ Statement of net position. ➤ Statement of activities. 	<ul style="list-style-type: none"> ➤ Balance sheet ➤ Statement of revenues, expenditures and changes in fund balances. 	<ul style="list-style-type: none"> ➤ Statement of net position ➤ Statement of revenues, expenses and changes in net position. ➤ Statement of cash flows. 	<ul style="list-style-type: none"> ➤ Statement of fiduciary net position. ➤ Statement of changes in fiduciary net position.
<i>Accounting basis and measurement focus</i>	Accrual accounting and economic resources focus.	Modified accrual accounting and current financial resources focus.	Accrual accounting and economic resources focus.	Accrual accounting and economic resources focus.
<i>Type of inflow/outflow information</i>	All revenues and expenses during year, regardless of when cash is received or paid.	Revenues for which cash are received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable.	All revenues and expenses during year, regardless of when cash is received or paid.	All additions and deductions during the year regardless of when cash is received or paid.

Figure A-1 summarizes the major features of the Town’s financial statements, including the portion of the Town government they cover and the types of information that they contain. The remainder of this overview section of the management’s discussion and analysis explains the structure and contents of each of the statements.

Government-wide financial statements (Exhibits I and II) One of the most important questions asked about the Town’s finances is, “Is the Town as a whole better off or worse off as a result of the year’s activities?” The *statement of net position* and *statement of activities* report information about the Town as a whole and about its activities in a way that should answer this question. These statements include *all* assets and liabilities using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. All the current year’s revenues and expenses are taken into account regardless of when the cash is received or paid.

The *Statement of Net Position* presents information on all the Town’s assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in the Town’s net position can be an indicator of whether its financial health is improving or deteriorating. You will need to consider other non-financial indicators such as changes in the Town’s property tax base, growth in school enrollment and the condition of the Town’s roads, to assess the overall health of the Town.

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

The government-wide financial statements present the functions of the Town that are principally supported by taxes and intergovernmental revenues (*governmental activities*). *The governmental activities* represent most of the Town’s basic services such as fire and police protection, public works, social and human services, parks and recreation, education and general administration.

The government-wide financial statements (statement of net position and statement of activities) can be found in Exhibits I and II of this report.

Fund Financial Statements The fund financial statements begin with Exhibit III and provide detailed information about the Town’s funds, focusing on its most significant or “major” funds and not the Town as a whole. Some funds are required to be established by state law or by bond covenants. However, the Town establishes many other funds to help it maintain control and manage funds that have been segregated for specific activities or objectives. Funds are also established to ensure and demonstrate compliance with finance-related legal requirements for using certain grants. The Town of Wethersfield has three types of funds:

Governmental Funds (Exhibits III and IV). Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a Town’s near-term financing requirements.

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

The Town maintains 23 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, and the capital projects funds, which are considered to be major funds. Data from the other 21 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements in Exhibits B-1 and B-2 in this report.

The Town adopts an annual budget for its General Fund. Budgetary comparison statements (RSI-1 and RSI-2) have been provided for the General Fund to demonstrate compliance with this budget.

Proprietary Funds (Exhibits V, VI and VII). Proprietary funds are generally used for reporting charges for services for which the Town charges a fee. They are reported in the same way as the government-wide statements. The Town has one type of proprietary fund which is the internal service fund.

Internal Service Funds are used to report activities that provide self-insured medical services and heart and hypertension payments which are funded by other Town programs or activities.

Fiduciary Funds (Exhibits VIII and IX). The Town is the trustee, or fiduciary, for its employees' pension plan and other postemployment benefits (OPEB) plan. It is also responsible for other assets that, because of trust agreements, can be used only for the trust beneficiaries. All of the Town's fiduciary activities are reported in separate Statements of Fiduciary Net Position and Changes in Fiduciary Net Position. We exclude these activities from the Town's other financial statements because the Town cannot use these assets to finance its operations. The Town is responsible for ensuring that the assets reported in these funds are used for their intended purposes. The accounting used for fiduciary funds is much like that used for proprietary funds.

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

Other Information In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Town's progress in funding its obligation to provide pension benefits to its employees.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a Town's financial position. The Town's combined net position of governmental activities increased approximately 4.3% (\$82.5 million compared to \$78.1 million).

TABLE 1 - NET POSITION (In Thousands)

	Governmental Activities	
	2014	2013
Current and other assets	\$ 31,340	\$ 29,697
Capital assets, net of accumulated depreciation	104,649	91,217
Total assets	<u>135,989</u>	<u>120,914</u>
Deferred outflows of resources	<u>1,002</u>	<u>1,131</u>
Current liabilities	8,989	3,591
Long-term liabilities outstanding	43,141	38,727
Total liabilities	<u>52,130</u>	<u>42,318</u>
Deferred inflows of resources	<u>2,403</u>	<u>1,646</u>
Net Position:		
Net investment in capital assets	77,283	64,698
Unrestricted	<u>5,175</u>	<u>13,383</u>
Total Net Position	<u>\$ 82,458</u>	<u>\$ 78,081</u>

By far the largest portion of the Town's net position (92.6 percent) reflects its investment in capital assets (i.e., land, buildings, vehicles, machinery and equipment and infrastructure), less any related debt used to acquire those assets that is 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 of Wethersfield's investment in its 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 capital assets themselves may not be used to liquidate these liabilities.

The remaining balance of \$5.2 million is unrestricted and may be used to meet the government's on-going obligations to citizens and creditors. The unrestricted net position decreased from \$13.38 million at June 30, 2013 to \$5.18 million at June 30, 2014, for a total decrease of \$8.2 million. This change in unrestricted governmental net position resulted primarily because of further investments in capital assets especially the High School renovation project.

Governmental Activities

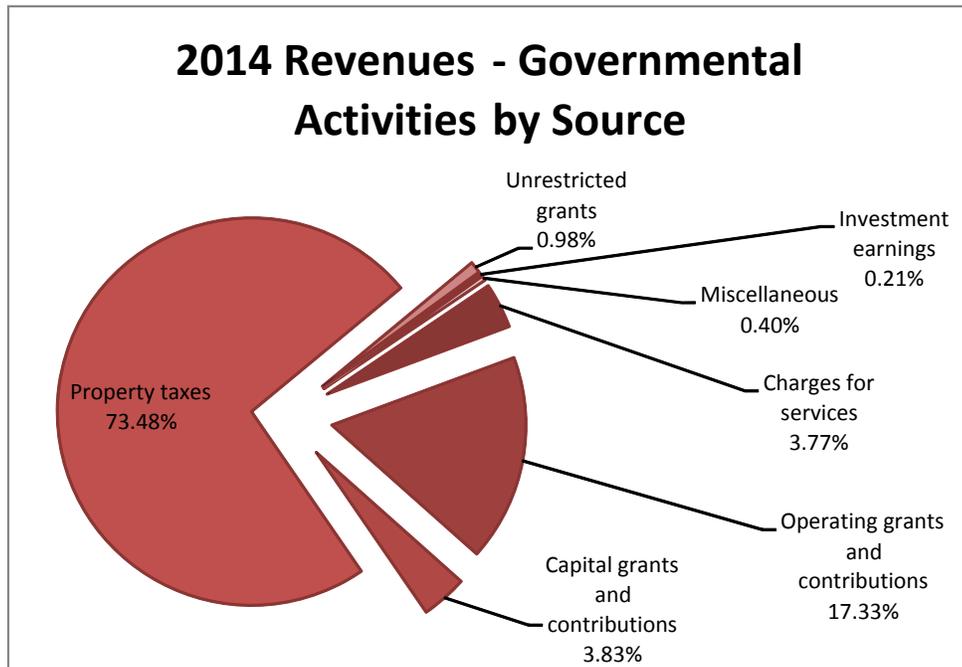
Governmental activities increased the Town's net position by \$4.38 million. Key elements of this increase are as follows:

	Governmental Activities	
	2014	2013
Revenues:		
Program revenues:		
Charges for services	\$ 4,042	\$ 4,116
Operating grants and contributions	18,591	16,835
Capital grants and contributions	4,110	3,061
General revenues:		
Property taxes	78,818	76,402
Unrestricted grants	1,049	1,404
Unrestricted investment earnings	221	71
Miscellaneous	427	270
Total revenues	<u>107,258</u>	<u>102,159</u>
Expenses:		
Public safety	10,872	9,469
Public works	9,041	9,053
Recreation and parks	2,576	2,505
Social services	873	916
Library	1,797	1,850
General government	10,668	8,796
Education	66,170	62,032
Interest on long-term debt	885	1,090
Total expenses	<u>102,882</u>	<u>95,711</u>
Change in Net Position	\$ <u>4,376</u>	\$ <u>6,448</u>

The Town's total revenue was \$107.3 million, an increase of \$5.1 million from the prior year. The total cost of all programs and services was \$102.9 million, which is an increase of \$7.2 million from the prior year. The analysis below separately considers the operations of governmental activities.

Revenues:

Approximately 74% of revenues were derived from property taxes, 21% from operating, capital and unrestricted grants; the remaining 5% of revenues were generated from program and other miscellaneous revenues.



Major revenue factors include:

- Property taxes and associated interest and lien fees increased by \$2.4 million from the prior year due to a tax rate increase of 2.7% (a .88 mill rate increase) and more aggressive collection efforts.
- The Town’s collection rate on the current adjusted levy was 98.98% which is an increase from the prior year of 98.96%. The Statement of Activities includes accruals for interest receivable and recognizes all taxes due as revenue less an allowance for uncollectible taxes and interest.
- Total grant support increased approximately \$2.71 million overall, with Education grants accounting for 89.0% of all intergovernmental revenue the Town receives.
- Unrestricted investment earnings increased by \$150 thousand.
- Building permits increased by \$347 thousand.

Expenses:

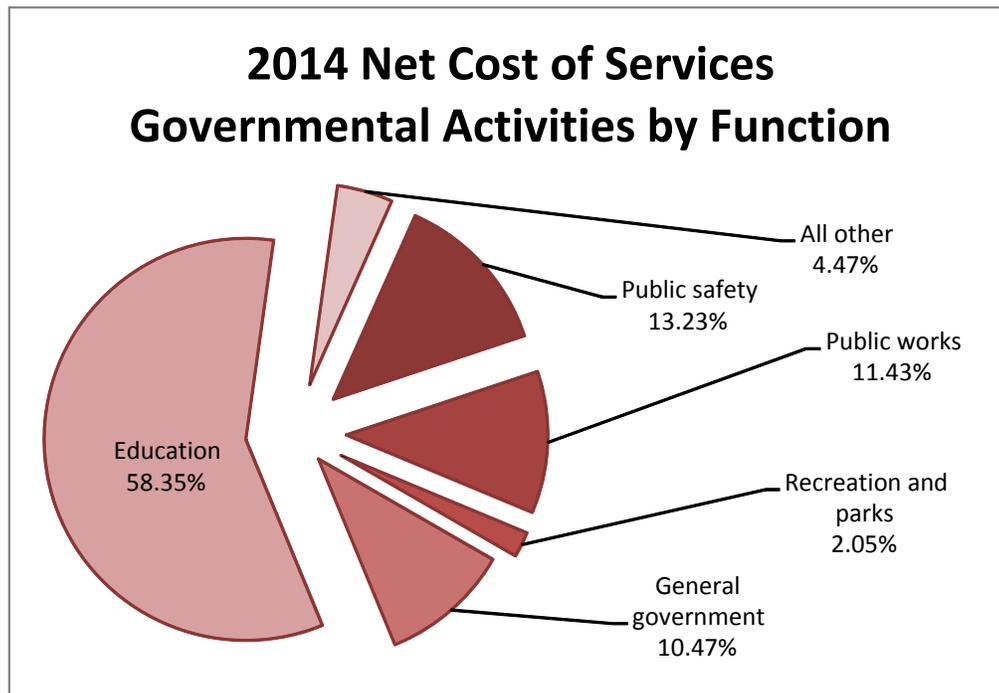
Governmental Activities: The Town’s net cost of services by function was allocated as follows: Education 58.4%; Public Safety 13.2%, Public Works 11.4%, General Government 10.5%, and Recreation & Parks 2.1%. All other total 4.5% and include the Library, Social Services and Interest on Long-Term Debt. It is important to remember that these expenses include items not normally seen on a budgetary basis, such as depreciation of capital assets, the disposal of capital assets, the change in compensated absence accruals for vacation and sick pay and net pension and OPEB (other post employment benefit) costs.

The total cost of all programs and services was \$102.9 million, which is an increase of \$7.17 million from the prior year. Under GASB 34, the net OPEB obligation is required to be expensed to the various departments. This obligation increased by \$3.59 million from the prior year which was allocated to public safety, general government and education.

Table 3 and the chart which follows it present the total cost of services for the Town's major functions: Education, Public Works, Public Safety, General Government, Recreation & Parks, and all other costs. Each function's net cost (i.e., total cost less revenues from non-tax sources, directly related to the individual function) is also detailed as a measure of the fiscal burden on taxpayers by function.

TABLE 3 - GROSS AND NET COST OF SERVICES (In Thousands)

	Total Cost of Services		Net Cost of Services	
	2014	2013	2014	2013
Public safety	\$ 10,872	\$ 9,469	\$ 10,076	\$ 8,719
Public works	9,041	9,053	8,701	8,710
Recreation and parks	2,576	2,505	1,562	1,490
General government	10,668	8,796	7,970	4,699
Education	66,170	62,032	44,430	44,416
All other	3,554	3,856	3,401	3,666
Total	\$ 102,881	\$ 95,711	\$ 76,140	\$ 71,700



Financial Analysis of the Town's Fund Financial Statements

Governmental funds The focus of the Town of Wethersfield's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. This information is useful in assessing the Town's financial requirements. In particular, the unassigned fund balance may serve as a useful measure of the Town's net resources available for spending at the end of the fiscal year.

As the Town completed the year, its governmental funds (as presented in the balance sheet - Exhibit III) reported combined fund balances of \$10.43 million, a decrease of \$5.0 million from June 30, 2013. The results of operations includes accounting entries for encumbrances, compensated absences and accrued payroll, as required by GAAP, which also have an impact on the fund balance.

Restricted fund balances of \$1.69 million include reserves restricted for specific uses from contributors and legal restrictions due to grant requirements. *Committed* fund balances of \$7.74 million include \$414 thousand authorized for payments to retirees for accumulated vacation and sick pay, \$5.11 million authorized for specific capital projects, and \$2.21 million authorized for other specific purposes. *Assigned* fund balances of \$1.13 million include \$600 thousand for use toward the 2014-15 General Fund operating budget and \$527 thousand for encumbrances outstanding at fiscal year-end. *Unassigned* fund balance of (\$151 thousand) represents the Town's cash balance available for any other purpose. The lack of unassigned fund balance for the combined governmental funds is due to the funding of the high school renovation project from reserves in anticipation of bond proceeds and state grant reimbursement.

The General Fund is the chief operating fund for the Town. At the end of the current fiscal year, *unassigned* fund balance of the General Fund was \$10.2 million while total fund balance is \$11.8 million. A measure of the General Fund's liquidity is the ratio of unassigned fund balance to total fund expenditures. The *unassigned* fund balance of \$10.2 million represents approximately 10.6% of total General Fund expenditures (\$96.6 million) as compared to 10.0% in the prior year.

Capital Projects Fund This fund accounts for the financial revenues including resources from borrowing to be used for major capital asset construction and/or purchases and items, which are reserved for special purposes. There are 106 separate projects tracked and maintained in a combination of funds. The capital projects fund's expenditures exceeded revenues by \$6.63 million. The increase in expenditures was the result of the Wethersfield High School Renovation project with expenditures of approximately \$10.4 million. The State awards grants based upon a reimbursement process; the timing of the requests for reimbursements creates a funding shortfall. Also the Town has not issued any of the bonds authorized for the project.

Proprietary Funds The Town's proprietary funds (shown in Exhibits V, VI, VII and Exhibits C-1, C-2, C-3) are two internal service funds: The Hospital & Medical Insurance Fund and the Heart & Hypertension Fund.

Unrestricted net position of the Internal Service Funds at the end of the fiscal year totaled \$5.45 million. The increase in net position in the internal service funds of \$1.19 million was due to Town and Board of Education contributions into the self-insurance programs exceeding benefit payments and other expenses.

Fiduciary Funds The Town's fiduciary funds (shown in Exhibits VIII and IX) are the Pension Trust Fund and the OPEB Trust Fund. The Town of Wethersfield Pension plan net position held in trust for pension benefits at June 30, 2014 was \$84.8 million. Net pension assets are defined as the fair market value of investments less amounts due for administrative fees and other payables.

The Plan fiduciary net position as a percentage of the total pension liability is 91.43%. The Town has historically funded 100% of its annual required contributions.

General Fund Budgetary Highlights

There was no difference between the original budget and the final amended budget for expenditures. During the year, revenues exceeded budgetary estimates by \$1.19 million (see Table 4, below) primarily due to higher tax collections and increase in license and permit fees. Expenditures were below budgetary estimates by \$38,152. The Town had originally budgeted the use of prior year fund balance of \$300 thousand to balance the fiscal 2014 budget; however, that appropriation was not utilized.

The Town's net change in fund balance of \$1.31 million reported on Exhibit IV differs from the General Fund's budgetary operating surplus of \$1.19 million reported in the budgetary comparison in the required supplementary information. This difference is primarily the result of encumbrances. Under budgetary accounting open purchase orders at the end of the fiscal year are expensed in the budget. Under GAAP, those expenses are removed from the departmental expenses until the goods are physically received and paid.

Major budget to actual highlights are as follows:

- Town's property tax revenue exceeded budgetary estimates by \$927,753 due to the Tax Department's aggressive collection efforts on delinquent taxes.
- Building inspections revenues exceeded budgetary estimates by \$347,349 due to a significant project.
- The \$300,000 appropriation of fund balance was not utilized.
- A transfer of \$239,524 from contingency was made to Physical Services for winter storm related expenditures.

Transfers to compensated absences, the Street Improvement Fund and CNEF reserves in the amount of \$481,925 were made from surpluses in these departments:

- \$ 113,027 Police
- \$ 93,093 Date Services
- \$ 65,000 Retiree Reserves
- \$ 42,906 Elections
- \$ 35,046 Fire Suppression
- \$ 31,663 Building
- \$ 28,889 Parks and Recreation
- \$ 16,762 Social & Youth Services
- \$ 15,696 Town Clerk
- \$ 15,646 Planning & Development
- \$ 5,151 Town Council
- \$ 4,287 Emergency Medical Services
- \$ 4,273 Finance
- \$ 3,819 Library
- \$ 6,667 Other departments

TABLE 4 - TOWN OF WETHERSFIELD GENERAL FUND BUDGETARY BASIS

	<u>2014</u>	<u>2013</u>	<u>Increase (Decrease)</u>
Revenues:			
Property taxes, interest and lien fees	\$ 78,321,007	\$ 75,019,911	\$ 3,301,096
Intergovernmental revenues	9,656,806	9,924,969	(268,163)
Charges for services	1,051,153	1,075,415	(24,262)
Licenses, fees and permits	652,462	403,190	249,272
Fines and penalties	41,708	23,317	18,391
Interest on investments	60,476	88,382	(27,906)
Other revenues	177,181	108,752	68,429
Transfers in from other funds	53,429		53,429
Total revenues	<u>90,014,222</u>	<u>86,643,936</u>	<u>3,370,286</u>
Expenditures:			
General government	4,901,557	4,567,335	334,222
Public safety	9,125,440	8,937,651	187,789
Public works	8,350,241	7,917,733	432,508
Social services	767,260	875,141	(107,881)
Library	1,785,149	1,736,204	48,945
Recreation and parks	1,584,881	1,403,082	181,799
Insurance	619,257	584,485	34,772
Disaster recovery		311,730	(311,730)
Metropolitan District Commission	2,829,570	2,751,565	78,005
Debt service	3,236,243	3,807,461	(571,218)
Education	53,072,660	51,614,067	1,458,593
Transfers out to other funds	2,555,442	1,842,527	712,915
Total expenditures	<u>88,827,700</u>	<u>86,348,981</u>	<u>2,478,719</u>
 Net Change in Fund Balance	 <u>\$ 1,186,522</u>	 <u>\$ 294,955</u>	 <u>\$ 891,567</u>

The major 2014 to 2013 variances are as follows:

- Property taxes increased by approximately \$3.3 million due to a tax rate increase of 1.00 mills, from 32.19 to 33.19, for fiscal year ending June 30, 2014. The tax collection rate increased by .02%, from 98.96% to 98.98%. Collection of delinquent taxes increased from the prior year by \$323,349 or 47% due to more aggressive collection efforts, including tax sales.
- Intergovernmental revenues decreased by approximately \$270 thousand, due in large part to reductions in federal reimbursements for storm-related costs, the State's municipal revenue sharing program, and the school building grant (\$188, \$161, and \$48 thousand respectively). These reductions were offset by an increase in State funding for the Equalized Cost Sharing grant of \$111 thousand.
- Licenses, fees and permits increased by \$249 thousand mostly due to an increase in building inspections and permit applications.

