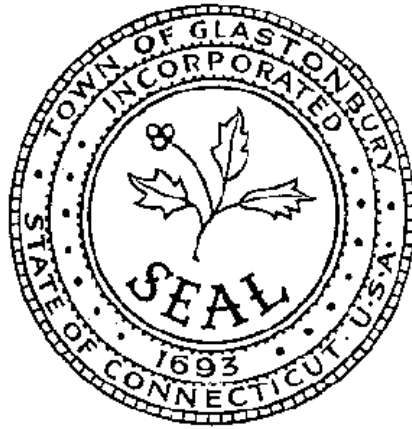


TOWN OF GLASTONBURY, CONNECTICUT



COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year
July 1, 2015 to June 30, 2016

Prepared By:
Financial Administration
and
Accounting Divisions

**TOWN OF GLASTONBURY, CONNECTICUT
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
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 JUNE 30, 2016**

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Introductory Section



Town of Glastonbury

2155 MAIN STREET • P.O. BOX 6523 • GLASTONBURY, CONNECTICUT 06033-6523

November 29, 2016

Town Council
Board of Finance
Glastonbury, Connecticut

State law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with auditing standards generally accepted in the United States of America by a firm of licensed certified public accountants. Pursuant to the requirement, issued herein is the comprehensive annual financial report of the Town of Glastonbury for the fiscal year ended June 30, 2016.

This report consists of management's representation concerning the financial statements of the Town of Glastonbury. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the Town of Glastonbury has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the Town of Glastonbury's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Town of Glastonbury's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. Management asserts that, to the best of its knowledge and belief, this financial report is complete and reliable in all material respects.

The Town of Glastonbury's financial statements have been audited by Blum, Shapiro & Company, P.C., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Town of Glastonbury for the fiscal year ended June 30, 2016 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Town of Glastonbury's financial statements for the fiscal year ended June 30, 2016 are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the Town of Glastonbury was part of broader, state and federally mandated "single audits" designed to meet the special needs of state and federal grantor agencies. The standards governing the federal and state single audit engagements required the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal and state awards. These reports are available in the Town of Glastonbury's separately issued Single Audit Reports.

Generally accepted accounting practices require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The Town of Glastonbury's MD&A can be found immediately following the independent auditors' report.

PROFILE OF THE GOVERNMENT

The Town of Glastonbury, incorporated as a Town in May of 1693, is located about eight miles southeast of Hartford and is bordered on the north mainly by the towns of East Hartford and Manchester, on the east by the towns of Bolton and Hebron, on the south by the towns of Marlborough, East Hampton and Portland, and on the west by the towns of Cromwell, Rocky Hill and Wethersfield. Glastonbury is approximately 53 square miles in area with an estimated population of 34,768 as of June 2016.

Glastonbury is strategically located adjacent to Connecticut Routes 2 and 3, both four-lane limited access highways providing direct access to interstate highways 84 and 91. Bradley International Airport is 20 miles northwest of the Town.

Glastonbury is a suburb of Hartford with a diverse development base and a rich history as a Connecticut River Valley town. Approximately 61% of the total land area is zoned for residential development, 12% for commercial and industrial development, and 27% is flood zone or open space.

The Town provides a full range of services including: General Government, Community Development, Administrative Services, Public Safety, Physical Services, Sanitation, Human Services, Leisure/Culture and Education.

Economy and Factors Affecting Financial Condition

Glastonbury is located in a region with a divergent economic base. Its citizens' income is derived from major insurance firms, prime government contractors, commercial/industrial firms, retail and service industries. The 2010-2014 American Fact Finder published by the U.S. Census Bureau indicates that Glastonbury's median family income was \$123,164 compared to the State's \$88,217. The median age of a Glastonbury resident is approximately 43.8 years comparable to the State of Connecticut at 40.3 years.

Glastonbury's unemployment rate ranks better than the region. The Town's unemployment rate was 3.6% as of September 2016 as compared to the State of Connecticut at 5.1%. Glastonbury's unemployment rate decreased approximately 2.7% from August 2015 when the unemployment rate was 3.7%.

The net taxable grand list of October 1, 2015 was \$3.92 billion, representing an increase of 1.13% from 2014. This increase in the taxable grand list is the second consecutive year of strong growth in the tax base since 2007 and appears to signal an improving economy. Individually real estate values increased approximately \$30 million or 0.84%; personal property values increased 6.8% and the motor vehicle list increased 1.8%.

The area real estate market continues on a path of stabilization, as it has done for four consecutive years now. Residential sales increased by 5.7%; however, the average sales price decreased 1.7% as compared to the prior period. New residential construction permits increased 76% year-over-year, largely due to the first year success of a 59 lot subdivision. In addition, the ongoing successful development of the Gateway property continues to have a significant positive influence on the grand list, both in creating value on the real estate segment as well as adding value to the taxable business personal property portion of the grand list.

On a state and local scale, markets for new residential properties increased slightly in demand for new home construction. Although residential construction has slowed from the 2005-2006 peak period of the market, the Town has continued to maintain a minimal inventory of vacant new homes, with used home sales remaining fairly strong. In summary, the housing market continues on the moderating trend which has been in effect since the market adjustment in 2008. Likewise, on the commercial side there is relatively little vacancy within retail and office properties.

The Town's economic base continues to expand modestly. There has been gradual growth in the Town Center. A retail building on Main Street and Welles Street has completed construction and two of the three tenant spaces are now occupied by a pet store and a restaurant. Another site on Hebron Avenue has been constructed and two retail/service businesses are now in operation at this location. The Goodwill Store on Main Street completed its exterior renovation project. A restaurant has been constructed and is now open for business on Rankin Road. The McDonald's Restaurant completed their rebuild on Main Street. A new restaurant is now open and in full operation.

Glastonbury One, formerly called the Glastonbury Mews, is currently under construction at House Street and Hebron Ave. A 145 apartment unit development with a mix of townhomes, one- bedrooms and two-bedrooms will be developed. The Tannery, formerly known as Flanagan's Landing, is under construction on New London Turnpike. This development will consist of 250 apartments, along with a restaurant and an amenity building. The Monaco Ford Dealership on New London Turnpike also had a ribbon cutting ceremony to celebrate the completion of a 1,600 sf addition to their facility.

The Gateway Medical campus continues to grow now occupying eight constructed buildings. An additional building is currently under construction, another has received town approvals, and yet two other buildings are in the process of constructing approved modifications. Recently, another building received approvals for an expansion.

Overall, the Town is confident that Glastonbury's strong economic base will continue to attract high quality development and redevelopment projects for many years into the future.

Management Policies

Management adheres to the following policies to manage financial stability and strength of the Town. These policies have helped during budgetary challenges to meet increasing demands and taxpayer expectations with current economic trends and market influences.

- **Budgetary Control** - Expenditures may not legally exceed budgeted appropriations at the object code level. The Town Manager can authorize budget transfers within a department when the amount is \$5,000 or less and does not include additional staffing or the acquisition of capital items deleted in prior budgets. Other transfers require Board of Finance and/or Town Council approval. Transfers between departments may be made only in the last three months of the fiscal year. Monthly expenditures are reviewed with the Board of Finance and requested transfers are reviewed and justified.
- **Debt Policy** - The Town Council and Board of Finance have enacted a policy whereby debt shall not exceed three and one half percent (3.5%) of the respective year full value Grand List. Additionally, annual Debt Service shall not exceed 10% of the respective year budget. For 2016, actual debt service expenditures represented approximately 5.8% of actual expenditures. The ratio of net bonded debt to assessed valuation and the amount of net bonded debt per capita are useful indicators of the Town's debt position to municipal management, citizens and investors.

Applicable data with regard to debt at the end of the 2016 fiscal year is represented as follows:

Bonded Debt	Premium on Bonds	Total	Ratio of Debt to Assessed Value (70% of Market)	Ratio of Debt to 10/1/14 Market Value	Bonded Debt Per Capita
\$58,570,000	\$2,931,000	\$61,501,000	1.59%	1.04%	\$1,769

While the above ratios indicate a relationship of total debt obligations to the local tax base, it is important to recognize that there are other sources utilized to meet debt service requirements. State grants received as specific partial offsets to school building debt and other local revenues generated from the bonded projects themselves, such as sanitary sewer assessments, also serve to reduce the direct impact of debt service on the property tax.

Outstanding general obligation bonds at June 30, 2016 totaled \$58,570,000. Changes in bond indebtedness are detailed in Note 8 of this report. The Town is rated AAA by Standard & Poor's and Aaa by Moody's. It is the policy of the Town to protect these ratings by adhering to sound financial policies and decisions.

- **Use of Fund Balance** - The Town Council has enacted a Policy that the Town's Unassigned Fund Balance shall meet a minimum of 12% of the respective year combined Town, Education and Debt & Transfer budget. At June 30, 2016, in accordance with GASB 54, the Town's General Fund unassigned fund balance represented 16.9% of expenditures and 16.7% of revenues.

- **Cash Management** - The Town's Investment Portfolio Policies and Procedures apply to all financial assets of the Town, excluding pension and Other Post Employment Benefit (OPEB) Trust funds. The primary objective of each investment transaction is to protect principal followed by maintaining sufficient liquidity to meet cash flow needs, and finally, attain the maximum yield possible taking into account the investment risk constraints and cash flow requirements. Upon recommendation of the Board of Finance, investments are allowed in any financial institution approved by the Town Manager that meets the State of Connecticut definition of a "qualified public depository". Additional information on the Town's cash and investment policy can be found in the financial statements in Note 4. The Town monitors the financial health of the approved financial institutions by reviewing the quarterly risk based capital ratios and collateral requirements report as defined by Connecticut Statutes.
- **Pension Trust Fund** - Investment of the Pension Trust Fund portfolio is composed of stocks, bonds and real estate investments. The current investment strategy allows for 65% in stocks and 35% in bonds. The Board of Finance reviews the fund performance quarterly to monitor adherence to the Investment Policy Statement guidelines. Over the last few years the actuarial valuation assumptions have been reviewed and revised accordingly. Most specifically, the investment rate of return has been reduced over the years from 8.75% to 6.875% (effective with the 7/1/16 valuation). Recognizing the budget impact of the investment rate of return reduction on the actuarially determined contribution, the Town used a phased in approach over a number of years to minimize its effect on the Town's operating budget.
- **Technology Replacement Schedule** - The Town maintains a comprehensive schedule for replacement of computers and servers and review of software. Annually funds are included in the operating budget at a relatively consistent level to maintain systems and upgrades as necessary.
- **Loss Control** - The Town has a highly successful loss control program for its workers' compensation and property and casualty insurance. The Director of Finance and Director of Human Resources are jointly responsible for the risk management function. Semiannually, department directors must report on losses within their area of responsibility, the preventative action taken to correct the situation and any training provided to their employees to mitigate losses. Safety and risk management training is made available by the insurance providers and is used on a recurring basis. As in the past, the department and division directors focus on loss control prevention. These efforts have further improved the Towns' loss control program and strengthened the accountability of management staff for reduction in overall Worker's Compensation costs. The Town participates in the Connecticut Interlocal Risk Management Pool (CIRMA) for town and education coverage.

Factors Affecting the 2015/16 Budget

A continuing challenge when considering the Town's budget is the appropriate balance between operational requirements, the appropriate level of service to meet the needs and expectations of the community, and ongoing taxes. Glastonbury is highly dependent on tax revenues with 91% of its budgeted revenues derived from property taxes and delinquent charges. For the 2015/16 budget the 2014 Grand List increased 1.1% generating approximately \$1.65 million in additional tax revenue. The adopted expenditure budget for 2015/16 increased 2.16%. Offset by the revenue generated from grand list growth the mill rate increased from 35.65 to 36.1 or 1.26%.

The Town conservatively budgets non tax revenues with respect to building permit fees, investment income and Town Clerk conveyance fees, which comprises the majority of the non-tax revenue sources exclusive of grants. State revenues represent approximately 5.2% of the Town's overall revenues. The Town's budget process is considerably early when compared to the timing of the State's budget schedule. This forces the Town to estimate State grants at current funding levels or most current "best guess" estimates when its budget is presented, and in most cases even adopted in late March. Historically, the Town has not been adversely affected by this practice.

Historically, actual tax collection rates have exceeded 99%, the assumption used to set the mill rate. In 2013, 2014 and 2015 the collection rates were 99.44%, 99.41%, and 99.42 respectively. Due to this positive trend the Board of Finance changed this assumption to 99.1% for the 2015/16 mill rate and adopted a mill rate representative of a 1.26% tax increase over the previous year. The Town completed the 2016 fiscal year with a 99.55% collection rate.

The Town continued to face many of the same challenges on the expenditure side of the budget for 2015-2016 as it has in prior years. The combined Town, Debt & Transfers and Education budget increased \$3.2 million, or 2.16%. Below highlight some of the challenges.

- Town Operations increased 2.98% or \$1.14 million and is best characterized as a "maintenance budget". Goals and objectives were to:
 - Retain and improve the effectiveness and efficiency of Town operations while achieving a modest overall increase in operating accounts. This is accomplished through managing ongoing Town operations to minimize annual changes systemwide to provide predictability and sustainability.
 - Continue to identify, support and implement efficiencies through process improvements, machinery and equipment, systems and other initiatives.
 - Meet and exceed the 12% minimum threshold for the General Fund – Unassigned Fund Balance pursuant to the Town policy.
 - Effectively manage long-term debt requirements to achieve annual decreases in Debt Service costs. Consider new bond issues so they may be incorporated within the projected decreases in Debt Service to minimize budget and tax increases in future years.
 - Fund the pension Annual Required Contribution (ARC) at 100% with a decrease in the pension fund investment assumption from 7.25% to 7.125%.
 - Continue full funding of the OPEB contribution.
 - Sustain annual investment in system-wide Capital Outlay accounts.
 - Appropriate recommended funding levels to the Town's Health Care Insurance Reserve Fund.
 - Improve pay-as-you-go Capital funding by increasing the appropriation and transfer for Capital projects.

There were no new programs or services and full-time head count remained flat. Approximately forty four percent (44%) of the Town's operating budget accounts remained at or below prior year levels. The Town was able to achieve this and maintain and improve service levels even while faced with absorbing significant increases in pension costs.

- Since 2009 the Town's contribution to the pension plan has increased 159% due to two factors: the decline in market values in 2008 and the systematically planned decrease in the rate of return assumption from 8.75% to 7.125% in the current budget. In 2016, the increase in pension and social security costs was \$336K. To help mitigate these increases the Town has effectively been implementing changes to the investments and administration of the pension plan as well as implementing pension plan design changes, increased employee contributions and implementing a new pension plan for new hires. All things considered, of the 2.98% Town expenditure increase, 0.88% and 0.16% was a result of increases in Pension and OPEB costs, respectively and 1.94% was a result of increases in wages, services, maintenance, and capital outlay.
- The Education budget increased \$2.2 million or 2.29% over the previous year. Glastonbury Public Schools is responsible for the education of approximately 6,100 students from Pre-Kindergarten through Grade 12.