- General wage increases in July 2013 were: Police (2%), Public Works employees (2.5%), Library Supervisors and Non-supervisors (2%), Professional and Technical employees (2%), Clerical and Police Dispatch employees (2%), and Administrators (2%). These increases impacted the various functions of government.
- Increases in Public Works expenditures were affected by an increase in overtime-related expenses to provide extended coverage for winter storms.
- Disaster Recovery expenditures decreased by \$311 thousand due to the lack of any events that qualified for FEMA reimbursement. Storm-related costs were included with departmental expenditures.
- Debt Service expenditures decreased by \$571 thousand due to scheduled amortization, and the lack of any new debt issues.

Capital Asset and Debt Administration

Capital Assets The Town of Wethersfield's investment in capital assets for its governmental type activities, as of June 30, 2014, is \$104.6 million (net of accumulated depreciation). The investment in capital assets includes land, buildings, other improvements, rolling equipment, furniture and fixtures and infrastructure (See Table 5). Infrastructure includes roads, bridges, sidewalks and system storm drains. The Town's investment in capital assets for the current fiscal year increased \$13.4 million or 14.7%.

There were total additions of \$2,226,659 of which \$789,836 was moved from Construction in Progress.

Major capital asset activity including major additions to assets being depreciated during the current fiscal year included the following:

Olney Road Pavement Reconstruction	\$	549,459
Dump Truck		225,552
Webb School Parking Lot		218,000
Tree Truck		156,234
Emerson Williams Playground Equipment		142,709
High School/Hammer Renovations		113,880
Dispatch Furniture		<u>66,065</u>
	\$	<u>1,471,899</u>

TABLE 5 - CAPITAL ASSETS (NET OF ACCUMULATED DEPRECIATION)
(In Thousands)

	Governmental Activities	
	2014	2013
Land	\$ 7,697	\$ 7,697
Property rights	200	200
Buildings	53,450	55,064
Improvements other than buildings	3,525	3,629
Rolling equipment	3,510	3,675
Furniture and fixtures	1,434	1,315
Infrastructure	12,285	11,757
Construction in progress	22,548	7,880
Total	\$ 104,649	\$ 91,217

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

Long-Term Debt

At year-end the Town had \$22.04 million outstanding in general obligation bonds compared to \$24.29 million in FY13; this is a decrease of 9.3% as shown in Table 6. All debt is backed by the full faith and credit of the Town. The remainder of the Town's debt represents \$4.3 million in capital leases for rolling stock and radio equipment, unamortized bond premium of \$1.36 million and private placement notes of \$655,000.

TABLE 6 - LONG-TERM OBLIGATIONS

	Governmental Activities	
	2014	2013
General obligation bonds	\$ 22,035,000	\$ 24,290,000
Capital lease obligations	4,315,052	1,122,658
Notes payable	655,000	725,000
Bond premium	1,363,659	1,511,128
Total	\$ 28,368,711	\$ 27,648,786

The Town's general obligation bond rating continues to carry Aa2 rating from Moody's (2014) and AA+ from Standard and Poor's (2014). The State limits the amount of general obligation debt that municipalities may issue based upon a statutory formula differentiated by the type of debt and a multiplier of tax collections. The overall debt limit for the Town of Wethersfield is equal to seven times annual receipts from taxation or \$551.9 million.

Other obligations include retiree medical costs, accrued vacation pay and sick leave and risk management. More detailed information about the Town's long-term liabilities is presented in Notes 7 and 8 to the financial statements.

Economic Factors and Next Year's Budgets and Rates

The Town is well positioned to withstand adverse economic conditions. State aid comprises less than 11% of General Fund revenues, and as such the Town is more insulated from the impact of State revenue shortfalls than many other cities and towns in Connecticut. Even with an overwhelming reliance on property taxes and other revenues affected by current economic conditions, the Town has been able to adjust expenditures accordingly while maintaining services during the current recession.

The Town did not add any major new programs or initiatives to the 2014-2015 budget. There will be increased focus on the core services for the Town in future budget plans in order to ease the stress of limited resources of taxpayers and current economic conditions. The Town has appropriated \$600 thousand of fund balance in the fiscal year 2014-2015 budget as a provision for revenue contingencies and to direct additional resources to the road improvement program in light of the fact that appropriated fund balance was not utilized in fiscal year 2013-2014.

Requests for Information

This financial report is designed to provide a general overview of the Town of Wethersfield's finances for all those with an interest in the government's finances. Questions concerning any of the information should be addressed in writing to Finance Director, Town of Wethersfield, 505 Silas Deane Highway, Wethersfield, Connecticut 06109.

Basic Financial Statements

TOWN OF WETHERSFIELD, CONNECTICUT

STATEMENT OF NET POSITION

JUNE 30, 2014

	<u>Governmental Activities</u>
Assets:	
Cash and cash equivalents	\$ 23,540,846
Investments	2,011,029
Receivables, net	5,257,967
Inventory	21,433
Due from fiduciary funds	405,567
Capital assets not being depreciated	30,445,131
Capital assets being depreciated, net	74,203,808
Net pension asset	102,806
Total assets	<u>135,988,587</u>
Deferred Outflows of Resources:	
Deferred charge on refunding	<u>1,002,314</u>
Liabilities:	
Accounts payable and accrued items	7,728,905
Unearned revenue	1,260,229
Noncurrent liabilities:	
Due within one year	4,352,357
Due in more than one year	38,788,995
Total liabilities	<u>52,130,486</u>
Deferred Inflows of Resources:	
Advance property tax collections	2,312,096
Advance fee collections	90,968
Total deferred inflows of resources	<u>2,403,064</u>
Net Position:	
Net investment in capital assets	77,282,542
Unrestricted	<u>5,174,809</u>
Total Net Position	<u>\$ 82,457,351</u>

The accompanying notes are an integral part of the financial statements

TOWN OF WETHERSFIELD, CONNECTICUT

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2014

Functions/Programs	Expenses	Program Revenues			Net (Expense)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position
					Governmental Activities
Governmental Activities:					
Public safety	\$ 10,871,506	\$ 624,719	\$ 142,368	\$ 28,148	\$ (10,076,271)
Public works	9,040,742	339,842			(8,700,900)
Recreation and parks	2,575,688	1,006,475	6,740		(1,562,473)
Social services	872,960	38,644	95,039		(739,277)
Library	1,797,565	19,499			(1,778,066)
General government	10,667,975	863,980	93,590	1,740,674	(7,969,731)
Education	66,169,559	1,148,488	18,252,183	2,339,117	(44,429,771)
Interest on long-term debt	885,554			2,308	(883,246)
Total	\$ 102,881,549	\$ 4,041,647	\$ 18,589,920	\$ 4,110,247	(76,139,735)
General Revenues:					
Property taxes					78,817,531
Unrestricted grants					1,049,249
Unrestricted investment earnings					221,453
Miscellaneous					427,468
Total general revenues					80,515,701
Change in net position					4,375,966
Net Position at Beginning of Year					78,081,385
Net Position at End of Year					\$ 82,457,351

The accompanying notes are an integral part of the financial statements

TOWN OF WETHERSFIELD, CONNECTICUT

BALANCE SHEET - GOVERNMENTAL FUNDS

JUNE 30, 2014

	<u>General</u>	<u>Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash and cash equivalents	\$ 8,958,555	\$ 4,029,428	\$ 4,408,959	\$ 17,396,942
Investments		2,011,029		2,011,029
Receivables, net	2,022,641	830,341	1,230,760	4,083,742
Due from other funds	8,321,545			8,321,545
Other assets			21,433	21,433
Total Assets	<u>\$ 19,302,741</u>	<u>\$ 6,870,798</u>	<u>\$ 5,661,152</u>	<u>\$ 31,834,691</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable and accrued items	\$ 3,521,916	\$ 3,589,315	\$ 378,501	\$ 7,489,732
Due to other funds		7,745,501	170,477	7,915,978
Due to other governments	30,241			30,241
Unearned revenue	15,454	4,303	1,267,108	1,286,865
Total liabilities	<u>3,567,611</u>	<u>11,339,119</u>	<u>1,816,086</u>	<u>16,722,816</u>
Deferred inflows of resources:				
Unavailable revenue - property taxes	1,661,082	5,865		1,666,947
Unavailable revenue - loans receivable			613,821	613,821
Advance fee collections			90,968	90,968
Advance property tax collections	2,285,348	26,748		2,312,096
Total deferred inflows of resources	<u>3,946,430</u>	<u>32,613</u>	<u>704,789</u>	<u>4,683,832</u>
Fund balances:				
Nonspendable			21,433	21,433
Restricted		788,666	906,331	1,694,997
Committed	414,179	5,109,404	2,212,513	7,736,096
Assigned	1,126,833			1,126,833
Unassigned	10,247,688	(10,399,004)		(151,316)
Total fund balances	<u>11,788,700</u>	<u>(4,500,934)</u>	<u>3,140,277</u>	<u>10,428,043</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 19,302,741</u>	<u>\$ 6,870,798</u>	<u>\$ 5,661,152</u>	<u>\$ 31,834,691</u>

(Continued on next page)

TOWN OF WETHERSFIELD, CONNECTICUT

BALANCE SHEET - GOVERNMENTAL FUNDS (CONTINUED)

JUNE 30, 2014

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

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

Fund balances - total governmental funds	\$ 10,428,043
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:	
Governmental capital assets	\$ 176,057,926
Less accumulated depreciation	<u>(71,408,987)</u>
Net capital assets	104,648,939
Other long-term assets are not available to pay for current-period expenditures and, therefore, are not recorded in the funds:	
Net pension asset	102,806
Property tax receivables greater than 60 days	1,693,583
Loan receivables greater than 60 days	613,821
Interest receivable on property taxes, less allowance for uncollectibles	1,124,603
Receivable from the state for school construction projects	45,397
Deferred charge on refunding	1,002,314
Internal service funds are used by management to charge the costs of risk management to individual funds. The assets and liabilities of the internal service funds are reported with governmental activities in the statement of net position.	5,448,337
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds:	
Bonds and notes payable	(22,690,000)
Premium on issuance	(1,363,659)
Interest payable on bonds and notes	(208,022)
Compensated absences	(2,316,826)
OPEB obligation	(11,756,933)
Capital lease	<u>(4,315,052)</u>
Net Position of Governmental Activities (Exhibit I)	<u>\$ 82,457,351</u>

The accompanying notes are an integral part of the financial statements

TOWN OF WETHERSFIELD, CONNECTICUT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2014

	<u>General</u>	<u>Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:				
Property taxes, interest and lien fees	\$ 78,321,007	\$ 639,965	\$	\$ 78,960,972
Intergovernmental revenues	17,339,290	3,721,513	2,669,673	23,730,476
Licenses, fees and permits	694,170		15,555	709,725
Charges for services	1,237,342	10,260	2,211,714	3,459,316
Investment gain	61,270	152,331	2,808	216,409
Donations			65,303	65,303
Other local revenues	164,504	78,080	132,540	375,124
Total revenues	<u>97,817,583</u>	<u>4,602,149</u>	<u>5,097,593</u>	<u>107,517,325</u>
Expenditures:				
Current:				
Public safety	9,242,982	62,376	445,445	9,750,803
Public works	8,298,582			8,298,582
Recreation and parks	1,591,171		700,780	2,291,951
Social services	791,675		66,579	858,254
Library	1,799,942			1,799,942
General government	8,437,977	162,411	626,833	9,227,221
Education	60,950,236		2,801,750	63,751,986
Capital outlay		16,592,769	121,505	16,714,274
Debt service	3,236,244	411,084		3,647,328
Total expenditures	<u>94,348,809</u>	<u>17,228,640</u>	<u>4,762,892</u>	<u>116,340,341</u>
Excess (Deficiency) of Revenues over Expenditures	<u>3,468,774</u>	<u>(12,626,491)</u>	<u>334,701</u>	<u>(8,823,016)</u>
Other Financing Sources (Uses):				
Issuance of capital lease		3,822,567		3,822,567
Transfers in	123,429	2,230,985	54,100	2,408,514
Transfers out	(2,285,085)	(53,429)	(70,000)	(2,408,514)
Total other financing sources (uses)	<u>(2,161,656)</u>	<u>6,000,123</u>	<u>(15,900)</u>	<u>3,822,567</u>
Net Change in Fund Balances	1,307,118	(6,626,368)	318,801	(5,000,449)
Fund Balances at Beginning of Year	<u>10,481,582</u>	<u>2,125,434</u>	<u>2,821,476</u>	<u>15,428,492</u>
Fund Balances at End of Year	<u>\$ 11,788,700</u>	<u>\$ (4,500,934)</u>	<u>\$ 3,140,277</u>	<u>\$ 10,428,043</u>

(Continued on next page)

TOWN OF WETHERSFIELD, CONNECTICUT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2014

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds to the Statement of Activities:

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

Net change in fund balances - total governmental funds (Exhibit IV)	\$ (5,000,449)
---	----------------

Governmental funds report capital outlays as expenditures. In the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:

Capital outlay	16,894,258
Depreciation expense	(3,320,843)

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

Thus, the change in net assets differs from the change in fund balance by the cost of the asset sold.	(141,160)
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds, and revenues recognized in the funds are not reported in the statement of activities:

School building grant receipts	(46,363)
Property tax receivable - accrual basis change	(136,241)
Loans receivable - accrual basis change	(127,394)
Property tax interest and lien revenue - accrual basis change	37,031
Net pension asset	1,219

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are amortized and deferred in the statement of activities. The details of these differences in the treatment of long-term debt and related items are as follows:

Notes principal payments	70,000
Bond principal payments	2,255,000
Capital lease issuance	(3,822,567)
Capital lease payments	630,173

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

Compensated absences	(324,406)
Interest on bonds	17,670
Deferred charges	(22,313)
OPEB obligation	(3,591,961)
Amortization of deferred charge on refunding	(105,915)
Other	(230,312)
Amortization of bond premiums	147,469

Internal service funds are used by management to charge costs to individual funds. The net revenue of certain activities of internal services funds is reported with governmental activities.

1,193,070

Change in Net Position of Governmental Activities (Exhibit II)

<u>\$ 4,375,966</u>

The accompanying notes are an integral part of the financial statements

TOWN OF WETHERSFIELD, CONNECTICUT
STATEMENT OF NET POSITION - PROPRIETARY FUND

JUNE 30, 2014

	<u>Governmental Activities Internal Service Funds</u>
Assets:	
Cash and cash equivalents	\$ 6,143,904
Accounts receivable	4,225
Total assets	<u>6,148,129</u>
Liabilities:	
Current:	
Accounts payable	910
Claims incurred but not reported	438,762
Noncurrent:	
Claims incurred but not reported	260,120
Total liabilities	<u>699,792</u>
Net Position:	
Unrestricted	\$ <u>5,448,337</u>

The accompanying notes are an integral part of the financial statements

TOWN OF WETHERSFIELD, CONNECTICUT

STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN FUND NET POSITION - PROPRIETARY FUND

FOR THE YEAR ENDED JUNE 30, 2014

	Governmental Activities
	Internal Service Funds
Operating Revenues:	
Contributions	\$ <u>8,997,926</u>
Operating Expenses:	
Employee benefits	6,891,444
Other expenses	<u>1,111,962</u>
Total operating expenses	<u>8,003,406</u>
Operating Income	<u>994,520</u>
Nonoperating Revenue:	
Income on investments	5,044
Other	<u>193,506</u>
Total nonoperating revenue	<u>198,550</u>
Change in Net Position	1,193,070
Net Position at Beginning of Year	<u>4,255,267</u>
Net Position at End of Year	<u><u>\$ 5,448,337</u></u>

The accompanying notes are an integral part of the financial statements

TOWN OF WETHERSFIELD, CONNECTICUT
STATEMENT OF CASH FLOWS - PROPRIETARY FUND
FOR THE YEAR ENDED JUNE 30, 2014

	Governmental Activities
	Internal Service Funds
Cash Flows from Operating Activities:	
Cash received from customers and users	\$ 8,994,131
Payment to suppliers	(1,111,962)
Payment to employees	(6,920,517)
Net cash provided by operating activities	961,652
Cash Flows from Investing Activities:	
Interest on investments	5,044
Net Increase in Cash and Cash Equivalents	966,696
Cash and Cash Equivalents at Beginning of Year	5,177,208
Cash and Cash Equivalents at End of Year	\$ 6,143,904
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:	
Operating income	\$ 994,520
Adjustments to reconcile operating income to net cash provided by operating activities:	
Increase in accounts receivable	(3,795)
Decrease in accounts payable and accrued expenses	(29,073)
Net Cash Provided by in Operating Activities	\$ 961,652

The accompanying notes are an integral part of the financial statements

TOWN OF WETHERSFIELD, CONNECTICUT

STATEMENT OF FIDUCIARY NET POSITION - FIDUCIARY FUNDS

JUNE 30, 2014

	<u>Pension Trust Fund</u>	<u>OPEB Trust Fund</u>	<u>Private Purpose Trust Funds</u>	<u>Agency Funds</u>
Assets:				
Cash and cash equivalents	\$ 333,717	\$ 1,133,102	\$ 285,285	\$ 749,940
Investments:				
Mutual funds	84,476,446	7,630,590	1,688,404	
Other				60,490
Contribution and other receivables	<u>39,922</u>	<u>9,699</u>	<u>152</u>	
Total assets	<u>84,850,085</u>	<u>8,773,391</u>	<u>1,973,841</u>	<u>\$ 810,430</u>
Liabilities:				
Accounts payable		32,146	4,626	\$
Claims incurred but not reported		118,238		
Due to other funds		396,019	9,548	
Due to student groups and others				<u>810,430</u>
Total liabilities	<u>-</u>	<u>546,403</u>	<u>14,174</u>	<u>\$ 810,430</u>
Net Position:				
Held in Trust for Pension Benefits and Other Purposes	<u>\$ 84,850,085</u>	<u>\$ 8,226,988</u>	<u>\$ 1,959,667</u>	

The accompanying notes are an integral part of the financial statements

TOWN OF WETHERSFIELD, CONNECTICUT

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - FIDUCIARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2014

	Pension Trust Fund	OPEB Trust Fund	Private Purpose Trust Funds
	<u> </u>	<u> </u>	<u> </u>
Additions:			
Contributions:			
Employer	\$ 2,091,887	\$ 1,749,557	\$
Plan members	1,008,558	599,631	
Other		36,964	87,392
Total	<u>3,100,445</u>	<u>2,386,152</u>	<u>87,392</u>
Investment income:			
Net appreciation in fair value of investments	9,352,147	806,348	
Interest and dividends	<u>3,782,396</u>	<u>201,934</u>	<u>163,307</u>
Total investment gain	13,134,543	1,008,282	163,307
Less investment expenses:			
Investment management fees	<u>357,975</u>		
Net investment income	<u>12,776,568</u>	<u>1,008,282</u>	<u>163,307</u>
Total additions	<u>15,877,013</u>	<u>3,394,434</u>	<u>250,699</u>
Deductions:			
Benefits	4,773,442	2,258,165	
Administration expense	101,329	110,313	
Other			132,817
Total deductions	<u>4,874,771</u>	<u>2,368,478</u>	<u>132,817</u>
Net Change	11,002,242	1,025,956	117,882
Net Position at Beginning of Year	<u>73,847,843</u>	<u>7,201,032</u>	<u>1,841,785</u>
Net Position at End of Year	<u>\$ 84,850,085</u>	<u>\$ 8,226,988</u>	<u>\$ 1,959,667</u>

The accompanying notes are an integral part of the financial statements

TOWN OF WETHERSFIELD, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The Town was incorporated in 1822. It operates under a charter as revised on November 2, 2004. The Town operates under a Town Council-Town Manager form of government. The financial statements include all of the funds of the Town that meet the criteria for inclusion as set forth in *Statement of Governmental Accounting Standards No. 14* issued by the Governmental Accounting Standards Board.

The Wethersfield Housing Authority (the WHA), although governed by a commission that is appointed by the Town Council, is considered to be a separate governmental body because the Town has no budgetary authority over the WHA and has no authority over the funds of the WHA. Financial data for the WHA are not included in the financial statements of the Town.