In summary, management, the Town Council and Board of Finance are extremely proactive in addressing budget policy and the various internal and external factors that affect the Town's budget and finances.

Long Range Financial Planning

Glastonbury has a highly successful Capital Improvement Program through which its goal is to maintain the Town's infrastructure and make improvements to and/or add community facilities to enhance the Town's overall image and services it provides to Town residents.

The Town's annual Capital Improvement Program (CIP) results in a five-year plan of acquisition, new construction, and repair and replacement of municipal facilities and equipment. The Program consists of a planning process and a budgetary process. Requests are prepared by Town Departments, Boards and Commissions, and are submitted to the Town Council in a five-year planning document prepared by the Town Manager and presented to the Town Council and Board of Finance by February 1. This document sets forth in priority order the suggested implementation of projects based on the needs of the community. Both boards complete their reviews and recommendations in mid-March as part of the annual budget process.

The Town's Capital Improvement Program policy outlines the purpose of the program to identify future capital needs over a multi-year period and recommends the means to finance them. The Town currently maintains a Capital Reserve that funds many of the capital and nonrecurring items on a cash basis. Other sources of funding include grants, donations and long-term financing if authorized by the voters.

In addition to identifying the type of capital items to be included in the capital program, the Town Council also sets the goals and limits with regard to reserves and authorizations. This policy, the Capital Improvement Program Criteria, reviewed annually and modified as needed by the Town Council, sets forth the following goals and guidelines:

- Establishes a goal of maintaining an available balance in the Capital Reserve of \$1,000,000, except as needed to meet emergencies;
- Requires the Town Manager to develop a financing plan for recommended projects that includes the source of funding and, as applicable, debt service projections and the mill rate impact of issued debt for the projects;

- Sets the referendum threshold for cash-funded projects that exceed 2% of the Town's current adopted Town, Education, and Debt Transfer budget, rounded to the next highest \$50,000; and,
- Provides funding for capital improvements when public referendum is not practical or in the best interests of the community. This would include:
 - Exigent circumstances affecting the health or safety of the community;
 - Grant funding and donations which reduce the net project cost below the threshold;
 - Care and maintenance of Town buildings and infrastructure; and,
 - Projects of a recurring nature that may be funded on an annual basis for which cumulative funding could exceed the threshold.

Glastonbury is well known for its successful land acquisition and preservation program. The program is funded through appropriations and bond authorizations approved at referendum. Since 1988, \$23 million has been approved at referendum for land acquisition and preservation. Through this program, the Town has acquired approximately 1,500 acres of which over 95% is currently allocated to open space, outdoor recreation, natural resource preservation, agriculture, historic preservation, river access and similar uses. A number of acquisitions were purchased with funding assistance from the State of Connecticut and the Nature Conservancy. At June 30, 2016 the Town has a balance of approximately \$2.5 million available for future land purchases. A referendum in the amount of \$3 million for the Land Acquisition reserve was approved in November 2016. The Town currently has agreements in place to purchase 700+ acres of open space land for \$15 million of which \$10 million will be funded through a State grant with the Town responsible for the balance.

The Town continues the practice of funding major projects, new and ongoing, from cash resources to minimize the issuance of debt to finance projects. The capital transfer from the General Fund to the Capital Reserve Fund for 2015-2016 was \$5,000,000. This was an increase of \$500,000 over the prior year and was accomplished with no effect on the tax rate as Debt Service requirements for 2015-16 decreased \$622,000. In addition to retiring debt the decrease in Debt Service is also attributable to savings achieved through the refunding of outstanding bonds that occurred in 2009, 2010, 2012 and 2014. Funding in 2016-2017 remained the same at \$5,000,000,

Projects in the Capital Improvement Program funded on a cash basis during 2016 totaled \$6.4 million and were for various improvements to Town infrastructure and buildings, disaster preparedness, a new building for the Facilities/Maintenance Department and various school improvements.

Looking forward to 2016/2017 the Town Council appropriated a total of \$8.1 million for current year funding through the annual appropriation to the Capital Reserve, Sewer Sinking funds and grants. Some major projects approved for funding include bridge replacement, heavy machinery and equipment, improvements to Town Hall, improvements to Town roads, sidewalks and Town infrastructure, boiler replacement at town buildings, energy efficiency projects and various other building improvements. In addition to the \$5 million funding from the General Fund the CIP program takes advantage of significant grant resources as applicable.

The Town continues to evaluate proposals for purchase and development of all or a portion of the remaining 55 ± acres of the town-owned Gateway Corporate area. This process will focus on a number of factors including purchase price, demand for public services, ongoing net tax benefits, and long-term viability of concepts.

Award

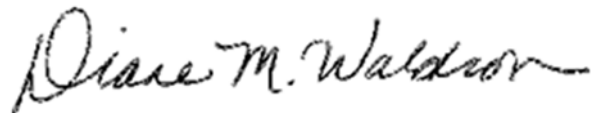
The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2015, which represents the twenty-sixth consecutive year this award has been received. In order to be awarded a Certificate of Achievement, the Town published an easily readable and efficiently organized comprehensive annual financial report. This report satisfies both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Achievement for Excellence is valid for a period of one year only. It is the Town's opinion that the current report continues to conform to the Certificate of Achievement for Excellence in Financial Reporting Program requirements. The 2016 report will be submitted to GFOA to determine its eligibility for the certificate program.

Acknowledgments

The preparation of this report could not be accomplished without the efficient and dedicated services of the entire staff of the Administrative Services Department. I would like to express my sincere appreciation to Nina Cousins, Controller, who, through her dedication, commitment and attention to detail, contributes significantly to the preparation of these financial statements. Also, a thank you and much appreciation to the Town Manager, Town Council and Board of Finance, for their ongoing support of sound financial management.

Respectfully submitted

A handwritten signature in cursive script that reads "Diane M. Waldron".

Diane M. Waldron
Director of Finance and Administrative Service

**TOWN OF GLASTONBURY, CONNECTICUT
PRINCIPAL TOWN OFFICIALS
JUNE 30, 2016**

Town Council

Stewart Beckett III, Chairman
Whit C. Osgood, Vice Chairman
Kurt P. Cavanaugh
Karen Boisvert
William T. Finn

Lawrence J. Byar
Cara T. Keefe
Jill Barry
Thomas P. Gullotta

Board of Finance

Jared Soper, Chairman
Constantine, Vice Chairman
James Zeller

James McIntosh
Michael Toppi
Walter Cusson

Administration

Town Manager
Director of Finance and Administrative Services
Director of Human Resources
Director of Planning and Land Use Services
Town Engineer/Manager of Physical Services
Chief of Police

Richard J. Johnson
Diane M. Waldron
Sherri L. Tanguay
Khara Dodds
Daniel A. Pennington
David A. Caron

Board of Education

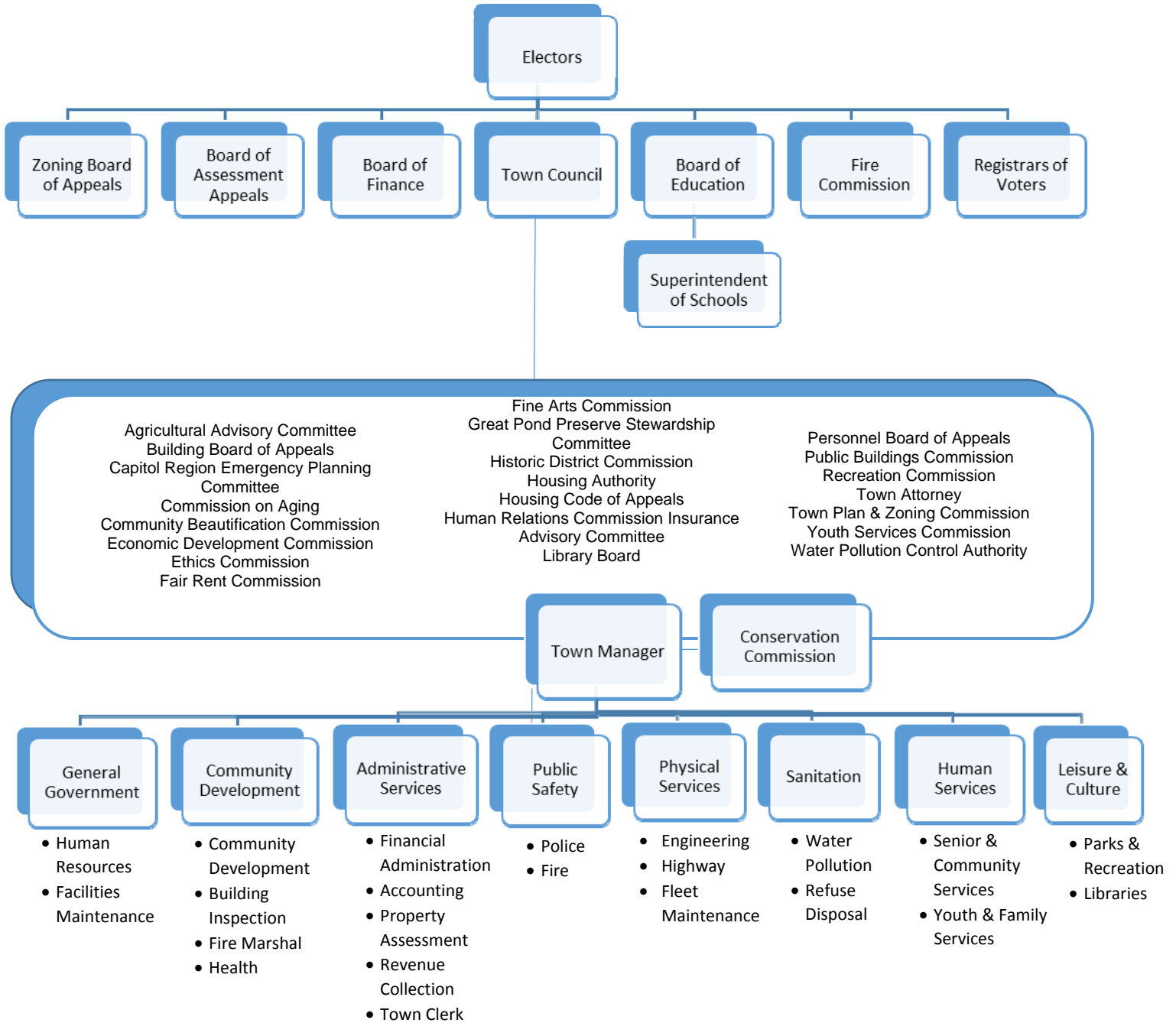
Susan Karp, Chairman
Jeremy Grieveson, Vice Chairman
Douglas C. Foyle, Secretary
Chittaranjan Sahay
Julie Thompson

Rosemary Coggeshall
Eric George
Leslie Cayer Ohta
Lillian Tanksi

Superintendent of Schools
Asst Superintendent, Curriculum and Instruction
Asst Superintendent, Personnel & Administration
Finance Manager

Alan B. Bookman
Rosemary Tralli
Matthew Dunbar
Karen Bonfiglio

Glastonbury Staff Organizational Chart





Government Finance Officers Association

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

Presented to

**Town of Glastonbury
Connecticut**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2015

Executive Director/CEO

Financial Section

BlumShapiro

Accounting | Tax | Business Consulting

Independent Auditors' Report

To the Town Council and Board of Finance
Town of Glastonbury, 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 Glastonbury, Connecticut, as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the Town of Glastonbury, 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the 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 Glastonbury, Connecticut, as of June 30, 2016 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.

Change in Accounting Principle

As discussed in Note 4 to the financial statements, during the fiscal year ended June 30, 2016, the Town adopted new accounting guidance, GASB Statement No. 72, *Fair Value Measurement and Application*. Our opinion is not modified with respect to this matter.

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 14, the budgetary comparison information on page 58 and the pension and OPEB schedules on pages 59 through 64 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 Glastonbury, 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 statement of the Town of Glastonbury, Connecticut, as of and for the year ended June 30, 2015 (not presented herein), and have issued our report thereon dated December 15, 2015, 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, 2015 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 2015 financial statements. The accompanying General Fund balance sheet has been subjected to the auditing procedures applied in the audit of the 2015 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, 2015.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 29, 2016 on our consideration of the Town of Glastonbury, 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 Glastonbury, Connecticut's internal control over financial reporting and compliance.

Blum, Shapiro & Company, P.C.

West Hartford, Connecticut
November 29, 2016

Town of Glastonbury, Connecticut Management's Discussion and Analysis - Unaudited June 30, 2016

This discussion and analysis of the Town of Glastonbury, Connecticut's financial performance provides an overview of the Town's financial activities for the fiscal year ended June 30, 2016. It should be read in conjunction with the letter of transmittal and the Town's financial statements that follow this section.

Financial Highlights

- On a government-wide basis, the assets of the Town of Glastonbury exceeded its liabilities resulting in a total net position at the close of the fiscal year of \$241.4 million. Of the Town's total net position at June 30, 2016, \$13.0 million, or 5.4%, is unrestricted and may be used to meet the Town's ongoing obligations to citizens and creditors.
- On a government-wide basis, during the year, the Town's net position decreased by \$0.86 million or .4%, from \$242.2 million to \$241.4 million. Government-wide expenses were \$179.4 million, while revenues were \$178.6 million. While there was an overall surplus of \$1.2 million in governmental fund operations, the change or decrease in net position of \$0.86 million is attributable to the overall recognition on a government wide basis of the deferred outflows relative to the change in pension actuarial experience.
- At the close of the year, the Town of Glastonbury's governmental funds reported, on a current financial resources basis, combined ending fund balances of \$52.6 million, an increase of \$1.2 million from the prior fiscal year. Of the total \$52.6 million fund balance as of June 30, 2016, \$22.6 million is available for spending at the Town's discretion and represents the combined unassigned balance in the general fund and other major and nonmajor governmental funds. The deficits in the Magnet School Fund will be eliminated upon project closeout, audit and final grant reimbursement of the retainage being held by the State. The deficit fund balance in the Land Acquisition Fund is primarily a result of bond anticipation notes outstanding and expenditures pending issuance of long term debt for land purchases.
- At the end of the current fiscal year, the total fund balance for the General Fund alone was \$27.1 million, an increase of approximately \$1.4 million from the prior fiscal year. Of that total fund balance, \$25.8 million is unassigned. The unassigned General Fund balance at year-end represents 16.8% of total General Fund expenditures and transfers out (\$153.9 million on a budget basis).
- The Town of Glastonbury's total bonded indebtedness decreased \$6.5 million during the fiscal year. There was no additional long term financing during the year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Town of Glastonbury's basic financial statements. The basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, 3) notes to the financial statements. This report also contains supplementary information and a statistical section. The statistical section provides comparisons of selected information beginning with fiscal year 2007 and running through the current year.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Town's finances, in a manner similar to private-sector business. All of the resources the Town has at its disposal are shown, including major assets such as buildings and infrastructure. A thorough accounting of the cost of government is rendered because the statements present all costs, not just how much was collected and disbursed. They provide both long-term and short-term information about the Town's overall financial status.