The Central Connecticut Health District (the CCHD), a tri-town health district, was created pursuant to State statute. CCHD is overseen by a twelve-member board of which three members are appointed by the Town. Funding for CCHD is partially obtained through an assessment levied on the participating towns. The Town has no governing or budgeting authority over CCHD. CCHD is considered a separate governmental body and is, therefore, not included in the Town's financial statements.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Town. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities* are normally supported by taxes and intergovernmental revenues.

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

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

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

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

Property taxes, charges for services, certain intergovernmental revenues, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received.

The Town reports the following major governmental funds:

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

The *Capital Projects Fund* accounts for construction and acquisition of major capital assets.

Additionally, the Town reports the following fund types:

The *Internal Service Fund* is used to account for the Town's heart and hypertension, self-insurance program for accident and health insurance coverage of the Town and Board of Education employees.

The *Pension Trust Fund* is used to account for the activities of the Town's defined benefit plan, which accumulates resources for pension benefit payments to qualified employees.

The *OPEB (Other Post Employment Benefit) Trust Fund* is used to account for the activities for both the Town and Board of Education that accumulate resources for other post employment benefit payments to qualified employees.

The *Private Purpose Trust Funds* are used to account for the Town's resources legally held in trust for the benefit of the library, animal control operations, public park beautification and firefighters.

The *Agency Funds* account for monies held on behalf of outside groups such as student activity funds, various community committees, and amounts held for performance bonds.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes and other charges between certain Town's functions because the elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include property taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the proprietary funds are charges to customers for services. Operating expenses for internal service funds include the benefits and services and administrative expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, then unrestricted resources as they are needed. Unrestricted resources are used in the following order: committed, assigned then unassigned.

D. Deposits and Investments

The Town's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the Town to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, repurchase agreements and certain other investments as described in Note 3.

Investments for the Town are reported at fair value.

E. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances." All trade and property tax receivables are shown net of an allowance for uncollectibles. Allowances for uncollectibles are computed based on historical data.

F. Property Taxes

The Town's property tax is levied on July 1 on the assessed value listed on the prior October 1 Grand List for all taxable property located in the Town. Real and personal property tax bills in excess of \$200 and \$500, respectively, are due and payable in two installments, on July 1 following the date of the Grand List and on January 1 of the subsequent year. Motor vehicle taxes are payable in one installment on July 1.

Additional property taxes are assessed for motor vehicles registered subsequent to the Grand List date through July 31 and are payable in one installment due January 1.

Property assessments are made at 70% of appraised market value, based on the assessed value of the property at the prior October 1.

It is the policy of the Town to record deferred inflows of resources for property taxes receivable at June 30 that have not been collected prior to September 1. Property taxes collected prior to June 30 that are applicable to the subsequent years' assessment are reflected as advance tax collections.

The Town files liens against property if taxes that are due July 1 remain unpaid on the following June 30.

Property tax revenues are recognized when they become available. Available means due or past due and receivable within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. The Town defines the current period to mean within 60 days after year-end. Taxes collected during the 60-day period have been recorded as revenue. Property taxes receivable not expected to be collected during the available period are reflected in deferred inflows of resources in the fund financial statements. The entire receivable is recorded as revenue in the government-wide financial statements.

G. Inventories and Prepaid Items

All materials and supplies are recorded as expenditures in the year purchased, except for food and supplies inventory of the Cafeteria Special Revenue Fund. Purchased inventories of the Cafeteria Fund are stated at cost on a first-in, first-out basis. Inventories of donated commodities are stated at fair market value.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

H. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Depreciable capital assets are defined by the government as equipment in excess of \$5,000 or buildings and infrastructure improvements in excess of \$25,000 with an estimated useful life of more than one fiscal year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

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

<u>Assets</u>	<u>Years</u>
Buildings	50
Building improvements	25-50
Infrastructure and public domain improvements	20-70
Office and school equipment	10-20
Kitchen appliances	15
Machinery, tools and equipment	10-15
Motor vehicles	7
Computer equipment and accessories	5

I. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period or periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Town reports a deferred charge on refunding in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period or periods and so will not be recognized as an inflow of resources (revenue) until that time. The Town reports advance property tax collections and advance fee collections in the government-wide statement of net position and in the governmental funds balance. Both advance property tax collections and advance fee collections represent taxes and fees inherently associated with a future period. This amount is recognized during the period in which the revenue is associated. Also, for governmental funds, the Town reports unavailable revenue, which arises only under the modified accrual basis of accounting. The governmental funds report unavailable revenues from several sources: property taxes and long-term loans. These amounts are deferred and recognized as an inflow of resources (revenue) in the period in which the amounts become available.

J. Compensated Absences

Employees are paid by prescribed formula for absence due to vacation or sickness which varies by bargaining unit as well as hire date. The entire liability is recognized in the government-wide financial statements.

K. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities 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 any significant applicable bond premium or discount. Bond issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

L. Fund Equity

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

Net Investment in Capital Assets - This component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

Restricted Net Position - Restrictions are externally imposed by creditors (such as through debt covenants), grantors, contributors or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The Town currently has no assets under restriction.

Unrestricted Net Position - This component consists of net position that does not meet the definition of “restricted” or “net investment in capital assets.”

The equity of the *fund financial statements* is defined as “fund balance” and is classified in the following categories:

Nonspendable Fund Balance - This represents amounts that cannot be spent due to form (e.g., inventories and prepaid amounts), or legally or contractually are required to be maintained intact (such as corpus of an endowment fund).

Restricted Fund Balance - This represents amounts constrained for a specific purpose by external parties, such as grantors, creditors, contributors or laws and regulations of their governments.

Committed Fund Balance - This represents amounts constrained for a specific purpose by the Town itself, using its highest level of decision-making authority. Only the Wethersfield Town Council by adoption of an ordinance or the Electors of the Town by referendum can commit or rescind committed fund balance.

Assigned Fund Balance - This balance represents amounts constrained for the intent to be used for a specific purpose by the Town Council or the Director of Finance. Intent can be expressed by the Town or by an official or body to which the Town delegated authority and can include appropriations of existing fund balance for future budgets and encumbrances.

Unassigned Fund Balance - This represents fund balance in the General Fund in excess of nonspendable, restricted, committed and assigned fund balance. If another governmental fund has a fund balance deficit, it is reported as a negative amount in unassigned fund balance.

The Town shall propose budgets that provide for an unrestricted General Fund balance of not less than 7% or more than 10% of the total operating General Fund expenditures.

M. Estimates

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities including disclosures of contingent assets and liabilities and reported revenues and expenditures during the fiscal year.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

The General Fund is the only fund for which a legal budget is adopted. Budgets for the Capital Nonrecurring Fund and Animal Control Fund are authorized annually by the Town Council. Annual budgets are not adopted for any major special revenue funds and, accordingly, are not included in the basic financial statements as permitted by accounting principles generally accepted in the United States of America.

In accordance with the Town Charter, Section 708, the Town uses the following procedures in establishing the budgetary data included in the basic financial statements:

Prior to the second Monday in April, the Town Manager submits to the Town Council a proposed operating budget for the General Fund for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them. On the third Monday in April, a public hearing is conducted to obtain taxpayers' comments. Prior to the 15th of May, the budget is legally adopted and a rate of taxation is set.

No department or board may involve the Town in any obligation to spend money for any purpose in excess of the amount appropriated. However, upon approval of the Director of Finance and the Town Manager, transfers from one budgetary line item to another may be made within a department or major division. The Board of Education has a similar budgetary control system with approval of such transfers by the Board of Education Business Manager. In addition, under Section 709 of the Town Charter, the Town Council may, by resolution, transfer monies from the contingency account to other line items at any time during the fiscal year and may transfer from any account during the last three months of the fiscal year. Expenditures may not legally exceed budgeted appropriations at the activity level. All unencumbered appropriation balances lapse at the end of the fiscal year for which they were made, except

that an appropriation made for a capital outlay does not lapse until the project for which the appropriation was made has been accomplished or no expenditure from or encumbrance of the appropriation has been made for three consecutive fiscal years.

Special revenue funds are administered in the same manner as the General Fund, except that the level of control for these funds is extended to encompass budget variations for expenditures insofar as projected revenues fluctuate within a fiscal period.

The Town's budgeting system requires accounting for certain transactions to be on a basis other than GAAP. The major difference between the budgetary and GAAP basis fund balance is that encumbrances are recognized as a charge against a budget appropriation in the year in which the purchase order is issued and, accordingly, encumbrances outstanding at year-end are recorded in budgetary reports as expenditures of the current year, whereas, on a GAAP basis, encumbrances are included in either restricted, committed or assigned fund balance depending on the level of restriction.

There were no supplemental budgetary appropriations from fund balance made during the year.

B. Deficit Fund Equity

For the year ended June 30, 2014, the following fund had a deficit fund balance:

Capital Projects	\$ 4,500,934
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The deficit in the capital projects fund will be funded by proceeds from the sale of bonds, and state grants.

3. CASH, CASH EQUIVALENTS AND INVESTMENTS

The deposit of public funds is controlled by the Connecticut General Statutes (Section 7-402). Deposits may be made in a "qualified public depository" as defined by Statute or in amounts not exceeding the Federal Deposit Insurance Corporation insurance limit in an "out of state bank," as defined by the Statutes, which is not a "qualified public depository."

The Connecticut General Statutes (Section 7-400) permit municipalities to invest in: 1) obligations of the United States and its agencies, 2) highly rated obligations of any state of the United States or of any political subdivision, authority or agency thereof, and 3) shares or other interests in custodial arrangements or pools maintaining constant net asset values and in highly rated no-load open end money market and mutual funds (with constant or fluctuating net asset values) whose portfolios are limited to obligations of the United States and its agencies, and repurchase agreements fully collateralized by such obligations.

Other provisions of the Statutes cover specific municipal funds with particular investment authority. The provisions of the Statutes regarding the investment of municipal pension funds do not specify permitted investments. Therefore, investment of such funds is generally controlled by the laws applicable to fiduciaries and the provisions of the applicable plan.

The Statutes (Sections 3-24f and 3-27f) also provide for investment in shares of the State Short-Term Investment Fund (STIF) and the State Tax Exempt Proceeds Fund (TEPF). These investment pools are under the control of the State Treasurer, with oversight provided by the Treasurer’s Cash Management Advisory Board, and are regulated under the State Statutes and subject to annual audit by the Auditors of Public Accounts. Investment yields are accounted for on an amortized-cost basis with an investment portfolio that is designed to attain a market-average rate of return throughout budgetary and economic cycles. Investors accrue interest daily based on actual earnings, less expenses and transfers to the designated surplus reserve, and the fair value of the position in the pool is the same as the value of the pool shares.

Deposits

Deposit Custodial Credit Risk - Custodial credit risk is the risk that, in the event of a bank failure, the Town’s deposit will not be returned. The Town does not have a deposit policy for custodial credit risk. The deposit of public funds is controlled by the Connecticut General Statutes. Deposits may be placed with any qualified public depository that has its main place of business in the State of Connecticut. Connecticut General Statutes require that each depository maintain segregated collateral (not required to be based on a security agreement between the depository and the municipality and, therefore, not perfected in accordance with federal law) in an amount equal to a defined percentage of its public deposits based upon the depository’s risk based capital ratio.

Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, \$19,251,884 of the Town’s bank balance of \$20,385,383 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 17,284,080
Uninsured and collateral held by the pledging bank’s trust department, not in the Town’s name	<u>1,967,804</u>
Total Amount Subject to Custodial Credit Risk	<u><u>\$ 19,251,884</u></u>

Cash Equivalents

At June 30, 2014, the Town’s cash equivalents amounted to \$5,990,746. The following table provides a summary of the Town’s cash equivalents (excluding U.S. government guaranteed obligations) as rated by nationally recognized statistical rating organizations. The pools all have maturities of less than one year.

	<u>Standard & Poor’s</u>
State Short-Term Investment Fund (STIF)	AAAm
Cutwater Asset Management - Connecticut CLASS Plus	AAAm
People’s Bank Cash Management Assets	*

*Not rated

Investments

As of June 30, 2014, the Town had the following investments:

<u>Investment Type</u>	<u>Credit Rating</u>	<u>Fair Value</u>	<u>Investment Maturities</u>	
			<u>Less Than 1</u>	<u>1-10</u>
Certificates of deposit	N/A	\$ <u>60,484</u>	\$ <u>60,484</u>	\$ <u> </u>
Other investments:				
Mutual funds		<u>95,806,469</u>		
Total Investments		\$ <u>95,866,953</u>		

Interest Rate Risk - The Town's investment policy states that the Town's portfolio be structured so that securities mature to meet the Town's cash requirements, thereby avoiding the need to sell securities on the open market prior to their maturity. The Town invests primarily in shorter-term securities unless it is anticipated that long-term securities can be held to maturity without jeopardizing liquidity requirements.

The Town also has, for the Pension Trust Funds, an investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk - Investments - As indicated above, State Statutes limit the investment options of cities and towns. The Investment Policy (described in the preceding paragraph) further limits its investment choices. The Town's interest-bearing investments consist of U.S. Government guaranteed obligations that are not subject to rating.

The Pension Committee's investment benchmark for large capitalization companies is the S&P 500 Index and Russell 1000, and for small capitalization companies the benchmark is the Russell 2000. The benchmark for international equities is the Morgan Stanley EAFE Index and for fixed income is the Lehman Brothers Aggregate Index.

Concentration of Credit Risk - The Town's Investment Policy states investments are limited to low-risk securities in anticipation of earning a fair return relative to the risk being assumed, and sets forth that no more than 40% of the total may be invested with one institution.

The Pension Investment Policy Statement sets forth the following asset allocation targets: Domestic Equities 30% - 70%; International Equities 10% - 20%; Fixed Income 15% - 35%; and Short-Term Fixed Income 7.5% - 17.5%.

Custodial Credit Risk - Custodial credit risk for an investment is the risk that, in the event of the failure of the counterparty (the institution that pledges collateral or repurchase agreement securities to the Town or that sells investments to or buys them for the Town), the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At June 30, 2014, the Town had no uninsured and unregistered securities held by the counterparty, or by its trust department or agent that were not in the Town's name.

4. RECEIVABLES

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

	<u>General</u>	<u>Capital Projects</u>	<u>Nonmajor and Other Funds</u>	<u>Total</u>
Receivables:				
Taxes	\$ 2,079,023	\$ 7,330	\$	\$ 2,086,353
Accounts and other*	112,618	8,332	819,394	940,344
Intergovernmental		814,679	465,364	1,280,043
Gross receivables	<u>2,191,641</u>	<u>830,341</u>	<u>1,284,758</u>	<u>4,306,740</u>
Less allowance for uncollectibles	<u>(169,000)</u>			<u>(169,000)</u>
Net Total Receivables	<u>\$ 2,022,641</u>	<u>\$ 830,341</u>	<u>\$ 1,284,758</u>	<u>\$ 4,137,740</u>

*Does not include accrued interest on property taxes of \$1,124,603.

5. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2014 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Adjustments</u>	<u>Ending Balance</u>
Governmental activities:					
Capital assets not being depreciated:					
Land	\$ 7,697,283	\$	\$	\$	\$ 7,697,283
Property rights	200,000				200,000
Construction in progress	<u>7,880,249</u>	<u>15,445,211</u>	<u>(789,836)</u>	<u>12,224</u>	<u>22,547,848</u>
Total capital assets not being depreciated	<u>15,777,532</u>	<u>15,445,211</u>	<u>(789,836)</u>	<u>12,224</u>	<u>30,445,131</u>
Capital assets being depreciated:					
Buildings	86,438,151	185,120	(15,000)		86,608,271
Improvements other than buildings	5,148,874	117,194			5,266,068
Rolling equipment	9,910,442	763,803	(470,947)		10,203,298
Furniture and equipment	11,374,544	307,935	(171,375)		11,511,104
Infrastructure	31,171,447	852,607			32,024,054
Total capital assets being depreciated	<u>144,043,458</u>	<u>2,226,659</u>	<u>(657,322)</u>	<u>-</u>	<u>145,612,795</u>
Less accumulated depreciation for:					
Buildings	31,374,102	1,785,526	(1,500)		33,158,128
Improvements other than buildings	1,520,105	221,057			1,741,162
Rolling equipment	6,235,527	800,694	(343,287)		6,692,934
Furniture and equipment	10,059,913	188,820	(171,375)		10,077,358
Infrastructure	<u>19,414,659</u>	<u>324,746</u>			<u>19,739,405</u>
Total accumulated depreciation	<u>68,604,306</u>	<u>3,320,843</u>	<u>(516,162)</u>	<u>-</u>	<u>71,408,987</u>
Total capital assets being depreciated, net	<u>75,439,152</u>	<u>(1,094,184)</u>	<u>(141,160)</u>	<u>-</u>	<u>74,203,808</u>
Governmental Activities Capital Assets, Net	<u>\$ 91,216,684</u>	<u>\$ 14,351,027</u>	<u>\$ (930,996)</u>	<u>\$ 12,224</u>	<u>\$ 104,648,939</u>

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

Governmental activities:		
Public safety	\$	708,724
Public works		733,899
Recreation and parks		315,401
General government		217,643
Education		<u>1,345,176</u>
 Total Depreciation Expense - Governmental Activities	 \$	 <u><u>3,320,843</u></u>

Construction Commitments

The Town has active construction projects as of June 30, 2014. At year end, the Town's commitments are as follows:

<u>Project</u>	<u>Spent-to-Date</u>	<u>Remaining Commitment</u>
Cottone Field Lights	\$ 307,328	\$ 14,327
Marsh Street - Wood Rails	154,340	2,500
ADA Detection Panels Townwide	16,388	25,863
Silas Deane Highway Streetscape	242,736	31,206
Town Wide Generators	19,829	4,771
Highcrest School Parking Lot		317,000
Trivet Lane/Dorlen Circle/Amato Circle Drainage	66,377	5,066
Emerson Williams Pipe Repair	42,815	2,635
Wethersfield High School Renovations	13,394,634	57,629,500
Fire Truck	193,412	572,834
Town Wide Radio System	3,013,111	788,666
Jordan Lane Reconstruction	331,606	17,442
CNEF Road Levy Fund	<u>1,663,682</u>	<u>132,086</u>
 Total	 \$ <u><u>19,446,256</u></u>	 \$ <u><u>59,543,895</u></u>

The commitments are being financed with General Fund and Capital Projects Fund appropriations and state and federal grants.

6. INTERFUND RECEIVABLE AND PAYABLE BALANCES

The composition of interfund balances, which represent temporary activity and budgetary policies, as of June 30, 2014 is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Capital Projects	\$ 7,745,501
	Nonmajor Governmental Funds	170,477
	Fiduciary Funds	<u>405,567</u>
		<u>\$ 8,321,545</u>

Interfund transfers are a result of the funding of capital projects through the budgetary process and nonrecurring supplemental appropriations of revenue to other funds. The transfers that occurred during the year are as follows:

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Transfers Out</u>
Transfers out:				
General Fund	\$	\$ 2,230,985	\$ 54,100	\$ 2,285,085
Capital Project Fund	53,429			53,429
Nonmajor Governmental Funds	<u>70,000</u>			<u>70,000</u>
Total Transfers In	<u>\$ 123,429</u>	<u>\$ 2,230,985</u>	<u>\$ 54,100</u>	<u>\$ 2,408,514</u>

7. LEASES

Capital Leases

The Town has entered into a lease agreement as lessee for financing the acquisition of rolling equipment, fire apparatus and police communications equipment. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date.

The gross amounts of assets acquired under capital leases, by major asset class, are shown below:

Construction in Progress	\$ 3,600,000
Vehicles	2,544,755
Less accumulated depreciation	<u>(1,253,436)</u>
Total	<u>\$ 4,891,319</u>

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2014 are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2015	\$ 841,066
2016	591,278
2017	527,338
2018	527,338
2019-2024	<u>2,266,228</u>
Total minimum lease payments	4,753,248
Less amount representing interest	<u>(438,196)</u>
 Present Value of Minimum Lease Payments	 <u><u>\$ 4,315,052</u></u>

8. LONG-TERM DEBT

Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2014 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities:					
Bonds payable:					
General obligation bonds	\$ 24,290,000	\$	\$ 2,255,000	\$ 22,035,000	\$ 2,245,000
Premium on general obligation bonds	<u>1,511,128</u>		<u>147,469</u>	<u>1,363,659</u>	
Total bonds payable	25,801,128	-	2,402,469	23,398,659	2,245,000
Capital leases	1,122,658	3,822,567	630,173	4,315,052	748,121
Notes payable	725,000		70,000	655,000	75,000
Net OPEB obligation	8,164,972	6,103,889	2,511,928	11,756,933	
Compensated absences	1,992,420	363,112	38,706	2,316,826	845,474
Risk management liability	<u>920,306</u>	<u>6,670,020</u>	<u>6,891,444</u>	<u>698,882</u>	<u>438,762</u>
 Governmental Activities Long-Term Liabilities	 <u>\$ 38,726,484</u>	 <u>\$ 16,959,588</u>	 <u>\$ 12,544,720</u>	 <u>\$ 43,141,352</u>	 <u>\$ 4,352,357</u>

For the governmental activities, OPEB and compensated absences are generally liquidated by the General Fund.

General Obligation Bonds

General obligation bonds are direct obligations of the Town for which full faith and credit are pledged and are payable from taxes levied on all taxable properties located within the Town. General obligation bonds currently outstanding are as follows:

<u>Description</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Interest Rate (%)</u>	<u>Date of Maturity</u>	<u>Annual Principal</u>	<u>Balance Outstanding June 30, 2014</u>
General obligation bonds	03/15/03	\$ 8,970,000	2.5-3.4%	8/15/2022	\$ 80,000-720,000	\$ 235,000
General obligation bonds	06/15/05	15,000,000	3.0-5.0%	8/15/2025	785,000-790,000	790,000
General obligation bonds	05/15/09	6,855,000	2.5-4.5%	8/15/2028	275,000-405,000	4,505,000
General obligation bonds	06/15/10	12,010,000	3.0-5.0%	7/15/2022	125,000-790,000	10,470,000
General obligation bonds	08/01/12	6,170,000	2.0-3.0%	8/15/2024	25,000-1,005,000	6,035,000
Total Outstanding						\$ <u>22,035,000</u>

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

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 2,245,000	\$ 823,618	\$ 3,068,618
2016	1,990,000	737,437	2,727,437
2017	2,015,000	660,375	2,675,375
2018	1,995,000	582,250	2,577,250
2019	2,120,000	494,588	2,614,588
2020-2024	8,895,000	1,249,512	10,144,512
2025-2029	<u>2,775,000</u>	<u>221,756</u>	<u>2,996,756</u>
Total	\$ <u>22,035,000</u>	\$ <u>4,769,536</u>	\$ <u>26,804,536</u>

General Obligation Serial Notes

On September 1, 2011, the Town issued a General Obligation Serial Note in the amount of \$795,000 to cover the costs of school construction. The note bears interest at 2.67% and matures on September 1, 2021.

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

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 75,000	\$ 16,487	\$ 91,487
2016	75,000	14,485	89,485
2017	80,000	12,416	92,416
2018	80,000	10,280	90,280
2019	85,000	8,077	93,077
2020-2022	<u>260,000</u>	<u>10,547</u>	<u>270,547</u>
Total	\$ <u>655,000</u>	\$ <u>72,292</u>	\$ <u>727,292</u>

Authorized But Unissued

The total of authorized but unissued bonds at June 30, 2014 is \$76,652,082. In most cases, interim financing is obtained through bond anticipation notes or other short-term borrowings until the issuance of long-term debt.

Prior Year Defeasance of Debt

In prior years, the government defeased general obligation public improvement bonds by placing the proceeds of the new bonds in an irrevocable trust account to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the government's financial statements. The balance in escrow was \$9,305,299 at June 30, 2014. The outstanding balance of the defeased bonds at June 30, 2014 is \$9,090,000.

Debt Limitation

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

<u>Category</u>	<u>Debt Limit</u>	<u>Net Indebtedness</u>	<u>Balance</u>
General purpose	\$ 177,399	\$ 15,745	\$ 161,654
Schools	354,798	83,551	271,247
Sewers	295,665	50,769	244,896
Urban renewal	256,243		256,243
Pension deficit	236,532		236,532

Sewer indebtedness includes overlapping debt of the Metropolitan District. As a member of the Metropolitan District (a quasi-municipal corporation that provides water supply and sewerage collection and disposal facilities for members), the Town is contingently liable for \$50.8 million or 7.81% of the District debt.

The total overall statutory debt limit for the Town is equal to seven times annual receipts from taxation (\$551.9 million).

9. FUND BALANCE

The components of fund balance for the governmental funds at June 30, 2014 are as follows:

	<u>General Fund</u>	<u>Capital Project Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Fund balances:				
Nonspendable:				
Inventory	\$	\$	\$ 21,433	\$ 21,433
Restricted for:				
General government			20,161	20,161
Operation of school lunch program			77,228	77,228
Public safety grants			274,322	274,322
Park improvements			21,232	21,232
Community or economic development			2,482	2,482
Social and youth services			344,872	344,872
Radio System Improvement and Reconfiguration		788,666		788,666
Housing rehabilitation			166,034	166,034
Committed to:				
Infrastructure improvements		2,162,365		2,162,365
Operation of school lunch program			204,182	204,182
Building improvements		463,176		463,176
Drainage System Improvements		362,812		362,812
Energy Efficiency Improvements		29,017		29,017
Public Works Trucks		78,117		78,117
Property Revaluation		74,397		74,397
Community Development		109,468	14,209	123,677
Tree Service		7,410		7,410
Maintenance & Improvement of Town Parks		332,322	139,771	472,093
Public Safety - Vehicles		6,606		6,606
Radio System Improvement and Reconfiguration		504,708		504,708
Fire Safety Equipment		8,019		8,019
Technology System Upgrades		132,791		132,791
Road Improvements		838,196		838,196
Operation & Maintenance of Town Facilities			132,669	132,669
Land preservation			599,590	599,590
Economic & Business Development			85,832	85,832
Parks and Receptions Programs			789,142	789,142
Police Traffic Duty			241,364	241,364
Public Safety			5,754	5,754
Compensated absences	414,179			414,179
Assigned to:				
General government purchases on order	42,417			42,417
Public safety purchases on order	57,338			57,338
Public works purchases on order	146,297			146,297
Recreation purchases on order	1,000			1,000
Library purchases on order	2,410			2,410
Education purchases on order	277,371			277,371
Future budgets	600,000			600,000
Unassigned	<u>10,247,688</u>	<u>(10,399,004)</u>		<u>(151,316)</u>
Total Fund Balances	<u>\$ 11,788,700</u>	<u>\$ (4,500,934)</u>	<u>\$ 3,140,277</u>	<u>\$ 10,428,043</u>

Significant encumbrances were \$526,833 at June 30, 2014 and are contained in the above table in the assigned category of the General Fund.

10. 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; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties, except as disclosed below. Settled claims from these risks did not exceed commercial insurance coverage during the years ended June 30, 2014, 2013 or 2012.

Heart and Hypertension

The Town is exposed to risk of loss for claims from police officers, hired before 1995, who incur hypertension or heart problems as a result of work conditions. The Town accounts for this activity through use of an internal service fund, which is funded by transfers from the General Fund. An analysis of the claims liability is as follows:

	Accrued Liability Beginning of Fiscal Year	Current Year Claims Paid and Changes in Estimates	Accrued Liability Claim Payments	Accrued Liability End of Fiscal Year
2013-14	\$ 458,626	\$ 126,850	\$ (320,356)	\$ 265,120
2012-13	486,646	71,193	(99,213)	458,626

Medical Self-Insurance

The Town's self-insurance program is used to account for health insurance coverage for Town and Board of Education employees on a cost-reimbursement basis. Under the program, the Town is obligated for claim payments. A stop loss insurance contract executed with an insurance carrier covers claims in excess of 125% of expected claim payments in the aggregate and over \$100,000 per individual, per year.

The Fund establishes claims liabilities based on estimates of claims that have been incurred but not reported; accordingly, the Fund recorded an additional liability at June 30, 2014 of \$433,762.

Premium payments are reported as interfund services provided and used for the General Fund, and, accordingly, they are treated as operating revenues of the Self-Insurance Fund and operating expenditures of the General Fund.

A schedule of changes in the claims liability for the years ended June 30, 2014 and 2013, is presented below:

	Accrued Liability Beginning of Fiscal Year	Current Year Claims Paid and Changes in Estimates	Accrued Liability Claim Payments	Accrued Liability End of Fiscal Year
2013-14	\$ 461,680	\$ 6,764,594	\$ (6,792,512)	\$ 433,762
2012-13	475,606	6,456,246	(6,470,172)	461,680

Interlocal Risk Pool

The Town is a member of the Connecticut Interlocal Risk Management Agency (CIRMA), an unincorporated association of Connecticut local public agencies that was formed in 1980 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 participates in CIRMA's Workers' Compensation Pool, a risk-sharing pool, which was begun on July 1, 1980. The Workers' Compensation Pool provides statutory benefits pursuant to the provisions of the Connecticut Workers' Compensation Act. CIRMA currently has 220 members in the Workers' Compensation Pool. The coverage is subject to an incurred loss retrospective rating plan, and losses incurred in coverage period 2013-2014 will be evaluated at 18, 30 and 42 months after the effective date of coverage. The deposit contribution (premium) paid in 2013-2014 was \$553,667. The contribution (premium) is subject to payroll audit at the close of the coverage period. CIRMA's Workers' Compensation Pool retains up to \$1,000,000 per occurrence. Claims over \$1,000,000 are reinsured.

11. CONTINGENT LIABILITIES

There are various suits and claims pending against the Town, none of which, individually or in the aggregate, is believed by Town management and counsel to result in a judgment or judgments that would have a material adverse effect on the Town's financial position.

12. EMPLOYEE RETIREMENT PLANS

A. Plan Description

The Town is the administrator of a single-employer pension plan (the Plan) established and administered by the Town to provide pension benefits to substantially all full-time employees, except certified personnel of the Board of Education who are covered under the State Teachers' Retirement System. Employee and employer obligations to contribute to the Plan are established and may be amended by the Town. The Plan is considered to be part of the Town's financial reporting entity and is included in the Town's financial reports as a Pension Trust Fund. A stand-alone financial report is not prepared for the Plan.

Management of the Plan rests with the Pension Committee, which consists of thirteen members, comprised of one representative from each collective bargaining unit/employee group, and the Mayor, Town Manager and Treasurer, who are ex-officio members.

At July 1, 2013, plan membership consisted of the following:

Retirees, disabled individuals and beneficiaries currently receiving benefits	221
Terminated employees entitled to benefits, but not yet receiving them	50
Current employees	<u>335</u>
Total	<u><u>606</u></u>

B. Summary of Significant Accounting Policies

Basis of Accounting - Plan financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are due pursuant to formal commitments as well as statutory or contractual commitments. Benefits and refunds of the postemployment defined benefit plan are recognized when due and payable in accordance with the terms of the plan.

Method Used to Value Investments - Investments are reported at fair value. Investment income is recognized as earned.

C. Pension Contributions

	<u>Contribution as of 7/1/12</u>	<u>Contribution as of 7/1/13</u>	<u>Closed to New Employees*</u>
Police-IBPO Local 391	7.5%	7.5%	n/a
Public Works-AFSCME Local 1303-40	3.5%	4.0%	7/1/10
Town Hall/Dispatchers-AFSCME Local 1303-408	3.5%	4.0%	7/1/11
Town Supervisors-AFSCME Local 818	3.5%	4.0%	7/1/11
Library Supervisors-CILU Local 222 81-4081	3.5%	4.0%	7/1/12
Library Non-Supervisors-CILU Local 222 81-4082	3.5%	4.0%	7/1/12
BOE Secretarial/Clerical/Para.-CSEA/SEIU Local 2001, CTW	6.0%	6.0%	7/1/12
BOE Custodian and Maint.-CSEA/SEIU Local 2001, CTW	5.0%	5.0%	8/1/12
School Nurses-AFL-CIO	5.0%	5.0%	7/1/12
BOE Unaffiliated Group	5.0%	5.0%	10/1/12
Town Administrative Group	3.0%	3.0%	7/1/11

*New employees are eligible for a 401(a) Defined Contribution Plan, which was established by the Town in December 2010.

The Town is required to contribute the amount necessary to finance the benefits for its employees. For fiscal year ended June 30, 2014, the Town's required contribution was \$2,091,860, which represents 11.60% of covered payroll of \$18,036,168.

Administrative costs of the Plan are financed through investment earnings.

Investments

Investment Policy: The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the Pension Committee by a majority vote of its members. It is the policy of the Pension Committee to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The Plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. The following was the Committee's adopted asset allocation policy as of June 30, 2014:

<u>Asset Class</u>	<u>Target Allocation</u>
Cash/Short-Term Fixed Income	12.50 %
Core Fixed Income	22.50
Large Cap US Equities	45.00
Small Cap US Equities	5.00
Developed Foreign Equities	15.00
	<hr/>
Total	100.00 %
	<hr/> <hr/>

Rate of Return: For the year ended June 30, 2014, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 17.44%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net Pension Liability of the Town

In accordance with Government Accounting Standards Board Statement No. 67, the components of the net pension liability of the Town at June 30, 2014 were as follows:

Total pension liability	\$	93,191,852
Plan fiduciary net position		<u>84,850,085</u>
Net Pension Liability	\$	<u><u>8,341,767</u></u>
Plan fiduciary net position as a percentage of total pension liability		91.05%

The Town’s net pension liability will be required to be recorded on the government-wide statement of net position at June 30, 2015.

Actuarial Assumptions: The total pension liability was determined by an actuarial valuation as of June 30, 2014, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Salary increases	Service graded
Investment rate of return	7.625%, net of pension plan investment expense, including inflation

Mortality rates were based on the RP-2000 Mortality for Employees and Healthy Annuitants with generational projection per Scale AA; RP-2000 Mortality for Disabled Annuitants.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan’s target asset allocation as of June 30, 2014 (see the discussion of the pension plan’s investment policy) are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash/Short-Term Fixed Income	0.50 %
Core Fixed Income	2.20
Large Cap US Equities	5.86
Small Cap US Equities	7.64
Developed Foreign Equities	6.29

Discount Rate: The discount rate used to measure the total pension liability was 7.625%. 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.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate: The following presents the net pension liability of the Town, calculated using the discount rate of 7.625%, as well as what the Town's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.625%) or 1 percentage point higher (8.625%) than the current rate:

	<u>1% Decrease (6.625%)</u>	<u>Current Discount Rate (7.625%)</u>	<u>1% Increase (8.625%)</u>
Net Pension Liability	\$ 19,307,055	\$ 8,341,767	\$ (1,003,930)

D. Annual Pension Cost and Net Pension Asset

In accordance with GASB Statement No. 27, the Town's annual pension cost and net pension asset for the year ended June 30, 2014 are as follows:

Annual required contribution	\$ 2,091,860
Interest on net pension obligation	(7,873)
Adjustment to annual required contribution	6,681
Annual pension cost	<u>2,090,668</u>
Contributions made	<u>2,091,887</u>
Increase in net pension asset	(1,219)
Net pension asset - beginning of year	<u>(101,587)</u>
Net Pension Asset - End of Year	<u><u>\$ (102,806)</u></u>

E. Trend Information

<u>Fiscal Year Ended</u>	<u>Annual Pension Cost (APC)</u>	<u>Actual Contribution</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation (Asset)</u>
06/30/12	\$ 1,577,689	\$ 1,579,090	100%	\$ (100,269)
06/30/13	1,820,673	1,821,991	100%	(101,587)
06/30/14	2,090,668	2,091,887	100%	(102,806)

F. Pension Plan Required Supplementary Information

Schedule of Funding Progress (thousands)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability(AAL) Entry Age (b)	Overfunded (Unfunded) AAL (UAAL) (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((a-b)/c)
07/01/08	\$ 66,535	72,247	\$ (5,712)	92.1%	\$ 16,559	-34.5%
07/01/09	66,975	76,073	(9,098)	88.0%	17,170	-53.0%
07/01/10	66,585	75,716	(9,131)	87.9%	17,616	-51.8%
07/01/11	67,820	80,526	(12,706)	84.2%	18,056	-70.4%
07/01/12	67,898	84,152	(16,254)	80.7%	18,036	-90.1%
07/01/13	69,798	89,239	(19,441)	78.2%	17,725	-109.7%

State of Connecticut Teachers' Retirement System

All Town teachers participate in the State of Connecticut Teacher's Retirement System, a cost-sharing plan with a special funding situation, under Section 10.183 of the General Statutes of the State of Connecticut. This is a multiple employer PERS. A teacher is eligible to receive a normal retirement benefit if he or she has:

- Attained age 60 and has accumulated 20 years of credited service in the public schools of Connecticut, or;
- Attained any age and has accumulated 35 years of credited service, at least 25 years of which are service in the public schools of Connecticut.

The Board of Education withholds 7.25% of all teachers' annual salaries and transmits the funds to the State Teachers' Retirement Board. Teacher payroll subject to retirement amounted to \$24,647,733.

The retirement system for teachers is funded by the State based upon the recommendation of the Teachers' Retirement Board. Such contribution includes amortization of actuarially computed unfunded liability. For the year ended June 30, 2014, the Town has recorded in the General Fund (Exhibit IV) intergovernmental revenue schools and schools expenditures in the amount of \$6,178,042 as payments made by the State of Connecticut on behalf of the Town. The Town does not have any liability for teacher pensions.

The State of Connecticut Teacher Retirement System is considered to be a part of the State of Connecticut financial reporting entity and is included in the State's financial reports as a pension trust fund. Those reports may be obtained by writing to the State of Connecticut, Office of the State Comptroller, 55 Elm Street, Hartford, Connecticut 06106.

13. OTHER POSTEMPLOYMENT BENEFITS

A. Plan Description

The Town and Board of Education provide postretirement benefits, in accordance with various labor and personnel contracts, to employees meeting specific service and age requirements. The plan is a single employer defined benefit plan. The Town does not issue stand-alone financial statements for this program.

At July 1, 2013, plan membership consisted of the following:

	<u>Town Plan</u>	<u>Board of Education Plan</u>
Active plan members	143	390
Retired members	101	268
Spouses of retired members	64	32
Total Participants	<u>308</u>	<u>690</u>

B. Funding Policy

The Town's funding and payment of postemployment benefits were accounted for in the Retiree Health Fund on a pay-as-you-go basis. As of June 30, 2013, the Town has established a trust fund to irrevocably segregate assets to fund the liability associated with the postemployment benefits, which require the reporting of a trust fund in accordance with GASB guidelines. The Retiree Health Fund was combined into the OPEB Trust Fund effective July 1, 2012. The contribution requirements of plan members and the Town are also negotiated with the various unions representing the employees.

Police employees are required to contribute 1.5% of monthly earnings. AFSCME Local 1303-40 are required to contribute 2.0%, but those employees hired after July 1, 2010 are not eligible. Employees of AFSCME Local 1303-408 are required to contribute 2%. AFSCME Local 818 is required to contribute 2%, but those hired after July 1, 2008 are not eligible. Employees of CILU Local 222 81-4081 Library Supervisors and Local 222 81-4082 Library Non-Supervisors are required to contribute 2.5%. Employees of the Town Administrative Group are required to contribute 2%.

C. Annual OPEB Cost and Net OPEB Obligations

The Town's annual other postemployment benefit (OPEB) cost is calculated based on the annual required contribution (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the Town's annual OPEB cost for the year, the amount actually contributed to the plan and changes in the Town's net OPEB obligation:

	<u>Town and BOE Retiree Benefit Plan</u>
Annual required contribution (ARC)	\$ 6,029,000
Interest on net OPEB obligation	530,723
Adjustment to annual required contribution	(455,834)
Annual OPEB cost	<u>6,103,889</u>
Contributions made	<u>2,511,928</u>
Increase in net OPEB obligation	3,591,961
Net OPEB obligation - beginning of year	<u>8,164,972</u>
Net OPEB Obligation - end of year	<u>\$ 11,756,933</u>

The Town's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the fiscal years ended June 30, 2014 through June 30, 2012 are presented below.

<u>Year Ended</u>	<u>OPEB Cost (AOC)</u>	<u>Actual Contribution</u>	<u>Percentage of AOC Contributed</u>	<u>OPEB Obligation</u>
06/30/12	\$ 6,318,679	\$ 2,565,648	40.60 %	\$ 11,353,888
06/30/13	5,730,970	8,919,886	155.64	8,164,972
06/30/14	6,103,889	2,511,928	41.15	11,756,933

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as accrual results are compared with past expectations and new estimates are made about the future.