The statement of net position presents information on all of Glastonbury's assets and liabilities, with the difference reported as net position. One can think of the Town's net position - the difference between assets and liabilities - as one way to measure the Town's financial health or financial position. Over time, increases or decreases in net position may serve as an indicator of whether the financial position of the Town is improving or deteriorating. It speaks to the question of whether or not the Town, as a whole, is better or worse off as a result of this year's activities. Other non-financial factors will need to be considered, however, such as changes in the Town's property tax base and the condition of the Town's roads, to assess the overall health of the Town of Glastonbury.

The statement of activities presents information showing how the Town's net position changed during the most recent fiscal year. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flow in some future fiscal period, for example uncollected taxes and earned but unused vacation leave.

Activities of the Town of Glastonbury encompass the Town's basic services and include governmental and community services, administration, public safety, health and welfare, sewage treatment operations and education. Property taxes, charges for services and state and federal grants finance most of these activities.

The government-wide financial statements (statement of net position and statement of activities) can be found on pages 15-16.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control and accountability over resources that have been segregated for specific activities or objectives. The Town of Glastonbury, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Town of Glastonbury has three kinds of funds:

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

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

The Town of Glastonbury maintains 27 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, Special Assessment Fund, Capital Reserve Projects, the Magnet School Fund and the Land Acquisition fund, all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated schedule as other nonmajor governmental funds. Nonmajor governmental funds for the Town of Glastonbury which are classified as special revenue funds include the Sewer Operating Fund, Dog Fund, Grants and Contracts, Police Forfeited Property, Special Gifts/Grants, Historic Documents/Preservation, School Cafeteria, Education Grants, various library trust funds, Connecticut, Police Private Duty, Camp Sunrise, Recreation Activities, Insurance Reserve, Riverfront Park Operations and Planetarium funds. Nonmajor funds which are classified as capital projects funds include the Minnechaug Golf Fund, Town Aid, Sewer Sinking Projects, Capital and Non Recurring Expenditures, Gateway Project and the Riverfront Park Project. Individual fund data for each of these nonmajor governmental funds is provided in the combining balance sheet and in the combining statement of revenues, expenditures and changes in fund balances (deficits).

The Town of Glastonbury adopts an annual budget for its General Fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with the authorized budget. The statement of revenues, expenditures and changes in budgetary fund balance on a budgetary basis can be found on page 58.

The basic governmental fund financial statements (balance sheet and statement of revenues, expenditures and changes in fund balances (deficits) can be found on pages 17-20.

Internal Service Fund. The Town is self-insured for its health insurance benefits. Employer and employee contributions, stop loss reimbursements, claims and administrative costs for employee health benefits are accounted for in this internal service fund. The basic financial statements of this fund can be found on pages 21-23.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The Town has one pension trust fund, one other post-employment benefit trust fund and two agency funds. The basic fiduciary fund financial statements can be found on pages 24-25.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 26-57 of this report.

Certain required supplementary information is reported concerning the Town of Glastonbury's progress in funding its obligation to provide pension benefits and other post-employment benefits to its employees. This information can be found within the Schedule of Employer Contributions, Schedule of Changes in Net Pension Liability and Related Ratios, Schedule of Investment Returns, Schedule of the Town's Proportionate Share of the Net Pension Liability - Teachers Retirement Plan, and Schedule of Funding Progress and Employer Contributions - OPEB on pages 59-64 of this report.

Additional required supplementary information on comparative data for the general fund budgeted revenues and expenditures is shown on page 58.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position and an important determinant of its ability to finance services in the future. The Town of Glastonbury Governmental Activities assets exceeded liabilities by \$241.4 million on June 30, 2016.

Table 1 - Net Position
(in thousands)

	Governmental Activities	
	2016	2015
Current and other assets	\$ 69,670	\$ 70,006
Capital assets, net of accumulated depreciation	302,907	306,314
Total assets	<u>372,577</u>	<u>376,320</u>
Deferred outflows of resources		
Deferred charge on refunding	2,696	3,274
Change in pension actuarial experience	2,524	749
Change in pension investment experience	12,467	5,943
Total deferred outflows of resources	<u>17,687</u>	<u>9,966</u>
Long-term liabilities outstanding	138,612	134,893
Other liabilities	9,093	8,287
Total liabilities	<u>147,705</u>	<u>143,180</u>
Deferred inflows of resources		
Advance tax payments	479	287
Change in pension assumptions	696	576
Total deferred inflows of resources	<u>1,175</u>	<u>863</u>
Net Position:		
Net investment in capital assets	228,343	225,203
Restricted	9	9
Unrestricted	<u>13,032</u>	<u>17,031</u>
Total Net Position	<u>\$ 241,384</u>	<u>\$ 242,243</u>

By far the largest portion of the Town of Glastonbury's net position (95%) reflects its investment in capital assets (such as land, buildings, machinery, equipment and infrastructure), less any related debt used to acquire those assets that are still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town of Glastonbury'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 the capital assets themselves cannot be used to liquidate these liabilities.

Table 2 - Changes in Net Position
(in thousands)

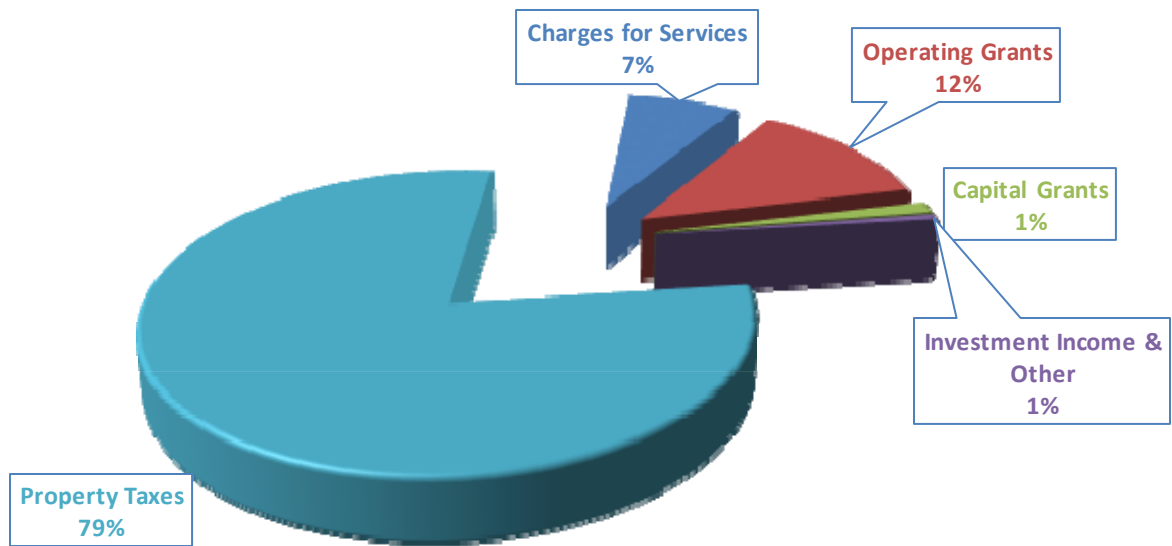
	Governmental Activities	
	2016	2015
Revenues:		
Program revenues:		
Charges for services	\$ 12,466	\$ 10,808
Operating grants and contributions	22,428	20,756
Capital grants and contributions	2,319	4,494
General revenues:		
Property taxes	140,297	136,885
Grants and contributions not restricted to specific programs	139	204
Gain on disposal	-	(38)
Investment income and other	935	499
Total revenues	<u>178,584</u>	<u>173,608</u>
Expenses:		
General government/services	4,502	2,773
Community development	1,796	1,741
Administrative services	6,822	6,475
Public safety	14,053	12,669
Physical services	11,033	10,976
Sanitation	4,119	3,639
Human services	3,262	3,035
Leisure/culture	8,340	7,740
Education	122,930	116,888
Interest on long-term debt	2,586	2,901
Total expenses	<u>179,443</u>	<u>168,837</u>
Change in Net Position	(859)	4,771
Net Position, beginning	<u>242,243</u>	<u>237,472</u>
Net Position, ending	<u>\$ 241,384</u>	<u>\$ 242,243</u>

Glastonbury's net position decreased \$0.86 million during the fiscal year. This decrease is a result of the recognition of a significant increase in the change in the pension liability.

Governmental Activities

Approximately 78.6% of the revenues were derived from property taxes, followed by 12.5% from operating grants and contributions, 7.0% from charges for services, 1.3% from capital grants and contributions, and the remaining 0.6% from investment earnings, grants and contributions and gain on disposal of assets.

REVENUES BY SOURCE - GOVERNMENTAL ACTIVITIES 2016



Major revenue factors included:

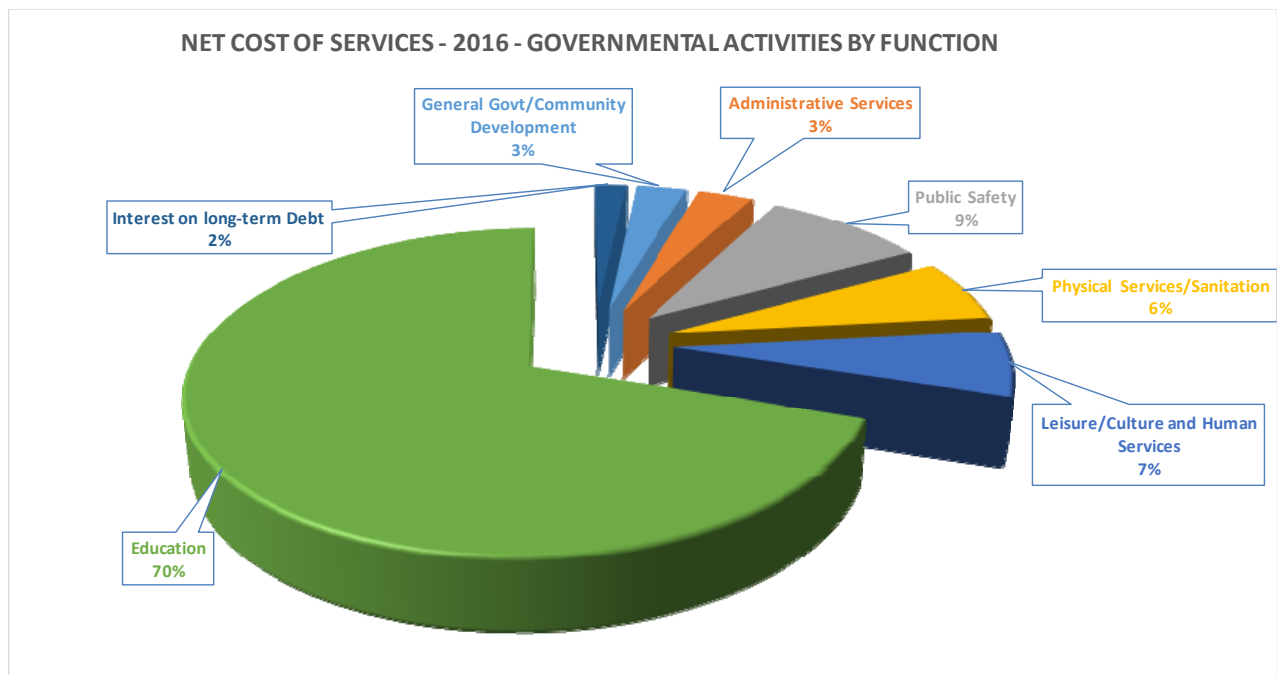
- Property tax revenues recorded for fiscal year 2016 totaled \$140.3 million, which represents an increase of 2.5% or \$3.4 million over 2015 tax revenues. The tax increase for the 2015/16 budget was 1.26%. This increase, combined with the estimated growth in the grand list of 1.1%, generated approximately \$3.1 million in additional tax revenue. Other positive factors included an unanticipated increase in the supplemental motor vehicle tax billing that was originally budgeted at \$0.95 million and generated \$1.3 million. In addition, the actual tax collection rate exceeded the assumed rate, 99.55% versus 99.1%, respectively.
- Investment income increased \$0.44 million or 87.4%. The investment strategy was modified in 2014 to allow for longer term investment of idle funds providing the opportunity to lock in higher interest rates. This proved to be an effective strategy to maximize investment earnings in what continues to be a very low interest rate environment. In addition, implementation of Governmental Accounting Standards Board (GASB) pronouncement No. 72 requiring investments be recorded at fair value, accounted for \$0.3 million of the increase which represents 68% of the increase in Investment Income.
- Charges for services increased \$1.66 million. Some of the major factors include increased building fee revenue of \$0.5 million due to receipt of permit fees for some large development projects occurring throughout Town; Town Clerk recording and conveyance tax revenues of \$0.2 million due to increased activity; Special assessments of \$0.3 million; and Police private duty revenues of \$0.2 million.
- Operating grants and contributions increased \$1.7 million or 8% primarily due to the increase in the State payment for the teacher's retirement system which increased \$1.4 million or 15.5%.
- Capital grants and contributions decreased \$2.2 million or 48% due to receipt of grants for projects completed in the prior year.

With respect to governmental activities, 68.5% of the Town's expenses related to education. Physical services and sanitation accounted for 8.4%, public safety accounted for 7.8%, leisure and culture, comprised of parks and recreation and library services, accounted for 4.7% and administrative services, which includes finance, accounting, revenue collection, assessment, town clerk, property and casualty insurances, legal costs and information technology accounted for 3.8% of expenses. The remaining 6.8% relates to general government, community development, human services and interest on long-term debt.

Overall, expenses increased \$10.6 million or 6.3% over the prior year. Major expenditure factors include:

- General government increased \$1.7 million or 62%. The primary reason for this increase is the recording of pension related accruals and deferred inflows and outflows related to changes in investment and actuarial experience as required by the Governmental Accounting Standards Board (GASB).
- Education expenses increased \$6 million or 5.2%. Approximately 23% of this increase is attributable to the increase in the State Teachers Retirement on behalf payment by the State of Connecticut. The balance of the increase is a result of contractual obligations.
- All other increases are primarily a result of contract and nonaffiliated wage increases and increased pension costs. Another factor was increased capital projects expenditures of approximately \$1.8 million or a 38% increase over the prior year.