Projections for benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2013 actuarial valuation, the projected unit credit actuarial cost method was used. The annual required contribution (ARC) reflects a 30-year, decreasing amortization of the unfunded actuarial accrued liability (AAL). The actuarial assumptions include a 7.625% interest rate, annual payroll growth rate of 4.0% and an initial inflation rate of 6.8% with an ultimate inflation rate of 4.7% over 70 years. The actuarial value of assets was determined using the closed group method. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll.

Schedule of Funding Progress

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets (a)</u>	<u>Actuarial Accrued Liability(AAL) (b)</u>	<u>Overfunded (Unfunded) AAL (UAAL) (a-b)</u>	<u>Funded Ratio (a/b)</u>	<u>Covered Payroll (c)</u>	<u>UAAL as a % of Covered Payroll (a-b)/c)</u>
07/01/09	\$ -	\$ 63,878,000	\$ (63,878,000)	0.0%	\$ N/A	N/A
07/01/11	-	65,521,000	(65,521,000)	0.0%	37,651,000	-174.02%
07/01/13	6,441,315	56,829,797	(50,388,482)	11.3%	36,696,257	-137.31%

**Required
Supplementary
Information**

TOWN OF WETHERSFIELD, CONNECTICUT

GENERAL FUND

SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED JUNE 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		<u>Favorable (Unfavorable)</u>
Property taxes, interest and lien fees	\$ 77,393,254	\$ 77,393,254	\$ 78,321,007	\$ 927,753
Intergovernmental revenues:				
State of Connecticut - General Government	889,469	889,469	1,061,236	171,767
State of Connecticut - Board of Education	8,698,295	8,698,295	8,595,570	(102,725)
Total intergovernmental revenues	<u>9,587,764</u>	<u>9,587,764</u>	<u>9,656,806</u>	<u>69,042</u>
Licenses, fees and permits:				
Engineering	9,500	9,500	6,125	(3,375)
Town Clerk	4,000	4,000	3,284	(716)
Transfer station	25,000	25,000	27,353	2,353
Police	13,000	13,000	13,251	251
Building inspections	255,100	255,100	602,449	347,349
Total licenses, fees and permits	<u>306,600</u>	<u>306,600</u>	<u>652,462</u>	<u>345,862</u>
Charges for services:				
Town Clerk	370,000	370,000	358,705	(11,295)
Police	71,900	71,900	71,456	(444)
Recreation and parks	171,500	171,500	179,725	8,225
Rents			12,900	12,900
Library	19,000	19,000	19,499	499
Community Center	43,100	43,100	43,225	125
Refuse disposal	44,000	44,000	43,000	(1,000)
Youth Service Counseling	750	750		(750)
White goods pickup	4,000	4,000	3,580	(420)
False alarms	34,000	34,000	34,760	760
Dial-A-Ride membership	20,300	20,300	21,307	1,007
Computer services	1,500	1,500	1,976	476
Cell tower rental fees	236,595	236,595	241,561	4,966
Returned check fee	2,200	2,200	1,236	(964)
Tree services	20,000	20,000	18,223	(1,777)
Total charges for services	<u>1,038,845</u>	<u>1,038,845</u>	<u>1,051,153</u>	<u>12,308</u>

(Continued on next page)

TOWN OF WETHERSFIELD, CONNECTICUT

**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)**

FOR THE YEAR ENDED JUNE 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Fines and penalties	\$ 31,700	\$ 31,700	\$ 41,708	\$ 10,008
Interest on investments	100,000	100,000	60,476	(39,524)
Other revenues	107,689	107,689	177,181	69,492
Transfers in			53,429	53,429
Appropriation of Fund Balance	300,000	300,000		(300,000)
Total	\$ 88,865,852	\$ 88,865,852	90,014,222	\$ 1,148,370

Budgetary revenues are different than GAAP revenues because:

State of Connecticut on-behalf contributions to the Connecticut State Teachers'

Retirement System for Town teachers are not budgeted

6,178,042

Compensated absences fund not budgeted for (combined for GASB 54)

794

State of Connecticut grants for Special Education Excess Costs are netted for budgetary purposes

1,484,892

Other State of Connecticut grants netted for budgetary purposes

19,550

Net tuition amounts for the Board of Education

256,189

Encumbrances outstanding at June 30, 2013, cancelled during the year ended June 30, 2014

(12,677)

Total Revenues and Other Financing Sources as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds Exhibit IV

\$ 97,941,012

TOWN OF WETHERSFIELD, CONNECTICUT

GENERAL FUND

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED JUNE 30, 2014

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)
	Original	Final		
General Government:				
Town Council	\$ 99,145	\$ 89,518	\$ 89,518	\$ -
Town Manager	418,727	420,103	420,103	-
Town Attorney	100,000	233,280	233,280	-
Town Clerk	257,811	238,253	238,253	-
Registrar of Voters	129,971	87,065	87,065	-
Town Treasurer	3,648	3,047	3,047	-
Finance/Accounting	563,931	559,400	549,400	10,000
Employee Benefits	1,484,272	1,419,272	1,419,272	-
Information processing	510,074	393,514	393,514	-
Tax collection	240,560	241,073	241,073	-
Assessment	336,366	329,728	329,728	-
Central office services	216,774	214,797	214,797	-
Probate court	32,541	32,328	32,328	-
Economic Development	300,592	282,662	282,662	-
Building Inspection	407,205	367,517	367,517	-
Total general government	<u>5,101,617</u>	<u>4,911,557</u>	<u>4,901,557</u>	<u>10,000</u>
Public Safety:				
Police	8,371,366	8,107,297	8,107,297	-
Fire suppression	685,388	646,004	646,004	-
Fire Marshal	138,730	147,526	147,526	-
Town wide radio system	365,535	203,500	203,500	-
Emergency Medical Services	21,530	21,113	21,113	-
Total public safety	<u>9,582,549</u>	<u>9,125,440</u>	<u>9,125,440</u>	<u>-</u>
Public Works:				
Engineering	701,725	699,040	698,638	402
Physical services	7,335,361	7,651,603	7,651,603	-
Total public works	<u>8,037,086</u>	<u>8,350,643</u>	<u>8,350,241</u>	<u>402</u>
Social Services:				
Tri-Town Health District	125,176	125,176	125,176	-
Social and youth services	683,260	642,084	642,084	-
Total social services	<u>808,436</u>	<u>767,260</u>	<u>767,260</u>	<u>-</u>

(Continued on next page)

TOWN OF WETHERSFIELD, CONNECTICUT

GENERAL FUND

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2014

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Library	\$ 1,802,975	\$ 1,785,578	\$ 1,785,149	\$ 429
Recreation and Parks	1,622,982	1,586,803	1,584,881	1,922
Contingency	340,000			-
Insurance	648,227	619,257	619,257	-
Metropolitan District Commission	2,932,082	2,829,570	2,829,570	-
Debt Service:				
Principal retirement	2,325,000	2,325,000	2,325,000	-
Interest	911,243	911,243	911,243	-
Bond issuance cost	142,696			-
Total debt service	3,378,939	3,236,243	3,236,243	-
Board of Education:				
General expenditures	53,098,059	53,098,059	53,072,660	25,399
Total expenditures	87,352,952	86,310,410	86,272,258	38,152
Other Financing Uses:				
Transfers out	1,512,900	2,555,442	2,555,442	-
Total	\$ 88,865,852	\$ 88,865,852	88,827,700	\$ 38,152
Budgetary expenditures are different than GAAP expenditures because:				
State of Connecticut on-behalf payments to the Connecticut State Teachers' Retirement System for Town teachers are not budgeted			6,178,042	
State of Connecticut grants for Special Education Excess Costs are netted for budgetary purposes			1,484,892	
Other State of Connecticut grants netted for budgetary purposes			19,550	
Compensated absences fund not budgeted for (combined for GASB 54)			(39,592)	
Net tuition amounts for the Board of Education			256,189	
Encumbrances outstanding at June 30, 2013, liquidated during the year ended June 30, 2014			391,529	
Encumbrances outstanding at June 30, 2014			(484,416)	
Total Expenditures and Other Financing Uses as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds - Exhibit IV			\$ 96,633,894	

TOWN OF WETHERSFIELD, CONNECTICUT

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

LAST FISCAL YEAR

	<u>2014</u>
Total pension liability:	
Service cost	\$ 1,902,067
Interest	6,770,841
Effect of economic/demographic gains	53,656
Benefit payments, including refunds of member contributions	<u>(4,773,442)</u>
Net change in total pension liability	3,953,122
Total pension liability - beginning	<u>89,238,730</u>
Total pension liability - ending	<u>93,191,852</u>
Plan fiduciary net position:	
Contributions - employer	2,091,887
Contributions - member	1,008,558
Net investment income	12,776,568
Benefit payments, including refunds of member contributions	(4,773,442)
Administrative expense	<u>(101,329)</u>
Net change in plan fiduciary net position	11,002,242
Plan fiduciary net position - beginning	<u>73,847,843</u>
Plan fiduciary net position - ending	<u>84,850,085</u>
Net Pension Liability - Ending	<u>\$ 8,341,767</u>
Plan fiduciary net position as a percentage of the total pension liability	91.05%
Covered-employee payroll	\$ 18,036,168
Net pension liability as a percentage of covered-employee payroll	46.25%

TOWN OF WETHERSFIELD, CONNECTICUT

SCHEDULE OF EMPLOYER CONTRIBUTIONS

LAST TEN FISCAL YEARS

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Actuarially determined contribution	\$ 2,091,860	\$ 1,821,991	\$ 1,579,090	\$ 1,494,228	\$ 1,204,694	\$ 1,193,687	\$ 1,146,403	\$ 982,985	\$ 782,508	\$ 595,859
Contributions in relation to the actuarially determined contribution	<u>2,091,887</u>	<u>1,821,991</u>	<u>1,579,090</u>	<u>1,494,228</u>	<u>1,204,694</u>	<u>1,193,687</u>	<u>1,146,403</u>	<u>982,985</u>	<u>745,694</u>	<u>596,661</u>
Contribution Deficiency (Excess)	\$ <u>(27)</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>36,814</u>	\$ <u>(802)</u>					
Covered-employee payroll	\$ 18,036,168	\$ 18,055,698	\$ 17,616,312	\$ 17,170,206	\$ 16,559,221	\$ 15,914,306	\$ 14,770,383	\$ 13,775,647	\$ 13,007,309	\$ 11,972,697
Contributions as a percentage of covered-employee payroll	11.60%	10.09%	8.96%	8.70%	7.28%	7.50%	7.76%	7.14%	5.73%	4.98%

Notes to Schedule

Valuation date: July 1, 2013
 Measurement date: June 30, 2014
 Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported

Methods and assumptions used to determine contribution rates:

Actuarial cost method: Entry age
 Amortization method: Level percentage of payroll, closed
 Remaining amortization period: 26 years for town and BOE, 21 years for Police
 Asset valuation method: 5-year smoothed market
 Inflation: 2.75%
 Salary increases: Service Graded
 Investment rate of return: 7.625%, net of pension plan investment expense, including inflation
 Retirement age: Varies by age and service
 Mortality: RP-2000 Mortality for Employees and Healthy Annuitants with generational projection per Scale AA; RP-2000 Mortality for Disabled Annuitants

TOWN OF WETHERSFIELD, CONNECTICUT

SCHEDULE OF INVESTMENT RETURNS

LAST FISCAL YEAR

2014

Annual money-weighted rate of return, net of investment expense

17.44%

**Combining and
Individual Fund
Statements and
Schedules**

General Fund

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.

There are also funds that do not meet the definition of a special revenue fund in accordance with GASB 54, which are combined with the General Fund.

Compensated Absence Fund - To account for a reserve for the purpose of paying out amounts owed to employees for accumulated vacation and sick time accruals paid out at the time of retirement.

TOWN OF WETHERSFIELD, CONNECTICUT

GENERAL FUND

COMPARATIVE BALANCE SHEET

JUNE 30, 2014 AND 2013

	<u>2014</u>	<u>2013</u>
ASSETS		
Cash and cash equivalents	\$ 8,958,555	\$ 9,515,545
Investments		1,755,325
Property taxes receivable, net of allowance \$169,100 in 2014 and \$260,100 in 2013	1,913,109	1,967,938
Other receivables	109,532	575,694
Due from other funds	<u>8,321,545</u>	<u>2,648,045</u>
Total Assets	<u>\$ 19,302,741</u>	<u>\$ 16,462,547</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE		
Liabilities:		
Accounts payable and accrued items	\$ 3,521,916	\$ 2,556,538
Due to other governments	30,241	1,917
Deferred revenues	15,454	16,822
Total liabilities	<u>3,567,611</u>	<u>2,575,277</u>
Deferred inflows of resources:		
Unavailable revenue - property taxes	1,661,082	1,819,353
Advance property tax collections	2,285,348	1,586,335
Total deferred inflows of resources	<u>3,946,430</u>	<u>3,405,688</u>
Fund balance:		
Committed	414,179	373,793
Assigned	1,126,833	796,624
Unassigned	10,247,688	9,311,165
Total fund balance	<u>11,788,700</u>	<u>10,481,582</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 19,302,741</u>	<u>\$ 16,462,547</u>

TOWN OF WETHERSFIELD, CONNECTICUT

GENERAL FUND

COMBINING BALANCE SHEET SCHEDULE

JUNE 30, 2014

	<u>General Fund</u>	<u>Compensated Absence Fund</u>	<u>Combined</u>
ASSETS			
Cash and cash equivalents	\$ 8,533,887	\$ 424,668	\$ 8,958,555
Property taxes receivable, net	1,913,109		1,913,109
Other receivables	109,532		109,532
Due from other funds	<u>8,321,545</u>		<u>8,321,545</u>
Total Assets	<u>\$ 18,878,073</u>	<u>\$ 424,668</u>	<u>\$ 19,302,741</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities:			
Accounts payable and accrued items	\$ 3,511,427	\$ 10,489	\$ 3,521,916
Due to other governments	30,241		30,241
Deferred revenues	<u>15,454</u>		<u>15,454</u>
Total liabilities	<u>3,557,122</u>	<u>10,489</u>	<u>3,567,611</u>
Deferred inflows of resources:			
Unavailable revenue - property taxes	1,661,082		1,661,082
Advance property tax collections	<u>2,285,348</u>		<u>2,285,348</u>
Total deferred inflows of resources	<u>3,946,430</u>	<u>-</u>	<u>3,946,430</u>
Fund balance:			
Committed		414,179	414,179
Assigned	1,126,833		1,126,833
Unassigned	<u>10,247,688</u>		<u>10,247,688</u>
Total fund balance	<u>11,374,521</u>	<u>414,179</u>	<u>11,788,700</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 18,878,073</u>	<u>\$ 424,668</u>	<u>\$ 19,302,741</u>

TOWN OF WETHERSFIELD, CONNECTICUT

GENERAL FUND

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

JUNE 30, 2014

	<u>General</u>	<u>Compensated Absence Fund</u>	<u>Eliminating Entries</u>	<u>Total General Fund</u>
Revenues:				
Property taxes, interest and lien fees	\$ 78,321,007	\$	\$	\$ 78,321,007
Intergovernmental revenues	17,339,290			17,339,290
Licenses, fees and permits	694,170			694,170
Charges for services	1,237,342			1,237,342
Interest and dividends	60,476	794		61,270
Other local revenues	164,504			164,504
Total revenues	<u>97,816,789</u>	<u>794</u>	<u>-</u>	<u>97,817,583</u>
Expenditures:				
Current:				
Public safety	9,242,982			9,242,982
Public works	8,298,582			8,298,582
Recreation and parks	1,591,171			1,591,171
Social services	791,675			791,675
Library	1,799,942			1,799,942
General government	8,361,750	76,227		8,437,977
Education	60,950,236			60,950,236
Debt service	3,236,244			3,236,244
Total expenditures	<u>94,272,582</u>	<u>76,227</u>	<u>-</u>	<u>94,348,809</u>
Excess (Deficiency) of Revenues over Expenditures	<u>3,544,207</u>	<u>(75,433)</u>	<u>-</u>	<u>3,468,774</u>
Other Financing Sources (Uses):				
Transfers in	123,429	115,819	(115,819)	123,429
Transfers out	<u>(2,400,904)</u>		<u>115,819</u>	<u>(2,285,085)</u>
Total other financing sources (uses)	<u>(2,277,475)</u>	<u>115,819</u>	<u>-</u>	<u>(2,161,656)</u>
Net Change in Fund Balances	1,266,732	40,386	-	1,307,118
Fund Balances at Beginning of Year	<u>10,107,789</u>	<u>373,793</u>		<u>10,481,582</u>
Fund Balances at End of Year	<u>\$ 11,374,521</u>	<u>\$ 414,179</u>	<u>\$ -</u>	<u>\$ 11,788,700</u>

TOWN OF WETHERSFIELD, CONNECTICUT

GENERAL FUND

REPORT OF TAX COLLECTOR

FOR THE YEAR ENDED JUNE 30, 2014

Grand List	Uncollected Taxes June 30, 2013 and Current Levy	Current Year Levy	Lawful Corrections		Transfers To Suspense	Adjusted Tax Levy	Collections				Uncollected Taxes June 30, 2014	
			Additions	Deletions			Taxes	Paid Suspense	Interest and Liens	Refunds		Total
1997	\$ 5,159	\$	\$	\$ 5,159	\$	\$ -	\$	\$	\$	\$	\$ -	\$ -
1998	5,195					5,195					-	5,195
1999	4,942		115			5,057					-	5,057
2000	5,187		152			5,339					-	5,339
2001	52,399			411		51,988	296		27		323	51,692
2002	38,242					38,242	367		336		703	37,875
2003	37,631					37,631	298		693		991	37,333
2004	83,856		136	46	323	83,623	1,972		2,706	46	4,632	81,697
2005	89,191		146	94	347	88,896	3,880		4,971	94	8,757	85,110
2006	107,550		148	96	352	107,250	10,766		10,036	96	20,706	96,580
2007	182,601		158	92	371	182,296	23,899		26,863	92	50,670	158,489
2008	194,945		138	603	328	194,152	52,084		25,857	70	77,871	142,138
2009	283,585		849	298	328	283,808	107,519		57,108	72	164,555	176,361
2010	357,786		35,040	3,142	336	389,348	240,989		76,907	201	317,695	148,560
2011	787,864		38,613	11,569	349	814,559	572,546		124,131	12,894	683,783	254,907
Total prior years	2,236,133	-	75,495	21,510	2,734.00	2,287,384	1,014,616	-	329,635	13,565	1,330,686	1,286,333
2012		78,231,930	120,370	228,049	355	78,123,896	77,359,930	-	189,520	36,054	77,513,396	800,020
Total	\$ 2,236,133	\$ 78,231,930	\$ 195,865	\$ 249,559	\$ 3,089	\$ 80,411,280	\$ 78,374,546	\$ -	\$ 519,155	\$ 49,619	\$ 78,844,082	\$ 2,086,353

Nonmajor Governmental Funds

Special Revenue Funds

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specific purposes other than debt and capital projects.

Animal Control Fund - To account for the operation of animal control. Financing is provided by license fees and rental of the animal control facility.

Small Cities - To account for federal grant revenues from the U.S. Department of Housing and Urban Development and subsequent loans to entities.

School Cafeteria - To account for the operation of the public school lunch program. Financing is provided by the sale of food and by State grants.

Municipal Grant Fund - To account for the operations of various programs funded by State and Federal grants.

Education Grant Fund - To account for the operations of various educational programs funded by State and Federal grants.

Police Grant Fund - To account for various law enforcement programs funded by State and Federal grants.

Wethersfield Cove Preservation Fund - To account for receipt of income from boaters and moorings at the Wethersfield Cove and for the expenditures of these funds for the purpose of maintenance, staffing and improving Wethersfield Cove Park.

Land Acquisition Fund - To account for monies being accumulated to purchase and preserve open space throughout the Town. Financing is provided through the sale of surplus town real property and town appropriations.

EDIC Loan Repayment Program - To account for façade loan program. Loans are given to businesses for façade improvements and forgiven after 10 years. If the business closes or moves, they must repay the loan.

Nature Center - To account for the operations of the Town's Nature Center (Eleanor Buck Wolf Nature Center) program. Financing is provided through fees charged for programs, donations, private contributions and town appropriations.

Police Private Duty - To account for charges for services related to police traffic duty. Police private duty payroll is charged to this fund and then billed out to the vendors with an added fringe benefit factor. This fund reimburses fringe benefits and administrative costs of the General Fund through an operating transfer.

Radio System Rebanding - To account for an advance payment from NEXTEL for the cost of staff as a result of forced rebanding.

NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)

Special Revenue Funds (Continued)

Agricultural Land Preservation Fund - To account for funds received in accordance with Section 7-131 of the Connecticut General Statutes for agricultural land preservation.

Cottone Field Fund - To account for donations to purchase and or maintain the lights at High School Football field.

Recreation Fund - Handles all the self-sustaining programs of the Parks & Recreation Department. The fees collected and costs for all programs are deposited in the account.

Community Development Fund - Accounts for various projects such as Town Guide advertising, Silas Deane Highway tree donations, the Wethersfield Farmers Market and Energy Funds.

Park Programs Fund - Accounts for various park programs such as the dog park, the skate park and reserves for the 375th anniversary.

Social and Youth Services Fund - Accounts for various health and welfare programs and youth service programs including the Senior Center operations, the Computer Learning Center, the Youth Services Crossroads Program, Special needs and Camping programs.

Solomon Welles House - The Recreation Department oversees the rental of the Solomon Welles Home. This fund receives money from the rental of the Solomon Welles House. The income pays for the personnel on duty to provide security and maintaining the home. After expenses, funds are transferred to the Town General Fund to meet the revenue projections for the Parks & Recreation Department.

Pitkin Community Center - This fund receives money from the rental of rooms to groups and residents. The income pays for a custodian to work beyond their normal shift for the setup, cleanup and security for the rental. After these expenses, the funds are transferred to the Town General Fund to meet the revenue projections for the Community Center.

Mill Woods Fund - The fields and facilities in the park are rented out and the proceeds are used to improve park facilities.

TOWN OF WETHERSFIELD, CONNECTICUT

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2014

Special Revenue Funds

	Special Revenue Funds							
	Animal Control	Small Cities Housing Rehabilitation	School Cafeteria	State and Federal Grants			Cove Preservation	Land Acquisition
				Municipal	Education	Police		
ASSETS								
Cash and cash equivalents	\$ 46,388	\$ 166,034	\$ 429,865	\$ 98,295	\$ -	\$ 1,342,099	\$ 230,067	\$ 8,513
Accounts receivables, net	1,281	613,821	77,228	40	377,538	7,857		
Inventory			21,433					
Total Assets	\$ 47,669	\$ 779,855	\$ 528,526	\$ 98,335	\$ 377,538	\$ 1,349,956	\$ 230,067	\$ 8,513
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES								
Liabilities:								
Accounts payable and accrued items	\$ 200	\$ -	\$ 220,125	\$ 10,315	\$ 7,354	\$ 81,650	\$ 25	\$ -
Unearned revenue				67,859	205,265	993,984		
Due to other funds			5,558		164,919			
Total liabilities	200	-	225,683	78,174	377,538	1,075,634	25	-
Deferred inflows of resources:								
Unearned revenue - loans receivable		613,821						
Advance fee collections								
Total deferred inflows of resources	-	613,821	-	-	-	-	-	-
Fund Balances:								
Nonspendable			21,433					
Restricted		166,034	77,228	20,161		274,322		
Committed	47,469		204,182				230,042	8,513
Unassigned								
Total fund balance	47,469	166,034	302,843	20,161	-	274,322	230,042	8,513
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 47,669	\$ 779,855	\$ 528,526	\$ 98,335	\$ 377,538	\$ 1,349,956	\$ 230,067	\$ 8,513

(Continued on next page)

TOWN OF WETHERSFIELD, CONNECTICUT

COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2014

Special Revenue Funds

	<u>EDIC Loan Repayment</u>	<u>Nature Center</u>	<u>Police Private Duty</u>	<u>Radio System Rebanding</u>	<u>Agricultural Land Preservation</u>	<u>Cottone Field Donations</u>	<u>Recreation Fund</u>
ASSETS							
Cash and cash equivalents	\$ 65,832	\$ 125,144	\$ 131,295	\$ 5,754	\$ 361,035	\$ 14,327	\$ 747,020
Accounts receivables, net	20,264		132,731				
Inventory							
Total Assets	<u>\$ 86,096</u>	<u>\$ 125,144</u>	<u>\$ 264,026</u>	<u>\$ 5,754</u>	<u>\$ 361,035</u>	<u>\$ 14,327</u>	<u>\$ 747,020</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities:							
Accounts payable and accrued items	\$ 264	\$ 7,307	\$ 22,662	\$ -	\$ -	\$ -	\$ 20,187
Unearned revenue							
Due to other funds							
Total liabilities	<u>264</u>	<u>7,307</u>	<u>22,662</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,187</u>
Deferred inflows of resources:							
Unearned revenue - loans receivable							
Advance fee collections		90,968					
Total deferred inflows of resources	<u>-</u>	<u>90,968</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:							
Nonspendable							
Restricted						14,327	
Committed	85,832	26,869	241,364	5,754	361,035		726,833
Unassigned							
Total fund balance	<u>85,832</u>	<u>26,869</u>	<u>241,364</u>	<u>5,754</u>	<u>361,035</u>	<u>14,327</u>	<u>726,833</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 86,096</u>	<u>\$ 125,144</u>	<u>\$ 264,026</u>	<u>\$ 5,754</u>	<u>\$ 361,035</u>	<u>\$ 14,327</u>	<u>\$ 747,020</u>

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TOWN OF WETHERSFIELD, CONNECTICUT

COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2014

	Special Revenue Funds						Total Nonmajor Governmental Funds
	Community Development Fund	Park Programs	Social and Youth Services	Solomon Welles House	Pitkin Community Center	Mill Woods Fund	
ASSETS							
Cash and cash equivalents	\$ 16,691	\$ 16,212	\$ 446,768	\$ 3,465	\$ 23,691	\$ 130,464	\$ 4,408,959
Accounts receivables, net							1,230,760
Inventory							21,433
Total Assets	<u>\$ 16,691</u>	<u>\$ 16,212</u>	<u>\$ 446,768</u>	<u>\$ 3,465</u>	<u>\$ 23,691</u>	<u>\$ 130,464</u>	<u>\$ 5,661,152</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities:							
Accounts payable and accrued items	\$	\$	\$ 8,212	\$ 200	\$	\$	\$ 378,501
Unearned revenue							1,267,108
Due to other funds							170,477
Total liabilities	<u>-</u>	<u>-</u>	<u>8,212</u>	<u>200</u>	<u>-</u>	<u>-</u>	<u>1,816,086</u>
Deferred inflows of resources:							
Unearned revenue - loans receivable							613,821
Advance fee collections							90,968
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>704,789</u>
Fund Balances:							
Nonspendable							21,433
Restricted	2,482	6,905	344,872				906,331
Committed	14,209	9,307	93,684	3,265	23,691	130,464	2,212,513
Unassigned							-
Total fund balance	<u>16,691</u>	<u>16,212</u>	<u>438,556</u>	<u>3,265</u>	<u>23,691</u>	<u>130,464</u>	<u>3,140,277</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 16,691</u>	<u>\$ 16,212</u>	<u>\$ 446,768</u>	<u>\$ 3,465</u>	<u>\$ 23,691</u>	<u>\$ 130,464</u>	<u>\$ 5,661,152</u>

TOWN OF WETHERSFIELD, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2014

	Special Revenue Funds							
	Animal Control	Small Cities Housing Rehabilitation	School Cafeteria	State and Federal Grants			Cove Preservation	Land Acquisition
				Municipal	Education	Police		
Revenues:								
Intergovernmental revenues	\$	\$ 419,701	\$ 473,491	\$ 81,841	\$ 1,500,638	\$ 163,935	\$ 5,209	\$
Licenses, fees and permits	15,555							
Charges for services			892,299				19,256	
Investment gain		25				1,106	384	16
Donations				4,756		11,581		
Other revenue		111,750	19,935			855		
Total revenues	15,555	531,476	1,385,725	86,597	1,500,638	177,477	24,849	16
Expenditures:								
Current:								
Public safety	10,446					30,741		
Recreation and parks							4,476	
Social services								
General government		419,701		129,392				
Education			1,301,112		1,500,638			
Capital outlay						121,126	379	
Total expenditures	10,446	419,701	1,301,112	129,392	1,500,638	151,867	4,855	-
Excess (Deficiency) of Revenues over Expenditures	5,109	111,775	84,613	(42,795)	-	25,610	19,994	16
Other Financing Sources (Uses):								
Transfers in								
Transfers out								
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Net Change in Fund Balances	5,109	111,775	84,613	(42,795)	-	25,610	19,994	16
Fund Balances at Beginning of Year	42,360	54,259	218,230	62,956	-	248,712	210,048	8,497
Fund Balances at End of Year	\$ 47,469	\$ 166,034	\$ 302,843	\$ 20,161	\$ -	\$ 274,322	\$ 230,042	\$ 8,513

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TOWN OF WETHERSFIELD, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2014

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	Special Revenue Funds						
	EDIC Loan Repayment	Nature Center	Police Private Duty	Radio System Rebanding	Agricultural Land Preservation	Cottone Field Donations	Recreation Fund
Revenues:							
Intergovernmental revenues	\$ 18,687						
Licenses, fees and permits							
Charges for services		95,674	518,553				569,206
Investment gain					656		
Donations		1,531					
Other revenue							
Total revenues	<u>18,687</u>	<u>97,205</u>	<u>518,553</u>	<u>-</u>	<u>656</u>	<u>-</u>	<u>569,206</u>
Expenditures:							
Current:							
Public safety			404,258				
Recreation and parks		91,656					518,119
Social services							
General government	67,592						
Education							
Capital outlay							
Total expenditures	<u>67,592</u>	<u>91,656</u>	<u>404,258</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>518,119</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(48,905)</u>	<u>5,549</u>	<u>114,295</u>	<u>-</u>	<u>656</u>	<u>-</u>	<u>51,087</u>
Other Financing Sources (Uses):							
Transfers in	50,000	4,100					
Transfers out			(70,000)				
Total other financing sources (uses)	<u>50,000</u>	<u>4,100</u>	<u>(70,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	1,095	9,649	44,295	-	656	-	51,087
Fund Balances at Beginning of Year	<u>84,737</u>	<u>17,220</u>	<u>197,069</u>	<u>5,754</u>	<u>360,379</u>	<u>14,327</u>	<u>675,746</u>
Fund Balances at End of Year	<u>\$ 85,832</u>	<u>\$ 26,869</u>	<u>\$ 241,364</u>	<u>\$ 5,754</u>	<u>\$ 361,035</u>	<u>\$ 14,327</u>	<u>\$ 726,833</u>

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TOWN OF WETHERSFIELD, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2014

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	Special Revenue Funds						Total Nonmajor Governmental Funds
	Community Development Fund	Park Programs	Social and Youth Services	Solomon Welles House	Pitkin Community Center	Mill Woods Fund	
Revenues:							
Intergovernmental revenues	\$	\$	\$ 6,171	\$	\$	\$	\$ 2,669,673
Licenses, fees and permits							15,555
Charges for services	2,052	1,173	15,285	15,035	54,431	28,750	2,211,714
Investment gain			621				2,808
Donations			47,435				65,303
Other revenue							132,540
Total revenues	<u>2,052</u>	<u>1,173</u>	<u>69,512</u>	<u>15,035</u>	<u>54,431</u>	<u>28,750</u>	<u>5,097,593</u>
Expenditures:							
Current:							
Public safety							445,445
Recreation and parks		1,544		16,710	57,178	11,097	700,780
Social services			66,579				66,579
General government	10,148						626,833
Education							2,801,750
Capital outlay							121,505
Total expenditures	<u>10,148</u>	<u>1,544</u>	<u>66,579</u>	<u>16,710</u>	<u>57,178</u>	<u>11,097</u>	<u>4,762,892</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(8,096)</u>	<u>(371)</u>	<u>2,933</u>	<u>(1,675)</u>	<u>(2,747)</u>	<u>17,653</u>	<u>334,701</u>
Other Financing Sources (Uses):							
Transfers in							54,100
Transfers out							(70,000)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(15,900)</u>
Net Change in Fund Balances	(8,096)	(371)	2,933	(1,675)	(2,747)	17,653	318,801
Fund Balances at Beginning of Year	<u>24,787</u>	<u>16,583</u>	<u>435,623</u>	<u>4,940</u>	<u>26,438</u>	<u>112,811</u>	<u>2,821,476</u>
Fund Balances at End of Year	<u>\$ 16,691</u>	<u>\$ 16,212</u>	<u>\$ 438,556</u>	<u>\$ 3,265</u>	<u>\$ 23,691</u>	<u>\$ 130,464</u>	<u>\$ 3,140,277</u>

Internal Service Funds

Internal Service Funds are used to account for any activity that provides goods or services to other funds, departments or agencies of the primary government on a cost-reimbursement basis.

Heart and Hypertension Fund - To account for monies accumulated to pay claims for police officers, hired before 1995, who incur hypertension or heart problems as a result of work conditions.

Hospital and Medical Insurance Fund - To account for the operation of a medical liability fund for Town and Board of Education employee claims. Financing is provided by General Fund contributions, employee contributions and investment earnings.

TOWN OF WETHERSFIELD, CONNECTICUT

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS

JUNE 30, 2014

	<u>Heart and Hypertension</u>	<u>Hospital Medical Insurance</u>	<u>Total</u>
Assets:			
Cash and cash equivalents	\$ 708,886	\$ 5,435,018	\$ 6,143,904
Accounts receivable		4,225	4,225
Total assets	<u>708,886</u>	<u>5,439,243</u>	<u>6,148,129</u>
Liabilities:			
Current:			
Accounts payable		910	910
Claims incurred but not reported	5,000	433,762	438,762
Total current liabilities	<u>5,000</u>	<u>434,672</u>	<u>439,672</u>
Noncurrent:			
Claims incurred but not reported	260,120		260,120
Total liabilities	<u>265,120</u>	<u>434,672</u>	<u>699,792</u>
Net Position	<u>\$ 443,766</u>	<u>\$ 5,004,571</u>	<u>\$ 5,448,337</u>

TOWN OF WETHERSFIELD, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS

FOR THE YEAR ENDED JUNE 30, 2014

	<u>Heart and Hypertension</u>	<u>Hospital Medical Insurance</u>	<u>Total</u>
Operating Revenues:			
Contributions	\$ 80,500	\$ 8,917,426	\$ 8,997,926
Operating Expenses:			
Employee benefits	126,850	6,764,594	6,891,444
Other expenses	<u>126,850</u>	<u>1,111,962</u>	<u>1,111,962</u>
Total operating expenses	<u>126,850</u>	<u>7,876,556</u>	<u>8,003,406</u>
Operating Income (Loss)	<u>(46,350)</u>	<u>1,040,870</u>	<u>994,520</u>
Nonoperating Revenue:			
Income on investments	1,406	3,638	5,044
Other	<u>193,506</u>	<u>193,506</u>	<u>193,506</u>
Total nonoperating revenue	<u>194,912</u>	<u>3,638</u>	<u>198,550</u>
Change in Net Position	148,562	1,044,508	1,193,070
Net Position at Beginning of Year	<u>295,204</u>	<u>3,960,063</u>	<u>4,255,267</u>
Net Position at End of Year	<u>\$ 443,766</u>	<u>\$ 5,004,571</u>	<u>\$ 5,448,337</u>

TOWN OF WETHERSFIELD, CONNECTICUT

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS

FOR THE YEAR ENDED JUNE 30, 2014

	<u>Heart and Hypertension</u>	<u>Hospital Medical Insurance</u>	<u>Total</u>
Cash Flows from Operating Activities:			
Receipts from customers and users	\$ 80,500	\$ 8,913,631	\$ 8,994,131
Payments to suppliers		(1,111,962)	(1,111,962)
Payments to employees	(127,161)	(6,793,356)	(6,920,517)
Net cash provided by (used in) operating activities	<u>(46,661)</u>	<u>1,008,313</u>	<u>961,652</u>
Cash Flows from Investing Activities:			
Income on investments	<u>1,406</u>	<u>3,638</u>	<u>5,044</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(45,255)	1,011,951	966,696
Cash and Cash Equivalents at Beginning of Year	<u>754,141</u>	<u>4,423,067</u>	<u>5,177,208</u>
Cash and Cash Equivalents at End of Year	<u>\$ 708,886</u>	<u>\$ 5,435,018</u>	<u>\$ 6,143,904</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used In) Operating Activities:			
Operating income (loss)	\$ <u>(46,350)</u>	\$ <u>1,040,870</u>	\$ <u>994,520</u>
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Increase in accounts receivable		(3,795)	(3,795)
Decrease in accrued expenses	<u>(311)</u>	<u>(28,762)</u>	<u>(29,073)</u>
Total adjustments	<u>(311)</u>	<u>(32,557)</u>	<u>(32,868)</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ (46,661)</u>	<u>\$ 1,008,313</u>	<u>\$ 961,652</u>

Fiduciary Funds

Fiduciary funds are used to account for assets held by the Town in a trustee capacity for individuals, private organizations or other governments.

Pension Trust Funds

To account for the Town's single employer defined benefit pension plan that provides pension benefits for full-time personnel except teachers of the Board of Education who are covered under the State Teachers' Retirement System.

Other Postemployment Benefit Trust Fund

To account the accumulation of resources for other postemployment benefit payments to qualified employees for both the Town and Board of Education.

Private-Purpose Trust Funds

A fiduciary trust fund type used to report all trust arrangements, other than those properly reported in a pension trust fund or investment trust fund, under which principal and income benefit individuals, private organizations or other governments.

Mayor Volunteer Recognition Fund - Former Mayor Betty Rosania created the fund and has control over where and when the money will be spent.

Public Library Trust Fund - To account for monies provided by private donors for the acquisition of books, materials or other related library services.

Library Legacy Trust Fund - To account for public donations made to the Library in the form of bequeaths, memorial and tribute donations for which only the interest may be spent to benefit the Library.

Jane Sjomon Library Trust Fund - To account for a private permanent endowment from Jane Sjomon to the Wethersfield Library. Only the income may be used for books or other items for the adult collection.

Katherine E. Smith Trust Fund - To account for funds bequeathed to the Town for the care upkeep, development and preservation of the public park known as the "Broad Street Green." Level of authority is Board of Park Commissioners.

Frank Weston Trust Fund - This account receives money from a trust fund. The monies are used to maintain a rose garden and flower beds around the Town Hall in accordance with the will of Mr. Frank Weston and the subsequent trust agreement.

Terlecki Trust Fund - To account for funds bequeathed to the Town for use by the animal control operation to neuter dogs; for alcohol abuse counseling in the Police division; and for any purpose by the volunteer ambulance association.

FIDUCIARY FUNDS (CONTINUED)

Fire Fighters Trust Fund - To account for benefits to be paid out to firefighters upon retirement from the volunteer fire fighter department.

Agency Funds

Agency funds are used to report resources held by the reporting government in a purely custodial capacity (assets equal liabilities).

Town Escrow

The Town Escrow Fund holds resources in a purely custodial capacity for the following activities:

Wethersfield Ski/Snowboard Club - This fund accounts for the income and expenditures for ski trips for members of the club.

CT Clean Energy Fund - To account for funds that will be used to assist individuals in clean energy home improvements.

Handicapped - This account is used by the Wethersfield Advisory Committee for People with Disabilities (WACPD). Donations received on behalf of WACPD are recorded here and various program expenses are paid from this account.

Wethersfield Fuel Bank - This is a 100% donor fund into which individuals and businesses contribute. All funds are used to assist residents with winter heating needs when they have exhausted CRT and Operation Fuel grants. Annual appeals are made for donations to area businesses. This account is used to record the disbursement of the funds.

Youth Advisory Board - This is the account into which contributions and fund raising efforts for the Advisory Board are deposited. No Town funds are contributed. Funds are used to support YAB activities.

Jefferson House - This account is used to hold donations from the Jefferson House - Good Samaritan Fund. The Jefferson House Board of Directors donates money to area towns in support of basic needs and medical needs for seniors. It is 100% donation funded by Jefferson House and is used primarily to assist seniors with medical needs that are not covered by insurance, Medicare or Medicaid.

Police Canine Account - Fundraisers are held to pay for food and veterinarian expenses for three canines.

Engineering Securities - To account for cash performance bonds associated with capital projects.

Wethersfield Teen Theater - To account for the income and expenses for the programs and performances produced by Wethersfield Teen Theater Company

Wethersfield Men's Softball - To account for the income and expenses to conduct the men's softball league in Town.

School Escrow

The School Escrow Fund holds resources in a purely custodial capacity for collections and payments related to education extracurricular activities at the schools. Financing is provided by individual fundraising projects.

TOWN OF WETHERSFIELD, CONNECTICUT
COMBINING STATEMENT OF NET POSITION
PRIVATE PURPOSE TRUST FUNDS

JUNE 30, 2014

	<u>Mayor Volunteer Recognition</u>	<u>Public Library Trust</u>	<u>Library Legacy Trust</u>	<u>Jane Sjoman Library Trust</u>	<u>Katherine E. Smith Trust</u>	<u>Frank Weston Trust</u>	<u>Terlicki Trust</u>	<u>Fire Fighters Trust</u>	<u>Total</u>
Assets:									
Cash and cash equivalents	\$ 2,832	\$ 37,139	\$ 3,375	\$	\$ 16,002	\$ 209,542	\$ 16,154	\$ 241	\$ 285,285
Investments		36,286		311,785				1,340,333	1,688,404
Accounts receivable		152							152
Total assets	<u>2,832</u>	<u>73,577</u>	<u>3,375</u>	<u>311,785</u>	<u>16,002</u>	<u>209,542</u>	<u>16,154</u>	<u>1,340,574</u>	<u>1,973,841</u>
Liabilities:									
Current:									
Accounts payable		4,626							4,626
Due to other funds		9,548							9,548
Total current liabilities	<u>-</u>	<u>14,174</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,174</u>
Net Position	<u>\$ 2,832</u>	<u>\$ 59,403</u>	<u>\$ 3,375</u>	<u>\$ 311,785</u>	<u>\$ 16,002</u>	<u>\$ 209,542</u>	<u>\$ 16,154</u>	<u>\$ 1,340,574</u>	<u>\$ 1,959,667</u>

TOWN OF WETHERSFIELD, CONNECTICUT

COMBINING STATEMENT OF CHANGES
IN FIDUCIARY NET POSITION
PRIVATE PURPOSE TRUST FUNDS

FOR THE YEAR ENDED JUNE 30, 2014

	<u>Mayor Volunteer Recognition</u>	<u>Public Library Trust</u>	<u>Library Legacy Trust</u>	<u>Jane Sjoman Library Trust</u>	<u>Katherine E. Smith Trust</u>	<u>Frank Weston Trust</u>	<u>Terlicki Trust</u>	<u>Fire Fighters Trust</u>	<u>Eliminations</u>	<u>Total</u>
Operating Revenues:										
Contributions	\$	\$ 24,465	\$ 1,044	\$	\$	\$	\$	\$ 35,000	\$	\$ 60,509
Intergovernmental		20,058								20,058
Other		6,825								6,825
Total operating revenues	-	51,348	1,044	-	-	-	-	35,000	-	87,392
Operating Expenses:										
Other expenses		73,746		787		366		57,918		132,817
Operating Income (Loss)	-	(22,398)	1,044	(787)	-	(366)	-	(22,918)	-	(45,425)
Nonoperating Revenue:										
Income on investments	6	3,940		25,980	33	12,394	34	120,920		163,307
Income (Loss) Before Transfers	6	(18,458)	1,044	25,193	33	12,028	34	98,002	-	117,882
Transfers in		11,899							(11,899)	11,899
Transfers out				(11,899)					11,899	(11,899)
Change in Net Position	6	(6,559)	1,044	13,294	33	12,028	34	98,002	-	117,882
Net Position at Beginning of Year	2,826	65,962	2,331	298,491	15,969	197,514	16,120	1,242,572	-	1,841,785
Net Position at End of Year	<u>\$ 2,832</u>	<u>\$ 59,403</u>	<u>\$ 3,375</u>	<u>\$ 311,785</u>	<u>\$ 16,002</u>	<u>\$ 209,542</u>	<u>\$ 16,154</u>	<u>\$ 1,340,574</u>	<u>\$ -</u>	<u>\$ 1,959,667</u>

TOWN OF WETHERSFIELD, CONNECTICUT

AGENCY FUNDS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

FOR THE YEAR ENDED JUNE 30, 2014

	<u>Balance July 1, 2013</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2014</u>
School Escrow				
Assets:				
Cash and cash equivalents	\$ 537,460	\$ 749,982	\$ 677,646	\$ 609,796
Investments	<u>60,279</u>	<u>211</u>	<u>-</u>	<u>60,490</u>
Total Assets	<u>\$ 597,739</u>	<u>\$ 750,193</u>	<u>\$ 677,646</u>	<u>\$ 670,286</u>
Liabilities:				
Fiduciary deposits	<u>\$ 597,739</u>	<u>\$ 750,193</u>	<u>\$ 677,646</u>	<u>\$ 670,286</u>
Town Escrow				
Assets:				
Cash and cash equivalents	\$ 132,331	\$ 64,168	\$ 56,355	\$ 140,144
Total Assets	<u>\$ 132,331</u>	<u>\$ 64,168</u>	<u>\$ 56,355</u>	<u>\$ 140,144</u>
Liabilities:				
Fiduciary deposits	<u>\$ 132,331</u>	<u>\$ 64,168</u>	<u>\$ 56,355</u>	<u>\$ 140,144</u>
Total Liabilities	<u>\$ 132,331</u>	<u>\$ 64,168</u>	<u>\$ 56,355</u>	<u>\$ 140,144</u>
Total All Funds				
Assets:				
Cash and cash equivalents	\$ 669,791	\$ 814,150	\$ 734,001	\$ 749,940
Investments	<u>60,279</u>	<u>211</u>	<u>-</u>	<u>60,490</u>
Total Assets	<u>\$ 730,070</u>	<u>\$ 814,361</u>	<u>\$ 734,001</u>	<u>\$ 810,430</u>
Liabilities:				
Fiduciary deposits	<u>\$ 730,070</u>	<u>\$ 814,361</u>	<u>\$ 734,001</u>	<u>\$ 810,430</u>
Total Liabilities	<u>\$ 730,070</u>	<u>\$ 814,361</u>	<u>\$ 734,001</u>	<u>\$ 810,430</u>

Statistical Section

This part of the Town's comprehensive annual 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.

CONTENTS

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 -13)

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 14 -17)

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 comprehensive annual financial reports for the relevant year.

TOWN OF WETHERSFIELD, CONNECTICUT

NET POSITION BY COMPONENT

LAST TEN FISCAL YEARS

	Fiscal Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Governmental Activities:										
Net investment in capital assets	\$ 77,282,542	\$ 64,698,440	\$ 60,790,134	\$ 60,078,337	\$ 57,341,997	\$ 51,029,327	\$ 53,471,124	\$ 46,858,585	\$ 42,639,855	\$ 39,708,828
Restricted					652,299	646,894	629,942	639,183	598,151	586,872
Unrestricted	5,174,809	13,382,945	14,390,884	13,639,470	14,698,406	15,785,272	9,048,638	10,894,248	10,043,651	7,367,339
Total Governmental Activities Net Position	\$ <u>82,457,351</u>	\$ <u>78,081,385</u>	\$ <u>75,181,018</u>	\$ <u>73,717,807</u>	\$ <u>72,692,702</u>	\$ <u>67,461,493</u>	\$ <u>63,149,704</u>	\$ <u>58,392,016</u>	\$ <u>53,281,657</u>	\$ <u>47,663,039</u>

**TOWN OF WETHERSFIELD, CONNECTICUT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS**

	Fiscal Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Expenses:										
Governmental activities:										
Public works	\$ 9,040,742	\$ 9,052,561	\$ 8,062,107	\$ 8,264,705	\$ 7,906,892	\$ 8,636,306	\$ 7,933,880	\$ 7,858,978	\$ 7,507,628	\$ 7,014,390
Public safety services	10,871,506	9,469,067	11,684,463	10,001,180	8,924,932	9,040,278	8,794,258	8,521,352	7,607,127	7,119,266
Parks and recreation	2,575,688	2,504,890	2,431,634	2,557,789	2,027,167	1,907,800	1,824,643	1,616,194	1,589,933	1,536,651
Social services	872,960	916,118	899,022	974,754	897,535	1,172,956	1,042,139	1,010,987	1,060,506	1,092,607
Public libraries	1,797,565	1,849,613	1,182,315	2,210,801	1,706,977	1,733,798	1,607,723	1,470,439	1,384,461	1,161,367
General government	10,667,975	8,795,849	10,115,110	7,506,123	10,061,910	6,425,748	7,636,372	7,659,036	6,049,993	5,706,326
Board of education	66,169,559	62,031,714	60,270,152	59,500,075	57,504,015	57,327,612	65,149,144	49,396,050	45,306,101	40,941,880
Interest expense	885,554	1,090,685	1,119,552	1,096,038	1,184,845	618,584	1,409,775	1,430,142	1,482,329	1,095,225
Total governmental activities expenses	102,881,549	95,710,497	95,764,355	92,111,465	90,214,273	86,863,082	95,397,934	78,963,178	71,988,078	65,667,712
Program Revenues:										
Governmental activities:										
Charges for services:										
Public works	339,842	342,583	338,366	339,131	323,128	21,012	118,225	107,729	108,379	90,502
Public safety services	624,719	721,490	588,432	548,475	490,034	247,178	316,221	407,760	426,139	109,962
Parks and recreation	1,006,475	1,013,214	936,690	838,130	666,199	196,235	196,001	195,317	260,022	231,504
Social services	38,644	82,476	47,920	47,006	23,819	40,137	15,882	13,899	14,277	14,844
Public libraries	19,499	20,505	22,402	19,424	18,396	11,993	26,863	14,302	43,315	33,295
General government	863,980	797,320	527,098	681,801	1,595,291	1,516,683	1,097,207	1,072,243	1,325,289	905,783
Board of education	1,148,488	1,138,070	856,109	794,386	810,386	638,484	866,683	886,536	959,318	859,144
Operating grants and contributions:										
Public works						240,115	770,717	209,656	75,441	64,483
Public safety services	142,368					22,545	97,307	153,590	78,325	54,365
Parks and recreation	6,740	1,308	15,490	20,519	18,639		40,329	41,601	71,370	15,000
Social services	95,039	83,941	137,657	99,266	47,333	51,969	531,715	43,102	62,408	76,906
Public libraries					11,209	9,153	46,392	57,785	10,596	11,848
General government	93,590	271,789	1,662,546	156,033	14,015	248,047	418,197	311,358	358,357	125,530
Board of education	18,252,183	16,477,735	16,345,046	15,272,209	15,046,293	14,362,771	26,272,798	10,201,620	10,075,002	7,740,024
Interest expense						2,158	31,552	39,373	46,055	52,365
Capital grants and contributions:										
Public works						819,762		802,963	288,702	414,333
Public safety services	28,148	28,318	16,785	16,293	76,885			57,763		11,221
Parks and recreation			22,750			700,000	63,050			562,567
Public libraries								360,000		
General government	1,740,674	3,027,652	587,273	1,314,635	1,361,513				4,400	133,668
Board of education	2,339,117							312,738	1,120,706	2,214,556
Interest expense	2,308	4,588	8,793	19,223	19,223					
Total governmental activities program revenues	26,741,814	24,010,989	22,113,357	20,166,531	20,522,363	19,128,242	30,909,139	15,289,335	15,328,101	13,721,900
Net Expense:										
Governmental activities	(76,139,735)	(71,699,508)	(73,650,998)	(71,944,934)	(69,691,910)	(67,734,840)	(64,488,795)	(63,673,843)	(56,659,977)	(51,945,812)
General Revenues and Other Changes in Net Position:										
Governmental activities:										
Property taxes	78,817,531	76,401,591	73,231,383	71,360,300	70,954,096	70,212,454	66,021,244	64,822,488	59,863,195	55,551,267
Unrestricted grants and contributions	1,049,249	1,403,997	1,191,315	1,049,168	1,045,983	1,095,483	1,164,574	1,128,079	1,205,714	1,322,638
Investment income	221,453	71,300	91,636	170,101	411,104	534,991	1,141,673	1,617,036	1,133,503	442,954
Miscellaneous	427,468	270,760	599,875	574,468	828,851	203,701	918,992	366,851	76,183	195,937
Total governmental activities	80,515,701	78,147,648	75,114,209	73,154,037	73,240,034	72,046,629	69,246,483	67,934,454	62,278,595	57,512,796
Change in Net Position:										
Governmental activities	\$ 4,375,966	\$ 6,448,140	\$ 1,463,211	\$ 1,209,103	\$ 3,548,124	\$ 4,311,789	\$ 4,757,688	\$ 4,260,611	\$ 5,618,618	\$ 5,566,984

TOWN OF WETHERSFIELD, CONNECTICUT

FUND BALANCES - GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

	Fiscal Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
General Fund:										
Reserved	\$	\$	\$	\$	\$ 813,143	\$ 1,434,292	\$ 311,496	\$ 291,495	\$ 334,672	\$ 208,200
Unreserved					8,046,059	7,911,432	8,541,204	7,975,338	6,898,071	5,610,201
Committed	414,179	373,793	405,817	1,823,247						
Assigned	1,126,833	796,624	829,460	858,617						
Unassigned	10,247,688	9,311,165	8,910,168	7,112,866						
Total General Fund	\$ 11,788,700	\$ 10,481,582	\$ 10,145,445	\$ 9,794,730	\$ 8,859,202	\$ 9,345,724	\$ 8,852,700	\$ 8,266,833	\$ 7,232,743	\$ 5,818,401
All other governmental funds:										
Reserved	\$	\$	\$	\$	\$ 55,498	\$ 113,000	\$ 1,678,843	\$ 1,490,893	\$ 1,499,613	\$ 1,345,239
Unreserved, reported in:										
Special Revenue Funds					6,112,519	3,982,518	2,511,859	2,427,581	1,742,544	1,194,514
Capital Projects Funds					1,077,424	3,782,136	(3,708,813)	962,752	2,873,745	4,678,185
Permanent Funds					46,879	43,695	53,366	43,261	39,020	70,346
Nonspendable	21,433	19,625	12,704	18,371						
Restricted	1,694,997	876,818	779,457	1,027,496						
Committed	7,321,917	6,204,621	3,538,659	3,143,625						
Assigned			289,868							
Unassigned	(10,399,004)	(2,154,154)	(297)							
Total All Other Governmental Funds	\$ (1,360,657)	\$ 4,946,910	\$ 4,620,391	\$ 4,189,492	\$ 7,292,320	\$ 7,921,349	\$ 535,255	\$ 4,924,487	\$ 6,154,922	\$ 7,288,284

Note: The government applied GASB 54 in Fiscal 2011 which accounts for the change to fund balance categories.

TOWN OF WETHERSFIELD, CONNECTICUT
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	Fiscal Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Revenues:										
Property taxes	\$ 78,960,972	\$ 75,928,171	\$ 72,867,903	\$ 70,620,970	\$ 71,117,614	\$ 69,563,000	\$ 65,964,160	\$ 64,617,241	\$ 59,857,695	\$ 55,510,706
Intergovernmental	23,730,476	21,302,950	19,989,038	18,020,883	17,785,072	17,549,845	29,457,710	13,745,494	13,159,471	12,065,634
Charges for services	3,459,316	3,665,373	3,056,033	2,810,990	2,696,380	2,041,906	2,198,905	2,341,607	2,532,021	1,780,087
Licenses and permits	709,725	441,556	317,830	421,002	491,187	317,254	409,672	347,721	560,703	355,589
Fines and forfeits					47,203	52,906	51,390	37,951	34,955	41,055
Investment income	216,409	61,731	73,932	155,499	302,433	517,222	1,023,813	1,487,324	1,075,216	415,537
Sale of fixed assets								2,300	11,925	
Donations	65,303	91,038	138,732	128,271	9,000		14,308	23,645	164,370	398,983
Other revenues	375,124	447,740	377,533	516,711	920,585	615,640	1,007,997	435,723	298,639	633,779
Total revenues	107,517,325	101,938,559	96,821,001	92,674,326	93,369,474	90,657,773	100,127,955	83,039,006	77,694,995	71,201,370
Expenditures:										
Public safety services	9,750,803	9,094,957	9,023,877	8,517,646	8,178,912	8,276,671	7,907,656	7,763,171	6,851,910	6,423,467
Public works	8,298,582	7,920,378	7,693,359	7,877,295	7,395,776	8,008,600	7,527,745	7,129,457	6,900,723	6,391,415
Parks and recreation	2,291,951	2,140,658	2,131,940	2,196,756	1,817,384	1,679,941	1,563,315	1,445,841	1,333,563	1,271,967
Health and social services	858,254	916,118	899,022	974,754	897,535	1,172,956	1,042,139	1,010,987	1,060,506	1,092,607
Public libraries	1,799,942	1,732,883	1,736,854	1,659,845	1,664,107	1,736,736	1,597,604	1,446,253	1,378,996	1,144,215
General government	9,227,221	9,205,330	9,809,029	7,742,531	9,250,493	7,358,059	7,696,772	7,043,155	6,706,257	5,614,793
Board of Education	63,751,986	60,833,027	58,320,318	57,470,608	57,104,245	53,891,068	63,947,067	47,719,000	44,571,770	39,818,209
Capital outlay and improvement	16,714,274	5,774,952	1,823,605	2,939,603	6,411,467	4,830,468	8,628,237	5,530,468	5,171,356	14,989,904
Debt service:										
Principal	2,627,904	3,352,581	3,265,466	2,680,000	2,725,000	2,730,000	2,735,000	2,740,000	1,955,000	1,935,000
Interest	1,019,424	1,019,424	1,019,424	1,708,624	1,253,207	1,167,310	1,283,785	1,407,019	1,483,934	1,053,408
Bond issuance cost					66,650	55,649	2,100			
Total expenditures	116,340,341	101,990,308	95,722,894	93,767,662	96,764,776	90,907,458	103,931,420	83,235,351	77,414,015	79,734,985
Excess of Revenues Over (Under)										
Expenditures	(8,823,016)	(51,749)	1,098,107	(1,093,336)	(3,395,302)	(249,685)	(3,803,465)	(196,345)	280,980	(8,533,615)
Other Financing Sources (Uses):										
Note proceeds			795,000							
Proceeds from capital lease	3,822,567	605,964	341,065	336,913	425,593	1,383,903				1,039,440
Bond issuance		6,170,000			12,010,000	6,855,000				15,000,000
Payments to escrow agents		(6,610,679)			(13,161,148)					
Bond premium		549,120			1,322,220					
Transfers in	2,408,514	1,892,525	2,613,627	2,022,213	2,906,538	4,702,662	3,518,315	2,890,873	3,000,911	2,662,993
Transfers out	(2,408,514)	(1,892,525)	(4,066,185)	(2,022,213)	(2,906,538)	(4,812,662)	(3,518,315)	(2,890,873)	(3,000,911)	(2,662,993)
Total other financing sources (uses)	3,822,567	714,405	(316,493)	336,913	596,665	8,128,903	-	-	-	16,039,440
Net Change in Fund Balances	(5,000,449)	662,656	781,614	(756,423)	(2,798,637)	7,879,218	(3,803,465)	(196,345)	280,980	7,505,825
Fund balance at beginning of year	15,428,492	14,765,836	13,984,222	14,740,645 *	18,950,158 *	9,387,855	13,191,320	13,387,665	13,106,685	5,600,860
Fund Balance at End of Year	\$ <u>10,428,043</u>	\$ <u>15,428,492</u>	\$ <u>14,765,836</u>	\$ <u>13,984,222</u>	\$ <u>16,151,521</u>	\$ <u>17,267,073</u>	\$ <u>9,387,855</u>	\$ <u>13,191,320</u>	\$ <u>13,387,665</u>	\$ <u>13,106,685</u>
Debt Service as a Percentage of Noncapital Expenditures	3.7%	4.5%	4.6%	4.8%	4.4%	4.5%	4.2%	5.3%	4.8%	4.6%

* Fund balance restated

TOWN OF WETHERSFIELD, CONNECTICUT
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	Grand List		Real Estate Assessed Value	Motor Vehicle Assessed Value	Personal Property Assessed Value	Total Assessed Value	Total Direct Tax Rate		Estimated Actual Value	Percentage of Total Assessed Value to Total Estimated Value
2014	2012	\$	2,095,236,650	\$ 174,448,920	\$ 65,255,310	\$ 2,334,940,880	33.46	\$	3,335,629,829	70.00%
2013	2011		2,091,227,140	173,905,870	64,462,120	2,329,595,130	32.58		3,327,993,043	70.00%
2012	2010		2,098,982,360	165,099,010	66,153,140	2,330,234,510	31.42		3,328,906,443	70.00%
2011	2009		2,097,874,300	172,868,345	61,091,680	2,331,834,325	30.66		3,331,191,893	70.00%
2010	2008	**	2,091,381,460	154,908,620	60,683,790	2,306,973,870	30.68		3,295,676,957	70.00%
2009	2007		1,781,032,950	180,662,380	60,488,743	2,022,184,073	34.71		2,888,834,390	70.00%
2008	2006		1,770,954,240	179,969,410	59,358,080	2,010,281,730	32.94		2,871,831,043	70.00%
2007	2005		1,760,912,650	180,567,400	68,784,000	2,010,264,050	32.43		2,871,805,786	70.00%
2006	2004		1,752,402,580	175,587,920	65,281,380	1,993,271,880	30.19		2,847,531,257	70.00%
2005	2003	*	1,748,371,030	163,717,470	61,194,500	1,973,283,000	28.35		2,818,975,714	70.00%

Source: Town Assessor Department.