The following chart presents the net cost of services for the Town's major functions – General Government/Community Services, Administrative Services, Public Safety, Physical Services/Sanitation, Leisure/Culture and Human Services, Education and Interest on long term debt.



Financial Analysis of the Government's Funds

As noted earlier, the Town of Glastonbury uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

As of June 30, 2016, the Town of Glastonbury's governmental funds reported combined ending fund balances of \$52.6 million, an increase of \$1.2 million over the previous year. Approximately \$30 million of this total is non-spendable, restricted, committed or assigned indicating it is not available for new spending as it is primarily to liquidate contracts and purchase orders or is legally restricted for other purposes. Approximately \$22.6 million of fund balance is unassigned comprised of the net of the general fund balance of \$25.8 million and deficit off-sets in the Magnet School Fund and Land Acquisition Fund in the amount of \$3.2 million. The Magnet School Fund deficit balance is pending completion of the project audit by the State and receipt of final state grants. The deficit in the Land Acquisition Fund is due to outstanding bond anticipation notes at the end of the fiscal year. It is anticipated these will be financed through the issuance of long term debt in future years.

General Fund

The General Fund is the primary operating fund of the Town. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$25.8 million while total fund balance reached \$27.1 million.

The Town's General Fund balance increased \$1.3 million during the current fiscal year. Key factors that contributed to the financial outcome are as follows:

- Overall, on a budget basis, General Fund revenues exceeded estimates by \$1.2 million.
- Property tax revenues exceeded budget estimates by approximately \$0.5 million. This surplus is attributable to the Revenue Collection office overachieving collections estimated at the time the mill rate was established on current collections combined with their successful efforts to collect on delinquent taxes. The Board of Finance assumed a collection rate of 99.1% for the 2015/16 mill rate compared to the actual collection rate of 99.55%. Also, the Supplemental Motor Vehicle list, estimated at \$0.95 million, generated actual collections of \$1.3 million.
- Licenses and permits exceeded budget estimates by approximately \$0.8 million due to building permit revenue received during the year for major development projects within Town.
- Intergovernmental revenues came in \$0.3 million ahead of estimates as a result of receipt of various state grants not anticipated during the budget process, specifically an Open Space grant for land acquisition in the amount of \$0.23 million and State grants for the purchase of hybrid vehicles in the amount of \$0.13 million. It should be noted there were offsetting expenditures related to these grant revenues for the purchase of the land and vehicles.
- General Fund expenditures came in \$1.1 million under budget. Much of the savings were throughout various departments and were attributable to savings in wages and benefits achieved through attrition and staff vacancies in various departments.
- It should be noted that not included in the operations at June 30, 2016 is approximately \$0.43 million in encumbrances and capital carry forwards attributable to commitments and capital purchases not made in the current year and authorized to be carried over to the following fiscal year. These items are classified as assigned amounts in the general fund.
- The Town returned \$118,500 of the \$175,000 budgeted for Contingency.

At the close of the fiscal year, the Town's other governmental funds reported, on a current financial resource basis, combined ending fund balances of \$25.5 million, representing a slight decrease \$0.2 million from the prior fiscal year. Changes in the Town's other major funds are highlighted as follows:

Special Assessment Fund

The Special Assessment Fund accounts for the collection of sewer assessments levied against properties connected to the Town's sewer system. This reserve is dedicated to infrastructure improvements of the sewer system. This fund completed the fiscal year with a \$0.7 million surplus generated primarily from sewer connection assessments collected during the year of \$0.55 million, investment income of \$0.25 million and accrual of unrealized investment income of \$0.18 million. Annually, investment income generated in this fund is transferred to the Sewer Operating Fund to offset debt service costs related to the Clean Water Fund note repayment to the State of Connecticut. This note funded recent improvements to the Water Pollution Control facility.

Capital Reserve Projects Fund

This fund accounts for activity of capital expenditures exclusive of projects approved at referendum for bond financing. Projects accounted for in this fund are appropriated annually as part of the budget process and financed through the annual General Fund appropriation to the Capital Reserve, grants, and sewer assessment or user fees. During the year the Town expended \$6.4 million for various capital projects and improvements. The fund balance increased \$0.9 million for a total of \$6.7 million at year end all of which is committed for capital and infrastructure purposes.

Magnet School Fund

This fund accounts for the activity related to construction of the Glastonbury/East Hartford Magnet School. Substantially all costs will be reimbursed to the Town through the State School Construction Program. The deficit fund balance in this fund will be resolved upon final audit and closeout of the project.

Land Acquisition Fund

The Land Acquisition Fund is used to account for appropriations and expenditures approved through the referendum process for land purchases through the Town's Reserve for Land Acquisition. The Town purchased \$0.4 million in land acquisitions. The deficit fund balance of \$1.2 million will be funded through the issuance of bonds at a later date.

General Fund Budgetary Highlights

The difference between the original budget and the final amended expenditure budget was \$2.1 million. The original budget was amended by actions recommended by the Board of Finance and approved by the Town Council following public hearings. The major additional appropriations approved during the year are summarized below:

- Increased education appropriations of \$1.1 million reflect the receipt of special education excess costs, transportation grants and community use custodial fee reimbursements
- Grants in the amount of \$0.4 million designated for the purchase of energy efficient vehicles and land acquisition.
- Other commitments, capital outlay and Education unexpended fund carryovers from the prior fiscal year in the amount of \$0.6 million.

During the year, actual revenues on a budgetary basis were \$155.2 million which exceeded budgetary estimates by \$1.85 million. Significant contributions to this increase were unanticipated revenues from the following sources; Tax collections that exceeded estimates by \$0.5 million; license and permit fees of \$0.8 million and intergovernmental revenue of \$0.3 million.

Actual expenditures and transfers out on a budgetary basis totaled \$153.8 million, which is approximately \$1.1 million less than the amended budget of \$154.9 million. In accordance with the Town Charter, the fiscal year 2016 budget included a planned draw down of fund balance of \$0.65 which was not needed.

Capital Asset and Debt Administration

Capital Assets. The Town of Glastonbury’s investment in capital assets for its governmental activities as of June 30, 2016, amounted to \$513.4 million on a gross basis and \$302.9 million net of accumulated depreciation. This investment in capital assets includes land, buildings, land improvements, machinery and equipment, computer software, park facilities, roads, sewers and bridges. The net increase in the Town of Glastonbury’s investment in capital assets before depreciation for the fiscal year was \$8.1 million.

**Table 4 - Capital Assets (Gross)
(in thousands)**

	Governmental Activities	
	2016	2015
Land	\$ 44,183	\$ 43,646
Development rights	2,231	2,231
Construction in progress	2,158	1,741
Land improvements	39,875	38,330
Building and improvements	223,596	222,063
Machinery and equipment	49,371	46,881
Computer software	589	402
Infrastructure	<u>151,414</u>	<u>150,025</u>
Total	<u>\$ 513,417</u>	<u>\$ 505,319</u>

Major capital asset events during the current fiscal year included the following:

- Major projects capitalized from Construction in Progress (CIP) during the year included: the Griswold House Street Intersection improvements, Parks Facilities renovations and expansion and the construction costs for the new Town Facilities building. Major additions to CIP include the Gideon Welles School window replacement project and Glastonbury High School pool upgrades.
- The increase in Machinery and Equipment of approximately \$2.5 million relates to the purchase of major heavy equipment for the Highway, Refuse and Sanitation departments in addition to major upgrades to one of the Town’s sanitary sewer pump stations.

Additional information on the Town of Glastonbury’s capital assets can be found at Note 6 of this report. Capital project expenditures can be found on pages 94-97.

Long-Term Debt.

At the end of the current fiscal year, the Town of Glastonbury had total bonded debt outstanding of \$58.6 million. 100% of this debt is backed by the full faith and credit of the Town government. The Town of Glastonbury maintains a AAA rating from Standard and Poor's and an Aaa rating from Moody's Investors Service.

The overall statutory debt limit for the Town of Glastonbury is equal to seven times annual receipts from taxation or \$983 million. As of June 30, 2016, the Town's recorded long-term debt of \$58.6 million is well below its statutory debt limits.

The Town did not issue long term debt during the year and has bond anticipation notes outstanding in the amount of \$1.265 million.

Additional information on the Town of Glastonbury's long-term debt can be found in Note 8 of this report.

Economic Factors

The Town of Glastonbury is well positioned to handle various economic conditions. Glastonbury receives a relatively small amount of State aid and, therefore, 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 these difficult economic conditions.

Requests for Information

The financial report is designed to provide a general overview of the Town of Glastonbury's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Finance and Administrative Services at 2155 Main Street, Glastonbury, CT 06033.

Basic Financial Statements

TOWN OF GLASTONBURY, CONNECTICUT
STATEMENT OF NET POSITION
JUNE 30, 2016

	Governmental Activities
Assets:	
Current assets:	
Cash and cash equivalents	\$ 39,695,938
Receivables, net of allowance of \$195,158	2,354,170
Inventory	219,969
Investments	27,371,339
Other assets	26,568
Total current assets	<u>69,667,984</u>
Noncurrent assets:	
Capital assets not being depreciated	48,571,488
Capital assets being depreciated, net of accumulated depreciation	254,335,536
Total noncurrent assets	<u>302,907,024</u>
Total assets	<u>372,575,008</u>
Deferred Outflows of Resources:	
Deferred charge on refunding	2,695,609
Change in pension actuarial experience	2,525,450
Change in pension investment experience	12,467,367
Total deferred outflows of resources	<u>17,688,426</u>
Liabilities:	
Current liabilities:	
Accounts payable and accrued liabilities	6,120,725
Due to developers for escrow deposits	812,874
Due to others for escrow deposits	172,635
Bond anticipation notes payable	1,265,000
Unearned revenue	278,524
Accrued interest payable	443,148
Noncurrent liabilities due within one year	7,879,647
Total current liabilities	<u>16,972,553</u>
Noncurrent liabilities due in more than one year	<u>130,732,320</u>
Total liabilities	<u>147,704,873</u>
Deferred Inflows of Resources:	
Advance tax payments	478,914
Change in pension assumptions	695,193
Total deferred inflows of resources	<u>1,174,107</u>
Net Position:	
Net investment in capital assets	228,343,977
Restricted for:	
Trust funds, nonspendable	8,527
Unrestricted	<u>13,031,950</u>
Total Net Position	<u>\$ 241,384,454</u>

The accompanying notes are an integral part of the financial statements

**TOWN OF GLASTONBURY, CONNECTICUT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2016**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Total</u>
Governmental activities:					
General government services	\$ 4,501,967	\$ -	\$ 862,690	\$ -	\$ (3,639,277)
Community development	1,796,427	1,292,517	-	-	(503,910)
Administrative services	6,822,060	2,381,040	-	-	(4,441,020)
Public safety	14,053,008	756,727	80,338	2,200	(13,213,743)
Physical services	11,032,856	33,222	2,500	2,163,120	(8,834,014)
Sanitation	4,119,041	3,919,616	35,436	-	(163,989)
Human services	3,261,539	217,714	202,289	-	(2,841,536)
Leisure/culture	8,339,722	1,754,512	36,074	-	(6,549,136)
Education	122,929,957	2,110,809	21,208,880	153,305	(99,456,963)
Interest on long-term debt	2,585,718	-	-	-	(2,585,718)
Total	\$ 179,442,295	\$ 12,466,157	\$ 22,428,207	\$ 2,318,625	(142,229,306)
			General revenues:		
			Property taxes		140,296,610
			Grants and contributions not restricted to specific programs		138,808
			Unrestricted investment earnings		935,203
			Total general revenues		<u>141,370,621</u>
			Change in net position		(858,685)
			Net Position at Beginning of Year		<u>242,243,139</u>
			Net Position at End of Year		<u>\$ 241,384,454</u>

The accompanying notes are an integral part of the financial statements

**TOWN OF GLASTONBURY, CONNECTICUT
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2016**

	General Fund	Special Assessment Fund	Capital Reserve Projects Fund	Magnet School Fund	Land Acquisition	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS							
Cash and cash equivalents	\$ 19,723,015	\$ 3,184,543	\$ 3,071,950	\$ -	\$ 46,398	\$ 5,688,086	\$ 31,713,992
Receivables, net of allowances for collection losses	1,119,920	146,451	-	-	-	407,933	1,674,304
Due from other funds	-	-	2,057,256	-	-	-	2,057,256
Inventory	202,268	-	-	-	-	17,701	219,969
Investments	11,629,827	10,674,422	1,745,253	-	28,695	3,293,142	27,371,339
Other assets	14,999	-	-	-	-	11,569	26,568
Total Assets	<u>\$ 32,690,029</u>	<u>\$ 14,005,416</u>	<u>\$ 6,874,459</u>	<u>\$ -</u>	<u>\$ 75,093</u>	<u>\$ 9,418,431</u>	<u>\$ 63,063,428</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities:							
Accounts payable and other payables	\$ 3,550,942	\$ -	\$ 137,255	\$ -	\$ -	\$ 998,835	\$ 4,687,032
Due to other funds	-	-	-	2,057,256	-	-	2,057,256
Due to developers for escrow deposits	812,874	-	-	-	-	-	812,874
Due to others for escrow deposits	119,451	53,184	-	-	-	-	172,635
Bond anticipation notes	-	-	-	-	1,265,000	-	1,265,000
Unearned revenue	140,535	-	-	-	-	137,989	278,524
Total liabilities	<u>4,623,802</u>	<u>53,184</u>	<u>137,255</u>	<u>2,057,256</u>	<u>1,265,000</u>	<u>1,136,824</u>	<u>9,273,321</u>
Deferred inflows of resources:							
Unavailable revenue - property taxes	516,195	-	-	-	-	-	516,195
Unavailable revenue - special assessments	-	113,197	-	-	-	63,103	176,300
Unavailable revenue - other	-	-	-	-	-	4,706	4,706
Advance tax payments	487,801	-	-	-	-	-	487,801
Total deferred inflows of resources	<u>1,003,996</u>	<u>113,197</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>67,809</u>	<u>1,185,002</u>
Fund balances:							
Nonspendable	217,267	-	-	-	-	37,797	255,064
Restricted	-	-	-	-	-	2,263,358	2,263,358
Committed	-	13,839,035	6,737,204	-	-	5,912,643	26,488,882
Assigned	1,001,234	-	-	-	-	-	1,001,234
Unassigned	25,843,730	-	-	(2,057,256)	(1,189,907)	-	22,596,567
Total fund balances	<u>27,062,231</u>	<u>13,839,035</u>	<u>6,737,204</u>	<u>(2,057,256)</u>	<u>(1,189,907)</u>	<u>8,213,798</u>	<u>52,605,105</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 32,690,029</u>	<u>\$ 14,005,416</u>	<u>\$ 6,874,459</u>	<u>\$ -</u>	<u>\$ 75,093</u>	<u>\$ 9,418,431</u>	<u>\$ 63,063,428</u>

(Continued on next page)

TOWN OF GLASTONBURY, CONNECTICUT
BALANCE SHEET - GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2016

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 (Exhibit III)	\$ 52,605,105
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Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:

Governmental capital assets	\$ 513,417,353	
Less accumulated depreciation	(210,510,329)	
Net capital assets		302,907,024

Other long-term assets and deferred outflows of resources are not available to pay for current-period expenditures and, therefore, are not recorded in the funds:

Property tax and assessment receivables greater than 60 days	706,090	
Interest receivable on property taxes	354,000	
Interest receivable on sewer assessments	10,000	
Deferred outflow - change in pension actuarial experience	12,467,367	
Deferred outflow - change in pension investment experience	2,525,450	
		16,062,907

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.