Assessed values were taken from Board of Tax Appeal corrected abstracts. Motor vehicle includes supplement.

Ratios are predicted on the State of Connecticut Office of Policy and Management Sales/Ratio.

Personal property value is based on a 70% assessment ratio.

Personal property was adjusted to reflect newly enacted exemption for manufacturing/research equipment starting with 1991 list.

Tax-exempt property not broken out by category.

* Revaluation of the Grand List 10/1/2003.

** Revaluation of the Grand List 10/1/2008.

TOWN OF WETHERSFIELD, CONNECTICUT

PRINCIPAL PROPERTY TAXPAYERS

CURRENT YEAR AND NINE YEARS PRIOR

Taxpayer	2014			2005		
	Taxable Assessed Value	Rank	Percentage of Gross Taxable Assessed Grand List	Taxable Assessed Value	Rank	Percentage of Gross Taxable Assessed Grand List
Wethersfield Apartments Assoc LLC	\$ 20,315,200	1	0.87%	\$ 14,605,700	1	0.74%
Cedar-Jordan Lane LLC	14,484,400	2	0.62%	11,095,000	3	0.56%
Wethersfield Shopping Center LLC	12,631,700	3	0.54%	8,377,400	8	0.42%
100 Great Meadow Road	12,511,200	4	0.54%	13,531,400	2	0.69%
Executive Square Ltd Partnership	11,001,300	5	0.47%	10,050,000	4	0.51%
CT Light & Power Co	10,909,690	6	0.47%	8,506,000	7	0.43%
CT Natural Gas Corp	7,509,270	7	0.32%	8,719,500	6	0.44%
Prime Development Group, LLC	6,479,720	8	0.28%	3,967,100	13	0.20%
Crosstone Realty Associates	6,160,000	9	0.26%	10,013,800	5	0.51%
1290 Realty LLC	5,925,800	10	0.25%	5,045,500	11	0.26%
Total	\$ <u>107,928,280</u>		<u>4.62%</u>	\$ <u>93,911,400</u>		<u>4.76%</u>

Note: Based on net taxable grand list, October 1, 2012 and October 1, 2003

TOWN OF WETHERSFIELD, CONNECTICUT
PROPERTY TAX RATES, LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	(1) (2) Mill Rate	Grand List of October 1,	Total Adjusted Tax Levy	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections	Percentage of Levy Collected	Current Delinquent Balance
				Amount	Percentage of Levy				
2014	33.46	2012	\$ 78,123,892	\$ 77,323,986	98.98%	\$	\$ 77,323,986	98.98%	\$ 800,020
2013	*** 32.58	2011	75,725,740	74,937,876	98.96%	532,957	75,470,833	99.66%	254,907
2012	31.42	2010	72,558,938	71,782,216	98.93%	628,162	72,410,378	99.80%	148,560
2011	30.66	2009	70,662,766	69,769,872	98.79%	716,533	70,486,405	99.75%	176,361
2010	** 30.68	2008	70,693,007	69,981,793	99.03%	569,076	70,550,869	99.80%	142,138
2009	34.71	2007	69,579,789	68,883,924	99.02%	537,376	69,421,300	99.77%	158,489
2008	32.94	2006	65,637,736	64,984,509	99.00%	556,647	65,541,156	99.85%	96,580
2007	32.43	2005	64,626,417	63,971,604	98.99%	569,703	64,541,307	99.87%	85,110
2006	30.19	2004	59,775,611	59,361,909	99.31%	332,005	59,693,914	99.86%	81,697
2005	* 28.35	2003	55,410,583	55,039,138	99.33%	334,112	55,373,250	99.93%	37,333

Source: Town Audit Reports.

* Revaluation of the Grand List 10/1/2003.

** Revaluation of the Grand List 10/1/2008.

*** Includes road levy instituted in fiscal year 2013.

(1) There are no overlapping of tax rates.

(2) Tax levy is per \$1,000 of the assessed value of taxable property.

TOWN OF WETHERSFIELD, CONNECTICUT

SCHEDULE OF DEBT LIMITATION

COMPARATIVE SCHEDULE BY SOURCE

JUNE 30, 2014

(In Thousands)

Total tax collections, including interest and lien fees, received by Treasurer for year ended June 30, 2014						\$	<u>78,844</u>
	<u>General Purpose</u>	<u>Schools</u>	<u>Sewers</u>	<u>Urban Renewal</u>			<u>Pension Deficit</u>
Debt limitation:							
2-1/4 times base	\$ 177,399	\$	\$	\$		\$	
4-1/2 times base		354,798					
3-3/4 times base			295,665				
3-1/4 times base				256,243			
3 times base							236,532
Total debt limitation	<u>177,399</u>	<u>354,798</u>	<u>295,665</u>	<u>256,243</u>			<u>236,532</u>
Indebtedness:							
Bonds payable	13,910	8,125					
Bonds authorized - unissued	1,835	74,817					
Notes payable		655					
Town share of Metropolitan District debt			50,769				
Less school and other grants		(45)					
Total indebtedness	<u>15,745</u>	<u>83,551</u>	<u>50,769</u>	<u>-</u>			<u>-</u>
Debt Limitation in Excess of Outstanding and Authorized Debt	\$ <u>161,654</u>	\$ <u>271,247</u>	\$ <u>244,896</u>	\$ <u>256,243</u>		\$	<u>236,532</u>

Note: In no event shall total debt exceed seven times annual receipts from taxation (\$551.9 million).

TOWN OF WETHERSFIELD, CONNECTICUT

DIRECT AND OVERLAPPING DEBT

LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>Operating Millage</u>	<u>Debt Service Millage</u>	<u>Total Town Millage</u>
2014	32.01	1.45	33.46 *
2013	30.99	1.59	32.58 *
2012	29.89	1.53	31.42
2011	29.25	1.41	30.66
2010	29.17	1.51	30.68
2009	33.04	1.67	34.71
2008	31.25	1.69	32.94
2007	30.62	1.81	32.43
2006	28.64	1.55	30.19
2005	26.96	1.39	28.35

* Includes millage of .39 and .27 designated for Road Improvement Fund for fiscal year 2013 and 2014, respectively.

TOWN OF WETHERSFIELD, CONNECTICUT

**RATIOS OF NET GENERAL DEBT OUTSTANDING TO
ASSESSED VALUE AND NET GENERAL DEBT OUTSTANDING PER CAPITA**

LAST TEN FISCAL YEARS

Fiscal Year	General Bonded Debt	Percentage of Actual Taxable Value of Property (a)	Notes Payable	Total Primary Government	Ratio of Debt to Net Assessed Value	Per Capita
2014	\$ 23,398,659	1.0%	\$ 655,000	\$ 24,053,659	1.0%	\$ 904
2013	24,670,586	1.1%	725,000	25,395,586	1.1%	951
2012	27,302,109	1.2%	795,000	28,097,109	1.2%	1,053
2011	29,875,654	1.3%		29,875,654	1.3%	1,119
2010	32,579,199	1.4%		32,579,199	1.4%	1,264
2009	35,118,463	1.7%		35,118,463	1.7%	1,365
2008	30,971,157	1.5%		30,971,157	1.5%	1,201
2007	33,683,851	1.7%		33,683,851	1.7%	1,293
2006	36,401,545	1.8%		36,401,545	1.8%	1,388
2005	38,334,238	1.9%		38,334,238	1.9%	1,454

Notes: Details regarding the Town's outstanding debt can be found in the notes to the financial statements.

(a) See Table 5 for taxable property value data.

TOWN OF WETHERSFIELD, CONNECTICUT

LEGAL DEBT MARGIN INFORMATION

LAST TEN FISCAL YEARS

	Fiscal Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Debt limit ('000)	\$ 551,908	\$ 531,965	\$ 509,572	\$ 494,685	\$ 499,900	\$ 486,500	\$ 471,200	\$ 421,100	\$ 420,100	\$ 389,800
Total net debt applicable to limit	<u>22,690</u>	<u>24,290</u>	<u>26,850</u>	<u>29,400</u>	<u>32,080</u>	<u>35,230</u>	<u>31,105</u>	<u>33,840</u>	<u>36,580</u>	<u>38,535</u>
Legal Debt Margin	<u>\$ 529,218</u>	<u>\$ 507,675</u>	<u>\$ 482,722</u>	<u>\$ 465,285</u>	<u>\$ 467,820</u>	<u>\$ 451,270</u>	<u>\$ 440,095</u>	<u>\$ 387,260</u>	<u>\$ 383,520</u>	<u>\$ 351,265</u>
Total net debt applicable to the limit as a percentage of debt limit	4.1%	4.6%	5.3%	5.9%	6.4%	7.2%	6.6%	8.0%	8.7%	9.9%

Note: The State of Connecticut General Statutes require that in no event shall the total debt of the Town exceed seven (7) times the annual receipts from taxation. The calculation of the 2014 debt limit can be found in the notes to the financial statements.

TOWN OF WETHERSFIELD, CONNECTICUT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	Population (3)	Personal Income (1)	Per Capita Personal Income (3)	Median Age (3)	School Enrollment	Unemployment Rate (2)
2014	26,594	\$ 76,196	\$ 39,663	45	3,653	6.1%
2013	26,710	77,000	38,912	45	3,658	7.4%
2012	26,690	77,000	38,092	45	3,720	7.1%
2011	26,695	77,000	39,386	45	3,792	8.3%
2010	25,767	77,000	37,329	45	3,810	8.9%
2009	25,719	68,000	37,704	44	3,812	7.7%
2008	25,781	68,000	35,390	44	3,810	5.1%
2007	26,057	68,000	33,160	44	3,832	4.2%
2006	26,220	68,000	28,930	44	3,736	4.2%
2005	26,358	68,000	28,930	44	3,722	4.6%

Sources:

- (1) U.S. Census Bureau, 2008-2012 American Community Survey
- (2) State of Connecticut, Department of Labor, Labor Market Information
- (3) U.S. Census Bureau 2011-2013 American Community Survey's 3-Year Estimates

TOWN OF WETHERSFIELD, CONNECTICUT

PRINCIPAL EMPLOYERS

CURRENT YEAR AND NINE YEARS PRIOR

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Employer	2014			2005		
	Employees	Rank	Percentage of Total Town Employment	Employees	Rank	Percentage of Total Town Employment
State of Connecticut	1,400	1	14.1%	1,525	1	15.7%
Town of Wethersfield	714	2	7.2%	593	2	6.1%
Stop & Shop Store	135	3	1.4%	n/a	n/a	n/a
Willcare	130	4	1.3%	n/a	n/a	n/a
Marshalls Store	125	5	1.3%	n/a	n/a	n/a
Red Lobster Restaurant	100	6	1.0%	n/a	n/a	n/a
Yankee Dental	70	7	0.7%	n/a	n/a	n/a
Panera Bread	60	8	0.6%	n/a	n/a	n/a
New Britain Candy	60	8	0.6%	n/a	n/a	n/a
Dunkin Donuts	55	10	60.0%	n/a	n/a	n/a
	<u>2,849</u>					
Total employment per Connecticut Economic Resource Center	9,924			9,726		

TOWN OF WETHERSFIELD, CONNECTICUT

TOWN GOVERNMENT FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION

LAST TEN FISCAL YEARS

Function	Fiscal Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
General Government										
Town Council	0.03	0.02	0.03	0.04	0.01	0.04	0.05	0.02	0.03	0.08
Town Manager	2.36	2.22	3.03	3.09	3.45	3.38	3.23	2.83	2.91	2.85
Data Services	2.04	2.44	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Town Clerk	2.95	3.28	3.16	3.11	2.65	3.04	3.08	3.17	3.01	3.07
Elections	0.75	0.63	0.68	0.83	0.97	0.89	0.87	0.82	0.70	0.96
Finance	3.96	5.18	5.18	3.94	4.27	4.19	4.23	3.65	3.66	3.71
Assessor	2.96	3.00	3.00	3.83	3.00	3.00	3.80	3.15	3.00	3.00
Tax Collector	2.66	2.79	2.70	2.69	2.48	2.81	2.99	2.91	2.70	2.80
Planning & Economic Development	2.06	2.08	2.08	2.07	2.10	2.15	2.21	2.09	2.13	1.36
Public safety services										
Building Inspection & ZBA	4.37	3.97	4.34	4.71	4.65	4.38	4.66	4.71	4.83	4.65
Police	62.54	60.89	63.57	62.05	63.87	62.05	62.66	61.50	62.20	63.13
Fire Marshal	1.00	1.00	1.00	1.01	1.01	1.07	1.02	1.00	0.95	1.00
Fire Dept	1.08	1.09	0.92	0.92	0.89	0.79	0.89	0.58	0.86	0.97
Public works										
Engineering	6.06	6.00	6.00	6.78	6.00	6.02	6.02	6.01	6.01	6.08
Physical Services	41.23	41.14	40.95	41.47	42.91	41.76	42.75	45.22	43.55	42.39
Social and Youth Services	4.32	5.60	5.48	5.34	6.72	8.90	9.18	9.30	9.47	10.60
Library	20.24	21.21	21.08	21.85	22.37	20.36	18.94	18.80	19.19	19.57
Parks & Recreation	24.48	20.40	25.04	25.77	26.97	29.04	29.19	28.23	29.23	28.03
Education	528.95	528.00	504.00	533.00	535.00	543.00	543.00	538.00	527.00	517.00
Total	<u>714.04</u>	<u>710.92</u>	<u>695.24</u>	<u>725.49</u>	<u>732.31</u>	<u>739.87</u>	<u>741.76</u>	<u>734.99</u>	<u>724.43</u>	<u>714.25</u>

**TOWN OF WETHERSFIELD, CONNECTICUT
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS**

Function	Fiscal Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Planning and community development:										
Building Inspection Division permits	2,134	1,785	1,595	1,462	2,432	1,647	1,330	1,631	1,661	1,509
Permit value	\$ 44,724,371	\$ 17,276,952	\$ 13,020,408	\$ 18,602,784	\$ 24,961,369	\$ 18,960,538	\$ 18,717,172	\$ 15,305,762	\$ 21,209,476	\$ 24,386,881
Elderly services:										
Senior center attendance	5,801	5,613	5,289	7,826	8,370	7,150	5,884	8,304	7,534	7,534
Library:										
Loans	342,101	358,819	367,693	363,965	363,390	315,770	263,100	217,207	289,951	309,191
Library visits	182,061	184,206	195,422	193,637	185,222	117,366	71,490	N/A	N/A	165,897
Reference questions	57,861	60,406	58,031	54,895	46,191	33,897	30,378	25,063	30,867	31,808
Registered borrowers	11,555	13,120	10,917	10,869	10,413	9,925	9,092	9,493	10,268	10,384
Programs held	575	604	650	662	629	407	373	368	322	373
Program attendance	16,650	17,361	15,023	17,572	16,658	12,755	11,568	8,127	11,151	10,534
Public Internet Sessions	50,470	44,292	N/A							
Recreation:										
Youth programs	126	115	102	101	100	98	101	100	99	96
Adult programs	75	80	77	75	74	74	73	72	73	70
Refuse and recycling:										
Total MSW Tonnage	10,240	10,338	10,780	10,606	11,829	11,934	12,064	12,118	N/A	N/A
Tons of recycling	2,804	2,785	2,819	2,811	2,074	2,120	2,331	2,103	N/A	N/A
Public safety:										
Ambulance medical calls	3,862	3,596	3,071	2,261	3,327	2,365	2,279	2,267	2,145	2,089
Fire calls	63	57	64	63	68	56	47	43	40	34
Fire medical calls	9	23	19	21	25	23	14	14	18	6
Fire non-emergency calls	293	320	413	394	301	329	251	313	283	280
Hazardous materials	119	155	265	133	112	92	70	96	119	84
Total Fire Calls	484	555	761	607	506	500	382	469	460	404
Law enforcement:										
911 Calls	10,145	10,043	10,716	9,618	10,189	9,744	9,980	10,224	10,579	9,765
Incidents	23,012	22,319	23,814	24,523	24,349	26,965	27,717	28,177	28,806	27,340
Accidents	553	598	675	745	645	707	732	662	728	793
Criminal arrests	1,024	855	853	752	770	974	942	1,259	1,121	1,064
Parking fines	717	489	409	1,021	742	1,002	923	940	1,048	1,297
Registrar of voters:										
Total registered voters	17,271	17,272	16,370	16,945	17,340	17,539	17,852	18,070	17,181	17,378
Education:										
Enrollment:										
Elementary Schools K-6	1,855	1,905	1,964	1,993	2,051	2,026	2,033	2,046	1,967	1,960
Middle School 7-8	600	582	618	619	578	562	564	575	567	589
High School 9-12	1,198	1,171	1,138	1,180	1,181	1,224	1,213	1,211	1,202	1,173
Total	3,653	3,658	3,720	3,792	3,810	3,812	3,810	3,832	3,736	3,722

N/A - Information is not available.

**TOWN OF WETHERSFIELD, CONNECTICUT
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS**

Function	Fiscal Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Municipal buildings	10	10	10	10	10	10	10	10	10	10
Schools	7	7	7	7	7	7	7	7	7	7
Public Safety:										
Police stations	1	1	1	1	1	1	1	1	1	1
Firestations	3	3	3	3	3	3	3	3	3	3
Ambulance Facility	1	1	1	1	1	1	1	1	1	1
Police vehicles	28	24	24	24	24	24	24	23	23	23
Fire Trucks	9	9	9	9	9	9	9	9	9	9
Other emergency vehicles	12	12	12	12	12	12	12	12	12	12
Public Works:										
Miles of Streets:	106.78	106.78	106.78	106.78	105.57	105.57	105.82	105.82	105.80	105.80
Paved	103.40	103.40	103.40	103.40	102.79	102.51	102.51	102.51	102.51	102.51
Unpaved	3.38	3.38	3.38	3.38	3.38	3.38	3.63	3.63	3.63	3.63
State Highways	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00
Miles of Sidewalks	131.08	131.08	131.08	131.08	131.08	131.08	131.08	131.08	131.08	130.43
Parks and recreation:										
Acres of park land	610	610	610	610	610	610	610	610	610	610
Hardball baseball diamonds	3	3	3	3	3	3	3	3	3	3
Youth baseball diamonds	4	4	4	4	4	4	3	3	3	3
Basketball courts	11	11	11	11	11	11	11	11	11	11
Soccer fields	4	4	4	4	4	4	4	4	4	4
Nature areas	1	1	1	1	1	1	1	1	1	1
Picnic areas	2	2	2	2	2	2	2	2	2	2
Playgrounds	9	9	8	8	8	8	8	8	8	8
Public beach	1	1	1	1	1	1	1	1	1	1
Public greens	1	1	1	1	1	1	1	1	1	1
Tennis courts	14	14	14	14	15	16	16	16	16	16
Public pools	1	1	1	1	1	1	1	1	1	1

TOWN OF WETHERSFIELD, CONNECTICUT
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST NINE FISCAL YEARS

<u>Function</u>	<u>FISCAL YEAR</u>								
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Police Stations	1	1	1	1	1	1	1	1	1
Volunteer Fire Stations	3	3	3	3	3	3	3	3	3
Municipal Buildings	10	10	10	10	10	10	10	10	10
Schools	7	7	7	7	7	7	7	7	7
High Schools	1	1	1	1	1	1	1	1	1
Elementary Schools	5	5	5	5	5	5	5	5	5
Middle Schools	1	1	1	1	1	1	1	1	1
Parks and recreation									
Fields - Municipal	4	4	4	4	4	4	4	4	4
Fields - Schools	7	7	7	7	7	7	7	7	7
Streets	106.78	106.78	106.78	106.78	106.17	105.89	106.14	106.14	106.14
Paved miles	103.40	103.40	103.40	103.40	102.79	102.51	102.51	102.51	102.51
Unpaved miles	3.38	3.38	3.38	3.38	3.38	3.38	3.63	3.63	3.63