6,864,117

Long-term liabilities and deferred inflows of resources are not due and payable in the current period and, therefore, are not reported in the funds:

Bonds payable	(58,570,000)
Bond premium, net of amortization	(2,930,812)
Deferred charges on refunding	2,695,609
Clean Water loans payable	(14,447,844)
Notes payable	(45,000)
Interest payable on bonds	(443,148)
Compensated absences	(4,580,785)
Net pension liability	(55,489,150)
Deferred inflow - change in actuarial assumptions	(695,193)
OPEB obligation	(2,548,376)

Net Position of Governmental Activities (Exhibit I)	\$ <u>241,384,454</u>
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The accompanying notes are an integral part of the financial statements

**TOWN OF GLASTONBURY, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2016**

	General Fund	Special Assessment Fund	Capital Reserve Projects Fund	Magnet School Fund	Land Acquisition	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:							
Property taxes, interest and lien fees	\$ 140,255,321	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 140,255,321
Licenses and permits	1,655,217	-	-	-	-	-	1,655,217
Intergovernmental	9,207,615	-	-	-	-	4,872,799	14,080,414
Charges for services	1,821,591	549,822	-	-	-	6,402,711	8,774,124
Investment income (loss)	285,841	250,004	-	-	(134)	77,556	613,267
Unrealized investment income (loss)	89,230	179,983	13,390	-	220	25,266	308,089
Other revenues	1,859,871	264	2,500	-	9,627	545,439	2,417,701
State payment for teacher's retirement system	10,420,522	-	-	-	-	-	10,420,522
Total revenues	<u>165,595,208</u>	<u>980,073</u>	<u>15,890</u>	<u>-</u>	<u>9,713</u>	<u>11,923,771</u>	<u>178,524,655</u>
Expenditures:							
Current:							
General government	2,952,448	-	-	-	-	-	2,952,448
Community development	1,738,682	-	-	-	-	-	1,738,682
Administrative services	6,522,604	-	-	-	-	194,675	6,717,279
Public safety	12,400,819	-	-	-	-	660,469	13,061,288
Physical services	6,531,451	-	-	-	-	-	6,531,451
Sanitation	726,101	-	-	-	-	1,906,380	2,632,481
Human services	2,919,612	-	-	-	-	52,172	2,971,784
Leisure/culture	5,254,630	-	-	-	-	1,477,406	6,732,036
Education	100,315,657	-	-	-	-	4,174,705	104,490,362
State payment for teacher's retirement system	10,420,522	-	-	-	-	-	10,420,522
Debt service	8,856,681	-	-	-	-	1,148,679	10,005,360
Capital outlay	-	-	6,407,015	-	401,972	2,267,667	9,076,654
Total expenditures	<u>158,639,207</u>	<u>-</u>	<u>6,407,015</u>	<u>-</u>	<u>401,972</u>	<u>11,882,153</u>	<u>177,330,347</u>
Revenues over (under) Expenditures	<u>6,956,001</u>	<u>980,073</u>	<u>(6,391,125)</u>	<u>-</u>	<u>(392,259)</u>	<u>41,618</u>	<u>1,194,308</u>
Other Financing Sources (Uses):							
Sale of general capital assets	30,971	-	-	-	-	-	30,971
Transfers in	-	-	7,305,000	-	277,500	5,603,805	13,186,305
Transfers out	(5,631,300)	(250,005)	-	-	-	(7,305,000)	(13,186,305)
Total other financing sources (uses)	<u>(5,600,329)</u>	<u>(250,005)</u>	<u>7,305,000</u>	<u>-</u>	<u>277,500</u>	<u>(1,701,195)</u>	<u>30,971</u>
Net Change in Fund Balances	1,355,672	730,068	913,875	-	(114,759)	(1,659,577)	1,225,279
Fund Balances at Beginning of Year	<u>25,706,559</u>	<u>13,108,967</u>	<u>5,823,329</u>	<u>(2,057,256)</u>	<u>(1,075,148)</u>	<u>9,873,375</u>	<u>51,379,826</u>
Fund Balances at End of Year	<u>\$ 27,062,231</u>	<u>\$ 13,839,035</u>	<u>\$ 6,737,204</u>	<u>\$ (2,057,256)</u>	<u>\$ (1,189,907)</u>	<u>\$ 8,213,798</u>	<u>\$ 52,605,105</u>

(Continued on next page)

TOWN OF GLASTONBURY, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2016

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

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

Net change in fund balances - total governmental funds (Exhibit IV) \$ 1,225,279

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

Capital outlay	\$ 9,045,295	
Depreciation expense	(12,148,695)	
Capital contributions	2,200	
Disposals	<u>(305,851)</u>	(3,407,051)

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

Property taxes and assessments collected after 60 days	166,316	
Interest income on property taxes	(121,000)	
Interest income on sewer assessments	(7,000)	
Intergovernmental revenue on school bonds	<u>(57,348)</u>	(19,032)

Deferred outflow - change in pension actuarial experience		6,524,593
Deferred outflow - change in pension investment experience		1,775,914

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

Change in accrued interest	52,169	
Principal payments on bonds	6,515,000	
Principal payments on Clean Water loans payable	850,481	
Principal payments on notes payable	45,000	
Change in bond premium	535,006	
Change in deferred charge on refunding	(578,013)	
Change in pension liability	(11,542,885)	
Deferred inflow - change in actuarial assumptions	(120,130)	
Change in OPEB liability	<u>(122,808)</u>	(4,366,180)

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

Change in long-term compensated absences		1,537
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The net expense of certain activities of internal service funds is reported in governmental activities		<u>(2,593,745)</u>
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Change in Net Position of Governmental Activities (Exhibit II)		<u>\$ (858,685)</u>
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The accompanying notes are an integral part of the financial statements

TOWN OF GLASTONBURY, CONNECTICUT
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
JUNE 30, 2016

	Governmental Activities
	Internal Service Fund
Assets:	
Current assets:	
Cash and cash equivalents	\$ 7,981,946
Accounts receivable, net	315,866
Total current assets	<u>8,297,812</u>
Liabilities:	
Current liabilities:	
Claims payable	1,221,603
Administration payable	212,092
Total current liabilities	<u>1,433,695</u>
Net Position:	
Unrestricted	<u>\$ 6,864,117</u>

The accompanying notes are an integral part of the financial statements

**TOWN OF GLASTONBURY, CONNECTICUT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION -
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2016**

	Governmental Activities Internal Service Fund
Operating Revenues:	
Employer contributions	\$ 13,640,797
Employee contributions	3,800,625
Total operating revenues	<u>17,441,422</u>
Operating Expenses:	
Claims incurred	17,703,377
Administration	2,345,637
Total operating expenses	<u>20,049,014</u>
Operating Income (Loss)	(2,607,592)
Nonoperating Revenues:	
Investment income	<u>13,847</u>
Change in Net Position	(2,593,745)
Net Position at Beginning of Year	<u>9,457,862</u>
Net Position at End of Year	<u>\$ 6,864,117</u>

The accompanying notes are an integral part of the financial statements

**TOWN OF GLASTONBURY, CONNECTICUT
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2016**

	Governmental Activities Internal Service Fund
Cash Flows from Operating Activities:	
Receipts from customers and users	\$ 17,364,322
Claims paid	(17,521,523)
Payments for administration	<u>(2,296,707)</u>
Net cash provided by (used in) operating activities	<u>(2,453,908)</u>
Cash Flows from Investing Activities:	
Investment income (loss)	<u>13,847</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(2,440,061)
Cash and Cash Equivalents - Beginning of Year	<u>10,422,007</u>
Cash and Cash Equivalents - End of Year	<u>\$ 7,981,946</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:	
Operating income (loss)	\$ (2,607,592)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:	
(Increase) decrease in accounts receivable	(144,060)
(Increase) decrease in amounts due from other funds	66,960
Increase (decrease) in claims payable	181,854
Increase (decrease) in administration payable	<u>48,930</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ (2,453,908)</u>

The accompanying notes are an integral part of the financial statements

TOWN OF GLASTONBURY, CONNECTICUT
STATEMENT OF FIDUCIARY NET POSITION - FIDUCIARY FUNDS
JUNE 30, 2016

	Pension and Other Employee Benefit Trust Funds	Agency Funds
	<u> </u>	<u> </u>
Assets:		
Cash and cash equivalents	\$ 989,424	\$ 1,063,070
Employee contributions receivable	41,050	-
Investments, at fair value:		
Mutual funds	122,629,003	-
Total assets	<u>123,659,477</u>	<u>1,063,070</u>
Liabilities:		
Due to student groups	-	1,020,597
Due to others	-	42,473
Total liabilities	<u>-</u>	<u>1,063,070</u>
Net Position:		
Restricted for Pension and OPEB Benefits	<u>\$ 123,659,477</u>	<u>\$ -</u>

The accompanying notes are an integral part of the financial statements

TOWN OF GLASTONBURY, CONNECTICUT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

	Pension and Other Employee Benefit Trust Funds
	<u></u>
Additions:	
Contributions:	
Employer	\$ 7,641,010
Employee	1,631,107
Total contributions	<u>9,272,117</u>
Investment income (loss):	
Net change in fair value of investments	(3,799,601)
Interest and dividends	2,918,414
	<u>(881,187)</u>
Less investment expenses:	
Investment management fees	602,921
Net investment income (loss)	<u>(1,484,108)</u>
Total additions	<u>7,788,009</u>
Deductions:	
Benefit payments	7,957,645
Administration fees	170,810
Total deductions	<u>8,128,455</u>
Change in Net Position	(340,446)
Net Position at Beginning of Year	<u>123,999,923</u>
Net Position at End of Year	<u>\$ 123,659,477</u>

The accompanying notes are an integral part of the financial statements

**TOWN OF GLASTONBURY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Town of Glastonbury, Connecticut (the Town) was incorporated in 1693. The Town operates under the Town Manager/Town Council/Board of Finance form of government and provides the following services: General Government, Community Development, Administrative Services, Public Safety, Physical Services, Sanitation, Human Services, Leisure/Culture and Education. The accompanying financial statements conform to accounting principles generally accepted in the United States of America as applicable to governments.

The following is a summary of the more significant accounting policies used by the Town.

Accounting principles generally accepted in the United States of America require that the reporting entity include 1) the primary government, 2) organizations for which the primary government is financially accountable and 3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The criteria provided in Governmental Accounting Standards Board Statement Codification Section 2100 have been considered, and there are no agencies or entities which should be presented with the Town.

B. Basis of Presentation

The financial statements of 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 of the Town's accounting policies are described below.

Government-Wide and Fund Financial Statements

The government-wide financial statements (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.

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.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. However, agency funds, unlike other fiduciary funds, report only assets and liabilities and do not have a measurement focus and follow the accrual basis of accounting. 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 an enforceable legal claim exists and when levied for. 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.

Property taxes, when levied for, intergovernmental revenue, when eligibility requirements are met, licenses, charges for services and interest associated with the current fiscal period, are all considered to be susceptible to accrual (measurable) and so have been recognized as revenues of the current fiscal period, if available. All other revenue items are considered to be measurable and available only when cash is received by the Town, or specifically identified.

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, pension and other post-employment benefits, pollution remediation and claims and judgments, are recorded only when payment is due (matured).

The Town reports the following major governmental funds:

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

The *Special Assessment Fund - Sewer Sinking Fund* accounts for the financing of public improvements of services deemed to benefit the properties against which special assessments are levied.

The *Capital Reserve Projects Fund* accounts for various projects funded by the Capital and Nonrecurring Expenditure Fund.

The *Magnet School Project Fund* accounts for the costs of the Glastonbury / East Hartford Elementary Magnet School.

The *Land Acquisition Fund* accounts for various land acquisitions.

The Town reports the following internal service fund:

The *Self-Insurance Reserve Fund* accounts for risk financing activities for medical and dental insurance benefits under GASB Statement No. 10.

**TOWN OF GLASTONBURY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016**

Additionally, the Town reports the following fiduciary fund types:

The *Pension and Other Employee Benefit Trust Funds* accounts for the accumulation of resources to be used for retirement benefits and other post-employment benefits.

Agency Funds account for monies held as a custodian for student groups and employees of the Town.

The effect of interfund activity has been eliminated from the government-wide financial statements.

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

C. Cash and Cash Equivalents

The Town considers all highly liquid investments and those with original maturities of three months or less when purchased to be cash equivalents.

D. Investments

Investments in real estate funds, collective trusts and the pooled separate account of the net assets are stated at fair value of the respective funds. Certificates of deposit are stated at fair market value. The Connecticut State Treasurer's Short-Term Investment Fund is an investment pool managed by the State of Connecticut Office of the State Treasurer. Investments must be made in instruments authorized by Connecticut General Statutes 3-27c through 3-27e. Investment guidelines are adopted by the State Treasurer. The fair value of the position in the pool is the same as the value of the pool shares.

E. Inventories

All inventories are valued at the lower of cost or market using the first-in/first-out (FIFO) method. Inventories of donated commodities are stated at fair market value. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

F. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as 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."

**TOWN OF GLASTONBURY, CONNECTICUT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2016**

G. Capital Assets

Capital assets include land, land development rights, land improvements, buildings, equipment, computer software and infrastructure assets (such as roads, bridges and sidewalks) and are reported in the government-wide financial statements. Capital assets are defined by the Town as assets with an estimated useful life in excess of one year and an initial, individual cost of more than \$5,000 for machinery and equipment and computer software, \$25,000 for land improvements, \$50,000 for buildings and \$250,000 for infrastructure. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at fair 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 asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

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

<u>Assets</u>	<u>Years</u>
Land improvements	20
Buildings and improvements	50
Machinery and equipment	5-20
Computer software	5
Infrastructure	20-40

In the governmental fund financial statements, capital outlay (assets) are reported as expenditures and no depreciation is recognized.

H. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial 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 and deferred outflows related to pension 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. A deferred outflow of resources related to pension results from differences between expected and actual experience, changes in assumptions or other inputs. These amounts are deferred and included in pension expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan (active employees and inactive employees).

In addition to liabilities, the statement of financial 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 a deferred inflow of resources for advance property tax collections and deferred inflows of resources related to pensions in the government-wide statement of net position. Advance property tax

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collections represent taxes inherently associated with a future period. This amount is recognized during the period in which the revenue is associated. A deferred inflow of resources related to pension results from differences between expected and actual experience, changes in assumptions or other inputs. These amounts are deferred and included in pension expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan (active employees and inactive employees). 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 special assessments. These amounts are deferred and recognized as an inflow of resources (revenue) in the period during which the amounts become available.

I. Compensated Absences

Employees accumulate vacation and sick leave hours for subsequent use or for payment upon termination, death or retirement. Sick leave and vacation leave expenditures are recognized in the governmental fund financial statements in the current year to the extent they have matured (that is, only the amounts of reimbursable unused vacation leave or sick leave payable to employees who had terminated their employment as of the end of the fiscal year are recognized.) Amounts are typically liquidated by the general fund.

Vacation and sick leave expenses to be paid in future periods are accrued when earned by employees in the government-wide financial statements.

J. Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. 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, and debt service payments, are reported as debt service expenditures.

K. Pension Accounting

Pension trust fund

Employee contributions are recognized in the period in which the contributions are due. Employer contributions to the plan are recognized when due, and the Town has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan.

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Net pension liability

The net pension liability is measured as the portion of the actuarial present value of projected benefits that is attributed to past periods of employee service (total pension liability), net of the pension plan's fiduciary net position. The pension plan's fiduciary net position is determined using the same valuation methods that are used by the pension plan for purposes of preparing its statement of fiduciary net position. The net pension liability is measured as of a date (measurement date) no earlier than the end of the employer's prior fiscal year, consistently applied from period to period.

Funding policy

The Town funds the contributions to its pension plan based on the actuarial required valuations, at the Board of Finance's discretion.

L. OPEB Accounting

OPEB trust fund

Employer contributions are recognized in the period in which the contributions are due, and the Town has made a formal commitment to provide the contributions.

Governmental funds/Governmental activities

In governmental funds, expenditures are recognized when they are paid or are expected to be paid with current available resources. In governmental activities, expense is recognized based on actuarially required contributions. The net OPEB obligation, the cumulative difference between annual OPEB cost and the Town's contributions to the plan since 7/1/08, is calculated on an actuarial basis consistent with the requirements of GASB Statement No. 45. The OPEB obligation is recorded as a noncurrent liability in the government-wide financial statements.

Funding policy

The Town makes annual contributions based on the actuaries' recommendation, at the Board of Finance's discretion.

M. Appropriations Continued in Force

Appropriations continued in force represent unperformed contracts for goods or services. Approved purchase orders, contracts and other commitments for the expenditure of resources are recorded as supplemental appropriations to the following year's budget. Appropriations continued in force do not constitute expenditures or liabilities.

N. Fund Equity and Net Position

In the government-wide financial statements, net assets are classified in the following categories:

Net Investment in Capital Assets

This category includes all capital assets, including infrastructure, less accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets.

**TOWN OF GLASTONBURY, CONNECTICUT
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Restricted Net Position

These amounts are restricted to specific purposes when constraints placed on the use of resources are either (a) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position

This category represents the net position of the Town that is not restricted for any project or other purpose by third parties.

In the fund financial statements, the Town reported the following governmental fund balances:

Nonspendable Fund Balance

These amounts cannot be spent because they are not in spendable form or because they are legally or contractually required to be maintained.

Restricted Fund Balance

These amounts are restricted to specific purposes when constraints placed on the use of resources are either (a) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance

This represents amounts constrained for a specific purpose by a government using its highest level of decision-making authority. The Glastonbury Town Council is the highest level of decision making authority for the Town and can commit fund balance through the adoption of a resolution prior to the end of the fiscal year. Once adopted the limitation imposed by the resolution remains in place until similar action is taken to remove or revise the limitation.

Assigned Fund Balance

This represents amounts constrained to be used for a specific purpose by the Town Council upon recommendation of the Board of Finance and, as applicable, in accordance with policy and procedures outlined in the Town Charter.

Unassigned Fund Balance

The residual amount not allocated to any other fund balance category in the General Fund and any residual deficit balance of any other governmental funds.

When both restricted and unrestricted amounts are available for use, it is the Town's practice to use restricted resources first. Additionally, the Town would first use committed, then assigned, and lastly unassigned.

O. Property Taxes

Property taxes are assessed as of October 1 and levied for on the following July 1. Taxes are overdue on August 1. Interest at the rate of 1-1/2% per month accrues on all overdue taxes. Assessments for real and personal property, excluding motor vehicles, are computed at 70% of appraised market value. If real estate taxes are unpaid as of June 30 following the payable date, a lien is placed on the property.

All trade and property tax receivables are shown net of an allowance for uncollectibles.

P. Accounting Estimates

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

2. BUDGETS AND BUDGETARY ACCOUNTING

The Town establishes its General Fund budget in accordance with the provisions of its Charter and the Connecticut General Statutes. The budget is adopted in accordance with accounting principles generally accepted in the United States of America, except that certain on-behalf payments are not recognized for budgetary purposes.

The budget reflected in the financial statements was adopted at the Final Budget Hearing. Supplemental appropriations require approval of the Council and Board of Finance in accordance with Charter provisions. Transfers and supplemental appropriations were approved during the year in accordance with the provisions of the Town's Charter and the Connecticut General Statutes.

Annual operating budgets are prepared and employed for management control only in the General Fund. Therefore, only the General Fund has a statement of revenues, expenditures and changes in fund balance - budget and actual included in the basic financial statements. Unexpended appropriations of the General Fund lapse at fiscal year-end. While project and object budgets are not legally adopted for the Capital Projects Funds, they are employed as a management tool and do not lapse at year-end.

Each year the Town adopts a five-year Capital Improvement Program. The program has two processes: a planning process and a budgetary process. Annually, the Town Council is provided with a five-year planning document which prioritizes the implementation of projects based on community needs. The Town Council evaluates the plan and establishes its priorities, as well as the years for project implementation. Thereafter, the Town Manager revises the plan to include the budgetary funding recommendations for the next fiscal year and forwards the document to the Board of Finance for its review as part of the annual budgetary process.

Expenditures may not legally exceed budgeted appropriations at the object level. Budget transfers within a department can be authorized by the Town Manager when the amount is less than \$5,000 within any department and does not include additional staffing or monies to acquire capital items deleted in prior budgets. Transfers greater than \$5,000 within departments must be approved by the Board of Finance. Other transfers between departments require Council and Board of Finance approval. However, such transfers may occur only after April 1 of the fiscal year. For the year ended June 30, 2016, supplemental appropriations in the amount of \$2,056,719 were approved by the Council and the Board of Finance.

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NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016**

3. DEFICIT FUND EQUITY

The following funds had a deficit fund balance at June 30, 2016:

Capital Projects:		
Land Acquisition	\$	1,189,907
Magnet School		2,057,256

Deficits in the Land Acquisition Fund will be funded by additional permanent financing, grants and donations. Deficits in the Magnet School Fund will be funded by grants.

4. CASH, CASH EQUIVALENTS AND INVESTMENTS

Deposits

The Town has a policy that deposits may be maintained only in financial institutions which are approved by the Board of Finance and Town Council. Town policy follows the State of Connecticut requirements that each depository maintain segregated collateral in an amount equal to a defined percentage of its public deposits based on the bank's risk-based capital ratio.

Investments

The Town does not have a custodial credit risk policy for investments. The Town does have a policy for investments, but does not have a policy for related credit risk for debt securities. Town policy for eligible investments is governed by State of Connecticut statutes which, in general, allow the Town to invest in obligations of the United States or United States government-sponsored corporations, or in any state or other tax-exempt political subdivision under certain conditions. Funds may also be deposited in the State Treasurer's Short-Term Investment Fund. Trust funds may also be invested in corporate bonds and securities and commercial paper.

The Town's investment policy for its pension funds states the investments shall be allocated in a manner designed to provide a long-term investment return greater than the actuarial assumption, maximize investment return commensurate with appropriate levels of risk, and comply with the Employee Retirement Income Security Act of 1974 in investing the funds in a manner consistent with ERISA's fiduciary standards. The Town has targeted the following as part of its long-term asset allocation strategy:

<u>Asset Class</u>	<u>Min. Weight</u>	<u>Max. Weight</u>
Money Market	0.00%	5.00%
Fixed Income	25.00%	40.00%
Domestic Equities	25.00%	40.00%
International Equities	15.00%	30.00%
Real Estate	0.00%	7.50%
Other	0.00%	7.50%

Concentration of Credit Risk

This is the risk of loss due to the magnitude of a government's investment in a single issuer. The Town's policy is to diversify use of investment instruments to avoid incurring unreasonable risks inherent in overinvesting in specific instruments, individual financial institutions or maturities.

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The Town may invest any portion of its portfolio in U.S. Treasury obligations, U.S. government agency securities and instrumentalities of government-sponsored corporations, or certificates of deposit with commercial banks or savings and loan associations. A maximum of 35% of the portfolio may be invested in repurchase agreements for overnight sweep only. Up to 50% of the portfolio may be invested in a cooperative liquid asset securities system. To further diversify by financial institution, no more than 33% of the total certificates of deposit may be invested with any one financial institution.

Deposit Custodial Credit Risk

This is the risk that, in the event of a bank failure, the Town will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, \$23,883,482 of the Town's bank balance of \$31,896,610 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 21,295,134
Uninsured and collateral held by the pledging bank's trust department, not in the Town's name	<u>2,588,348</u>
Total Amount Subject to Custodial Credit Risk	<u>\$ 23,883,482</u>

Custodial Credit-Investments Risk

This is the risk that in the event of the failure of the counterparty (such as a broker-dealer) to a transaction, the Town will not be able to recover the value of its investment or collateral securities that are in the possession of another party. As indicated above, State statutes limit the investment options of cities and towns. The Town has an investment policy that allows the same type of investments as State statutes. Due to the types of investments owned by the Town and pension plans, the Town does not have custodial credit risk for investments.

Interest Rate Risk

This is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The Town's policy is to mitigate interest rate risk by structuring the Town's portfolio 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, and by investing primarily in shorter-term securities unless it is anticipated that long-term securities can be held to maturity without jeopardizing liquidity requirements.

Investment Type	Credit Rating	Fair Value	Investment Maturities (Years)		
			Less Than 1	1 - 10	More Than 10
Certificates of deposit	*	\$ 27,371,339	\$ <u>4,793,975</u>	\$ <u>22,577,364</u>	\$ <u>-</u>
Other Investments:					
Mutual funds	N/A	121,884,394			
Limited partnerships	N/A	<u>744,609</u>			
Total Investments		<u>\$ 150,000,342</u>			

N/A - Not Applicable

* Subject to coverage by Federal Depository Insurance and Collateralization

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At June 30, 2016, the Town's cash equivalents amounted to \$8,928,292. The State of Connecticut Short-Term Investment Fund (STIF), is a 2a-7 like pool. The value of the position in the pool is the same as the value of the pool shares. Regulatory oversight for STIF is provided quarterly by the Investment Advisory Council and the Treasurer's Cash Management Board.

	<u>Standard & Poor's</u>
State of Connecticut Short-Term Investment Fund (STIF)	AAAm
Wells Fargo Money Market	*
Bank of America Money Market	*

* Not Rated

Fair Value Measurement

The Town adopted new accounting guidance, GASB Statement No. 72, *Fair Value Measurement and Application*. The new disclosure is presented below:

The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements); followed by quoted prices in inactive markets or for similar assets or with observable inputs (Level 2 measurements); and the lowest priority to unobservable inputs (Level 3 measurements). The Town has the following recurring fair value measurements as of June 30, 2016:

	<u>June 30, 2016</u>	<u>Fair Value Measurements Using</u>		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Mutual funds	\$ 121,884,394	\$ 121,884,394	\$ -	\$ -
Limited partnerships	<u>744,609</u>	<u>-</u>	<u>-</u>	<u>744,609</u>
Total	<u>\$ 122,629,003</u>	<u>\$ 121,884,394</u>	<u>\$ -</u>	<u>\$ 744,609</u>

Debt and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. Commercial and residential mortgage-backed securities classified in Level 3 are valued using discounted cash flow techniques. Collateralized debt obligations classified in Level 3 are valued using consensus pricing.

Limited partnerships investments classified in Level 3 are valued using either a discounted cash flow or market comparable companies technique.

TOWN OF GLASTONBURY, CONNECTICUT
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5. FUND RECEIVABLES

Receivables at June 30, 2016, including the applicable allowances for collection losses, are as follows:

	<u>General Fund</u>	<u>Special Assessment Fund</u>	<u>Nonmajor and Other Funds</u>	<u>Total</u>
Property taxes *	\$ 870,076	\$ -	\$ -	\$ 870,076
Assessments and user charges	-	144,830	528,525	673,355
Allowance for collection losses	<u>(146,000)</u>	<u>(14,500)</u>	<u>(34,658)</u>	<u>(195,158)</u>
Net taxes and assessments receivable	724,076	130,330	493,867	1,348,273
Intergovernmental	22,944	-	270,982	293,926
Other receivables	<u>372,900</u>	<u>16,121</u>	<u>-</u>	<u>389,021</u>
Net Receivables	<u>\$ 1,119,920</u>	<u>\$ 146,451</u>	<u>\$ 764,849</u>	<u>\$ 2,031,220</u>

* Interest on delinquent taxes are not included

6. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2016 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 43,645,809	\$ 537,077	\$ -	\$ 44,182,886
Development rights	2,231,097	-	-	2,231,097
Construction in progress	1,741,286	5,812,820	5,396,601	2,157,505
Total capital assets not being depreciated	<u>47,618,192</u>	<u>6,349,897</u>	<u>5,396,601</u>	<u>48,571,488</u>
Capital assets being depreciated:				
Land improvements	38,329,623	1,545,729	-	39,875,352
Buildings and improvements	222,063,034	1,533,313	-	223,596,347
Machinery and equipment	46,881,468	3,438,922	949,078	49,371,312
Computer software	401,814	186,960	-	588,774
Infrastructure	150,024,805	1,389,275	-	151,414,080
Total capital assets being depreciated	<u>457,700,744</u>	<u>8,094,199</u>	<u>949,078</u>	<u>464,845,865</u>
Less accumulated depreciation for:				
Land improvements	10,812,385	1,888,421	-	12,700,806
Buildings and improvements	58,462,019	4,187,575	-	62,649,594
Machinery and equipment	20,882,882	2,702,783	643,227	22,942,438
Computer software	349,904	32,190	-	382,094
Infrastructure	108,497,671	3,337,726	-	111,835,397
Total accumulated depreciation	<u>199,004,861</u>	<u>12,148,695</u>	<u>643,227</u>	<u>210,510,329</u>
Total capital assets being depreciated, net	<u>258,695,883</u>	<u>(4,054,496)</u>	<u>305,851</u>	<u>254,335,536</u>
Governmental Activities Capital Assets, Net	<u>\$ 306,314,075</u>	<u>\$ 2,295,401</u>	<u>\$ 5,702,452</u>	<u>\$ 302,907,024</u>

**TOWN OF GLASTONBURY, CONNECTICUT
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Depreciation expense was charged to functions/programs of the Town as follows:

Governmental Activities:	
General government	\$ 181,465
Community development	18,577
Administrative services	40,647
Public safety	684,702
Physical services	3,675,673
Sanitation	1,254,962
Human services	198,947
Leisure / culture	1,138,388
Education	<u>4,955,334</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 12,148,695</u>

A. Construction Commitments

The Town has the following construction commitments as of June 30, 2016:

	<u>Project Authorization</u>	<u>Expended to June 30, 2016</u>	<u>Outstanding Construction Commitments</u>
Riverfront Park	\$ 19,300,000	\$ 18,815,878	\$ 67,581
Capital Reserve Projects:			
Town Facilities Shop/Storage	1,045,000	647,161	78,491
Dam Maintenance and Replacement	35,000	-	15,900
Bridge Replacement/Rehabilitation	315,000	246,768	55,717
Griswold/House Street Realignment	1,725,000	1,153,901	242,828
Sidewalk Construction	567,457	547,617	4,800
Town Center Traffic/Street Improvement	1,340,000	406,416	85,514
Main Street Traffic Signals	2,836,000	2,682,127	135,800
HVAC/ Boilers K-6	2,281,189	2,217,284	27,727
GHS Pool Upgrade	250,000	230,903	10,088
Gideon Welles Window Replacement	1,823,500	1,127,897	573,949
Smith Middle School Gym Floor	<u>306,664</u>	<u>279,505</u>	<u>27,159</u>
Total	<u>\$ 31,824,810</u>	<u>\$ 28,355,457</u>	<u>\$ 1,325,554</u>

The commitments are being financed with capital reserve fund monies, general obligation bonds, private donations, and state and federal grants.

**TOWN OF GLASTONBURY, CONNECTICUT
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7. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

As of June 30, 2016, interfund receivables and payables that resulted from various interfund transactions were as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Capital Reserve Projects Fund	Magnet School Fund	\$ 2,057,256

Interfund receivables and payables are primarily used to record liabilities associated with deficits in the pooled cash account.

Interfund transfers during the year ended June 30, 2016 were as follows:

	<u>Transfer In</u>			<u>Total</u>
	<u>Capital Reserve Projects Fund</u>	<u>Land Acquisition Funds</u>	<u>Nonmajor Governmental Funds</u>	
Transfers out:				
General Fund	\$ -	\$ 277,500	\$ 5,353,800	\$ 5,631,300
Special Assessment Fund	-	-	250,005	250,005
Nonmajor Governmental Funds	<u>7,305,000</u>	<u>-</u>	<u>-</u>	<u>7,305,000</u>
Total Transfers In	<u>\$ 7,305,000</u>	<u>\$ 277,500</u>	<u>\$ 5,603,805</u>	<u>\$ 13,186,305</u>

Transfers are used to move resources from the General Fund and Special Assessment Fund to nonmajor funds and from nonmajor funds to the Capital Reserve Projects Fund. As projects are closed, revenues in excess of expenditures are transferred back to the resource funds. The General Fund may also transfer amounts to the Capital and Nonrecurring Fund or directly to Capital Projects.

8. LONG-TERM LIABILITIES

A summary of changes in long-term obligations during the year ended June 30, 2016 is as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
General obligation bonds	\$ 65,085,000	\$ -	\$ 6,515,000	\$ 58,570,000	\$ 6,835,000
Premium on bonds	3,465,818	-	535,006	2,930,812	-
Clean Water loans payable	15,298,325	-	850,481	14,447,844	867,647
Notes payable	90,000	-	45,000	45,000	45,000
Compensated absences	4,582,322	388,560	390,097	4,580,785	132,000
Pension liability	43,946,265	11,542,885	-	55,489,150	-
OPEB obligation	<u>2,425,568</u>	<u>122,808</u>	<u>-</u>	<u>2,548,376</u>	<u>-</u>
Total Long-Term Liabilities	<u>\$ 134,893,298</u>	<u>\$ 12,054,253</u>	<u>\$ 8,335,584</u>	<u>\$ 138,611,967</u>	<u>\$ 7,879,647</u>

With the exception of the Clean Water Fund Loan, all long-term liabilities are generally liquidated by the General Fund.

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Clean Water Fund debt repayment will be through user fees, allocation of investment income from Sewer Sinking Fund and General Fund, as applicable.

General obligation bonds currently outstanding are as follows:

	<u>Original Amount</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Beginning Balance</u>	<u>Decreases</u>	<u>Ending Balance</u>
General obligation bonds:							
Schools:							
School bonds	\$ 1,000,000	04/15/09	04/15/29	2.00-4.50%	\$ 550,000	\$ 50,000	\$ 500,000
Refunding bonds	7,370,000	04/15/09	08/01/21	2.00-5.00%	3,555,000	765,000	2,790,000
Refunding bonds	19,555,000	11/15/10	05/15/25	2.00-5.00%	13,001,000	1,383,000	11,618,000
School bonds	2,715,000	11/15/11	05/15/26	2.00-3.00%	2,250,000	155,000	2,095,000
Refunding bonds	11,675,000	06/27/12	06/30/26	2.00-5.00%	10,895,000	620,000	10,275,000
Refunding bonds	6,385,000	05/15/14	08/01/28	2.00-5.00%	<u>6,202,000</u>	<u>1,260,000</u>	<u>4,942,000</u>
Total schools					<u>36,453,000</u>	<u>4,233,000</u>	<u>32,220,000</u>
General purpose:							
Improvement bonds	7,000,000	04/15/09	04/15/29	2.00-4.50%	\$ 3,850,000	\$ 350,000	\$ 3,500,000
Refunding bonds	2,135,000	04/15/09	08/01/21	2.00-5.00%	1,095,000	215,000	880,000
Refunding bonds	8,995,000	11/15/10	05/15/25	2.00-5.00%	5,979,000	642,000	5,337,000
Land	3,680,000	11/15/11	05/15/26	2.00-3.00%	3,095,000	195,000	2,900,000
Refunding bonds	2,870,000	06/27/12	06/30/26	2.00-5.00%	2,615,000	190,000	2,425,000
Improvement bonds	8,950,000	10/10/13	10/01/33	3.00-4.625%	8,950,000	355,000	8,595,000
Refunding bonds	3,095,000	05/15/14	08/01/28	2.00-5.00%	<u>3,048,000</u>	<u>335,000</u>	<u>2,713,000</u>
Total general purpose					<u>28,632,000</u>	<u>2,282,000</u>	<u>26,350,000</u>
Total general obligation bonds					<u>\$ 65,085,000</u>	<u>\$ 6,515,000</u>	<u>\$ 58,570,000</u>

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

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 6,835,000	\$ 2,071,899	\$ 8,906,899
2018	6,810,000	1,835,661	8,645,661
2019	6,420,000	1,614,068	8,034,068
2020	5,125,000	1,402,267	6,527,267
2021	5,100,000	1,224,474	6,324,474
2022-2026	20,720,000	3,394,704	24,114,704
2027-2031	5,970,000	862,945	6,832,945
2032-2034	<u>1,590,000</u>	<u>110,302</u>	<u>1,700,302</u>
	<u>\$ 58,570,000</u>	<u>\$ 12,516,320</u>	<u>\$ 71,086,320</u>

**TOWN OF GLASTONBURY, CONNECTICUT
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JUNE 30, 2016**

The Clean Water Fund loans have an interest rate of 2% and the annual debt service requirements to maturity are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 867,647	\$ 281,032	\$ 1,148,679
2018	885,160	263,519	1,148,679
2019	903,026	245,653	1,148,679
2020	921,253	227,426	1,148,679
2021	939,848	208,831	1,148,679
2022-2026	4,991,570	751,826	5,743,396
2027-2030	4,939,340	229,716	5,169,056
	<u>\$ 14,447,844</u>	<u>\$ 2,208,003</u>	<u>\$ 16,655,847</u>

The note payable for acquisition of land is payable in three annual installments of \$45,000.

A. Bond Anticipation Notes Payable

Bond anticipation notes totaling \$445,000, which were issued to temporarily finance land acquisitions, matured in November 2015. At that time, additional notes were issued in the amount of \$1,265,000, due August 1, 2016, with an interest rate of 0.45%, for land purchases.

Bond anticipation note transactions for the year ended June 30, 2016 were as follows:

Outstanding, July 1, 2015	\$ 445,000
New borrowings	1,265,000
Repayments	<u>(445,000)</u>
Outstanding, June 30, 2016	<u>\$ 1,265,000</u>

B. Bonds Authorized But Unissued

The bonds authorized and unissued at June 30, 2016 are \$2,640,000 for land/open space.

C. Prior Year's Debt Defeasance

In prior years, the Town defeased certain bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the basic financial statements. At June 30, 2016, the Town's portion of the defeased bonds outstanding, but removed from the Town's government-wide financial statements was approximately \$1,200,000. The balance in escrow was \$1,275,786.

**TOWN OF GLASTONBURY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016**

D. 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:

Category	Debt Limit	Indebtedness	Balance
General purpose	\$ 315,909,626	\$ 30,255,000	\$ 285,654,626
Schools	631,819,251	32,220,000	599,599,251
Sewers	526,516,043	14,447,844	512,068,199
Urban Renewal	456,313,904	-	456,313,904
Pension deficit	421,212,834	-	421,212,834

The total overall statutory debt limit for the Town is equal to seven times annual receipts from taxation (\$982 million).

Indebtedness, in accordance with State statutes, includes long-term debt outstanding in addition to the amount of bonds authorized and unissued against which bond anticipation notes are issued and outstanding.

E. School Bond Reimbursements

The State of Connecticut reimburses the Town for eligible school bond principal and interest costs. The amount of such reimbursement for the year ended June 30, 2016 was \$185,964.

**TOWN OF GLASTONBURY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016**

9. FUND BALANCE

The components of fund balance for the governmental funds at June 30, 2016 are as follows:

	General Fund	Special Assessment Fund	Capital Reserve Projects Fund	Magnet School Fund	Land Acquisition	Nonmajor Governmental Funds	Total
Fund balances:							
Nonspendable:							
Prepaid items	\$ 14,999	\$ -	\$ -	\$ -	\$ -	\$ 11,569	\$ 26,568
Inventory	202,268	-	-	-	-	17,701	219,969
Required to be retained in perpetuity	-	-	-	-	-	8,527	8,527
Restricted for:							
Law enforcement acquisitions	-	-	-	-	-	247,633	247,633
Education	-	-	-	-	-	331,264	331,264
Road construction and maintenance	-	-	-	-	-	759,122	759,122
Library acquisitions	-	-	-	-	-	270,317	270,317
Riverfront community center	-	-	-	-	-	213,776	213,776
Human services programs	-	-	-	-	-	78,246	78,246
Parks and recreation	-	-	-	-	-	219,369	219,369
Public safety programs	-	-	-	-	-	53,402	53,402
Other programs	-	-	-	-	-	90,229	90,229
Committed to:							
Town facility improvements	-	-	1,279,740	-	-	-	1,279,740
School improvements	-	-	1,324,484	-	-	-	1,324,484
Regional dispatch center	-	-	650,150	-	-	-	650,150
Street improvements and realignment	-	-	1,779,683	-	-	-	1,779,683
Sewer infrastructure	-	13,839,035	-	-	-	80,312	13,919,347
Sewer plant operations	-	-	-	-	-	2,233,778	2,233,778
Other capital projects	-	-	1,453,147	-	-	1,514,236	2,967,383
Police private duty	-	-	-	-	-	486,329	486,329
Camp Sunrise	-	-	-	-	-	22,832	22,832
Recreation programs	-	-	-	-	-	827,299	827,299
Insurance reserve	-	-	-	-	-	344,949	344,949
Riverfront Park operations	-	-	-	-	-	210,781	210,781
Planetarium operations	-	-	-	-	-	14,361	14,361
Golf course maintenance	-	-	250,000	-	-	177,766	427,766
Assigned to:							
Subsequent year's budget	575,000	-	-	-	-	-	575,000
Capital outlay in subsequent year	137,509	-	-	-	-	-	137,509
Education surplus carried to subsequent year	153,350	-	-	-	-	-	153,350
Continued appropriations	135,375	-	-	-	-	-	135,375
Unassigned	25,843,730	-	-	(2,057,256)	(1,189,907)	-	22,596,567
Total Fund Balance	\$ 27,062,231	\$ 13,839,035	\$ 6,737,204	\$ (2,057,256)	\$ (1,189,907)	\$ 8,213,798	\$ 52,605,105

Significant encumbrances of \$1,886,632 and \$448,682 are included in the Capital Reserve Projects Fund and nonmajor funds, respectively, at June 30, 2016.

10. EMPLOYEE RETIREMENT PLAN

A. Pension Trust Fund

The Town of Glastonbury is the administrator of a single-employer Public Employee Retirement System (PERS) established and administered by the Town to provide pension benefits to substantially all full-time employees. Excluded from this plan are Highway, Fleet Maintenance, Facilities and Sanitation employees hired after January 1, 2013, unaffiliated Town employees hired after June 1, 2013 and certified personnel of the Board of Education who are covered under the State Teachers' Retirement System. Both the employer and the employee are obligated to contribute to this plan. The PERS is a defined benefit pension plan and 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. Stand-alone reports are not available.

**TOWN OF GLASTONBURY, CONNECTICUT
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 JUNE 30, 2016**

The management and administration of the pension plan is vested with the Town Manager. The Town Council has the power to make reasonable rules and regulations for carrying out the provision of the plan, as well as to authorize revisions and amendments to plan provisions.

Plan Description and Benefits Provided

The Plan provides retirement, disability and death benefits to Plan members and their beneficiaries. Employees are eligible to participate in the Plan upon the completion of one year of continuous service. Connecticut General Statutes assign the authority to the Town to create and amend Plan benefit provisions by ordinance or resolution. Under the Plan, all employees, except police, are partially vested after 5 years of service. All Plan members are 100% vested after 10 years of service. Plan members receive a retirement benefit when they retire at normal retirement age, which may vary by group. The Plan also provides early retirement options at a reduced retirement benefit, which may also vary by employee group.

The benefit formula for most divisions is 1.75% of final earnings up to \$15,000 plus 2.25% of final earnings in excess of \$15,000 multiplied by years of credited service. Other divisions range from 2.00% to 2.50% of final earnings multiplied by years of credited service. For non-affiliated employees hired after June 1, 2013 the benefit formula is 1.5% of final earnings multiplied by years of credited service up to a maximum of 30 years. For police officers hired after January 1, 2013 there is a 35-year maximum on years of credited service. The defined benefit pension plan was closed to two bargaining unit groups effective January 1, 2013. These employees participate in a Defined Contribution plan.

Plan membership consisted of the following at July 1, 2015, the date of the latest actuarial valuation:

Retirees, disabled and beneficiaries currently receiving benefits	294
Terminated employees entitled to benefits but not yet receiving them	106
Current plan members	<u>446</u>
 Total	 <u><u>846</u></u>

Summary of Significant Accounting Policies

Basis of Accounting

Financial statements are prepared using the accrual basis of accounting for the defined benefit pension plan. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and a formal commitment to provide the contributions has been made. Benefits and refunds are recognized when due and payable in accordance with the terms of the plans.

Method Used to Value Investments

Investments are reported at fair value. Securities traded on a national exchange are valued at the last reported sales price. Investment income is recognized as earned.

Contributions

Participants are required to contribute a percent of payroll, which varies by group. For 2016, the contribution rates for the following employee groups were 5.75% for all unaffiliated Town employees and Housing Authority employees; 4.75% for Board of Education employees; 6.50% for highway employees; 6.75% for Wastewater/Building Maintenance employees; 6.00% for dispatchers; and 7.75% for Police.

**TOWN OF GLASTONBURY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
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Administrative costs of the Plan are financed through investment earnings.

Funding Policy

The employee contribution rate to the Plan varies by division. The Town has a funding policy whereby contributions will be based on the Actuarially Determined Contribution (ADC) provided annually as part of the annual actuarial valuation. The Town is required to contribute the amount necessary to finance the benefits for its employees. Benefits are fixed by, and may be amended by, union negotiations.

Investments

Investment Policy

The pension plan's policy in regard to the allocation of investment of assets is established by and may be amended by the Board of Finance by a majority vote of its members. It is the policy of the Board that plan assets be invested in accordance with sound investment practices that emphasize the fundamentals of long-term investing. Consistent with this effort assets shall be guided to achieve a long-term return that meets or exceeds the actuarial target of the plan, maintains sufficient liquidity to meet the obligations of the Plan, diversify the assets of the Plan in order to reduce risk, achieve investment results over the long-term that compare favorably with those of other pension plans, professionally managed portfolios and appropriate market indexes and prudently manage the inherent investment risks related to the achievement of investment objectives. The following was the Board's adopted asset allocation target per their adopted policy as of June 30, 2016:

<u>Asset Class</u>	<u>Target Allocation</u>
Money Market	0.00 %
Domestic Equities	32.50
International Equities	24.00
Fixed Income	32.50
Real Estate	5.00
Inflation Protection	<u>6.00</u>
Total	<u><u>100.00</u> %</u>

Rate of Return

For the year ended June 30, 2016, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was (1.2%). The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**TOWN OF GLASTONBURY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016**

Net Pension Liability of the Town

The components of the net pension liability of the Town at June 30, 2016 were as follows:

Total pension liability	\$ 175,930,957
Plan fiduciary net position	<u>(120,441,807)</u>
Town's Net Pension Liability	<u>\$ 55,489,150</u>
Plan fiduciary net position as a percentage of the total pension liability	68.46%

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of June 30, 2016, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Salary increases	Graded salary growth with ultimate rate of 3.0%
Investment rate of return	7.0%, net of pension plan investment expense, including inflation

Mortality rates were based on the RP-2000 Combined Healthy Mortality Table, with static projection per Scale AA (15 years beyond the valuation date for non-annuitants and 7 years beyond for annuitants) and RP-2000 Disabled Mortality tables for males and females.

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, 2016 (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>
Broad U.S. Equities	5.40 %
Core Fixed Income	2.69
Developed Foreign Equities	6.04
Non-U.S. Fixed Income	1.52
Real Estate (REITs)	5.22
Emerging Market Equities	8.19
Inflation-Indexed Bonds	1.94
Core Bonds	2.53
Commodities	3.27

**TOWN OF GLASTONBURY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016**

Discount Rate

The discount rate used to measure the total pension liability was 7.00%. 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.

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances as of June 30, 2015	\$ 165,460,012	\$ 121,513,748	\$ 43,946,264
Changes for the year:			
Service cost	3,830,151	-	3,830,151
Interest on total pension liability	11,748,111	-	11,748,111
Effect of plan changes	(26,085)	-	(26,085)
Effect of economic/demographic gains or losses	(316,829)	-	(316,829)
Effect of assumptions changes or inputs	2,408,881	-	2,408,881
Employer contributions	-	6,118,624	(6,118,624)
Member contributions	-	1,631,107	(1,631,107)
Net investment income (loss)	-	(1,510,983)	1,510,983
Benefit payments, including refund to employee contributions	(7,173,284)	(7,158,404)	(14,880)
Administrative expenses	-	(152,285)	152,285
Net changes	<u>10,470,945</u>	<u>(1,071,941)</u>	<u>11,542,886</u>
Balances as of June 30, 2016	<u>\$ 175,930,957</u>	<u>\$ 120,441,807</u>	<u>\$ 55,489,150</u>

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 7.00%, 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 (6.00%) or 1 percentage point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
	Town's Net Pension Liability	\$ 77,546,631	\$ 55,489,150

**TOWN OF GLASTONBURY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016**

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

For the year ended June 30, 2016, the Town recognized pension expense of \$9,481,457. At June 30, 2016, the Town reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	<u>Outflows of Resources</u>	<u>Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 695,193
Changes of assumptions	2,525,450	-
Net difference between projected and actual earning on pension plan investments	<u>12,467,367</u>	<u>-</u>
Total	<u>\$ 14,992,817</u>	<u>\$ 695,193</u>

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

Year Ending June 30,

2017	\$ 3,924,534
2018	3,924,534
2019	3,924,532
2020	2,405,607
2021	118,417

B. Teacher Retirement

Plan Description

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

Benefit Provisions

The plan provides retirement, disability and death benefits. Employees are eligible to retire at age 60 with 20 years of credited service in Connecticut, or 35 years of credited service including at least 25 years of service in Connecticut.

Normal Retirement

Retirement benefits for employees are calculated as 2% of the average annual salary times the years of credited service (maximum benefit is 75% of average annual salary during the 3 years of highest salary).

**TOWN OF GLASTONBURY, CONNECTICUT
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Early Retirement

Employees are eligible after 25 years of credited service including 20 years of Connecticut service, or age 55 with 20 years of credited service including 15 years of Connecticut service with reduced benefit amounts.

Disability Retirement

Employees are eligible for service-related disability benefits regardless of length of service. Five years of credited service is required for nonservice-related disability eligibility. Disability benefits are calculated as 2% of average annual salary times credited service to date of disability, but not less than 15% of average annual salary, nor more than 50% of average annual salary.

Contributions

Per Connecticut General Statutes Section 10-183z (which reflects Public Act 79-436 as amended), contribution requirements of active employees and the State of Connecticut are approved, amended and certified by the State Teachers Retirement Board and appropriated by the General Assembly.

Employer (School Districts)

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

The statutes require the State of Connecticut to contribute 100% of each school districts' required contributions, which are actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of the benefits earned by employees during the year, with any additional amount to finance any unfunded accrued liability.

Employees

Effective July 1, 1992, each teacher is required to contribute 6% of salary for the pension benefit.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2016, the Town reports no amounts for its proportionate share of the net pension liability, and related deferred outflows and inflows, due to the statutory requirement that the State pay 100% of the required contribution. The amount recognized by the Town as its proportionate share of the net pension liability, the related state support, and the total portion of the net pension liability that was associated with the Town were as follows:

Town's proportionate share of the net pension liability	\$	-
State's proportionate share of the net pension liability associated with the Town		<u>130,053,006</u>
Total	\$	<u><u>130,053,006</u></u>

The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2014. At June 30, 2016, the Town has no proportionate share of the net pension liability.

**TOWN OF GLASTONBURY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
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For the year ended June 30, 2016, the Town recognized pension expense and revenue of \$10,420,522 in Exhibit II for on-behalf amounts for the benefits provided by the State.

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	3.00%
Salary increase	3.75-7.00%, including inflation
Investment rate of return	8.50%, net of pension plan investment expense, including inflation

Mortality rates were based on the RP-2000 Combined Mortality Table projected 19 years using scale AA, with a two-year setback for males and females for the period after service retirement and for dependent beneficiaries.

The actuarial assumptions used in the June 30, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2005 - June 30, 2010.

Future cost-of-living increases for members who retire on or after September 1, 1992 are assumed to be an annual cost-of-living adjustment of 2%.

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Large Cap U.S. equities	21.0%	7.3%
Developed non-U.S. equities	18.0%	7.5%
Emerging markets (non-U.S.)	9.0%	8.6%
Core fixed income	7.0%	1.7%
Inflation linked bond fund	3.0%	1.3%
Emerging market bond	5.0%	4.8%
High yield bonds	5.0%	3.7%
Real estate	7.0%	5.9%
Private equity	11.0%	10.9%
Alternative investments	8.0%	0.7%
Liquidity fund	6.0%	0.4%
Total	<u>100.0%</u>	

Discount Rate

The discount rate used to measure the total pension liability was 8.50%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that State contributions will be made at the actuarially determined contribution rates in the future years. 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 Town's proportionate share of the net pension liability is \$-0- and, therefore, the change in the discount rate would only impact the amount recorded by the State of Connecticut.

Other Information

Additional information is included in the required supplementary information section of the financial statements. A schedule of contributions is not presented as the Town has no obligation to contribute to the plan.

11. OTHER POSTEMPLOYMENT BENEFITS

In addition to providing pension benefits, the Town instituted a policy providing 40% to 50% of certain health care benefits for retired employees. Substantially all of the Town's employees may become eligible for those benefits, if they retire under a normal retirement or with disability.

A. Benefits

From an accrual accounting perspective, the cost of postemployment healthcare benefits, like the cost of pension benefits, generally should be associated with the periods in which the cost occurs, rather than in the future year when it will be paid. The Town recognizes the cost of postemployment healthcare in the year when the employee services are received, discloses the accumulated liability from prior years, and provides information useful in assessing potential demands on the Town's future cash flows. Recognition of the liability accumulated from prior years will be phased in over 30 years, commencing with the 2009 liability.

B. Plan Description

The Town provides postemployment benefits for certain employees for current and future health and life insurance benefit expenses through a single-employer defined benefit plan. A bi-annual actuarial valuation is made to determine whether the contributions are sufficient to meet the plan obligations. The latest actuarial valuation was made July 1, 2015. The post-retirement plan does not issue stand-alone financial reports.

The contribution requirements of plan members and the Town are established and may be amended by the Town. The Town determines the required contribution using the Projected Unit Credit Method.

**TOWN OF GLASTONBURY, CONNECTICUT
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Membership in the plan consisted of the following at July 1, 2015, the date of the last actuarial valuation.

Retirees and beneficiaries currently receiving benefits	149
Active plan members	<u>906</u>
Total	<u><u>1,055</u></u>

The Town's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (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 actuarial accrued liability was calculated based on the actuarial valuation as of July 1, 2015 and is estimated to be \$14,156,000. The Town's contributions represent payments made for premiums for insured individuals on a pay-as-you-go method.

The Town's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation was as follows:

Three-Year Trend Information

<u>Fiscal Year End</u>	<u>Annual OPEB Cost (AOC)</u>	<u>Actual Contribution</u>	<u>Percentage of AOC Contributed</u>	<u>Net OPEB Obligation (Asset)</u>
6/30/2014	\$ 1,577,326	\$ 1,088,000	69.0%	\$ 2,264,356
6/30/2015	1,542,828	1,381,616	89.6%	2,425,568
6/30/2016	1,645,194	1,522,386	92.5%	2,548,376

OPEB Obligation

Annual required contribution	\$ 1,634,197
Interest on net OPEB obligation	169,790
Adjustment to annual required contribution	<u>(158,793)</u>
Annual OPEB cost	1,645,194
Contributions made	<u>1,522,386</u>
Change in net OPEB Obligation	122,808
Net OPEB Obligation, July 1, 2015	<u>2,425,568</u>
Net OPEB Obligation, June 30, 2016	<u><u>\$ 2,548,376</u></u>

**TOWN OF GLASTONBURY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016**

Schedule of Funding Progress

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL)</u>	<u>Unfunded AAL (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a Percentage of Covered Payroll</u>
7/1/2013	\$ 1,405,000	\$ 15,478,000	\$ (14,073,000)	9.08%	\$ 64,192,000	21.92%
7/1/2015	2,486,000	14,156,000	(11,670,000)	17.56%	68,158,000	17.12%

The schedules of funding progress, presented as required supplementary information (RSI) following the notes to the financial statements, present multi-year trend information about whether the actuarial values of plan assets are increasing or decreasing over time relative to the AALs for benefits.

Actuarial assumptions are as follows:

Valuation date	July 1, 2015
Actuarial cost method	Projected Unit Credit
Amortization method	Level Percent
Remaining amortization period	30 years, decreasing 22 years remaining
Asset valuation method	5 years smoothing
Valuation type	Closed group
Actuarial Assumptions:	
Discount rate	7.00%
Salary increase rate	Payroll Growth Rate
Inflation rate	2.70%
Health cost trend rates	Pre-65 - 6.80%, decreasing in increments to 4.70% over 65 years Post-65 - 6.80%, decreasing in increments to 4.70% over 74 years

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 actual results are compared with past expectations and new estimates are made about the future.

Projections of 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 of 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.

**TOWN OF GLASTONBURY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016**

12. PENSION AND OPEB COMBINING SCHEDULES

Pension and OPEB Combining Statement of Net Position

	Pension Trust Fund	OPEB Trust Fund	Total Trust Funds
	<u> </u>	<u> </u>	<u> </u>
Assets:			
Cash and cash equivalents	\$ 987,508	\$ 1,916	\$ 989,424
Employee contributions receivable	41,050	-	41,050
Investments, at fair value:			
Mutual funds	119,413,249	3,215,754	122,629,003
Total assets	<u>120,441,807</u>	<u>3,217,670</u>	<u>123,659,477</u>
Net Position:			
Restricted for Pension and OPEB Benefits	<u>\$ 120,441,807</u>	<u>\$ 3,217,670</u>	<u>\$ 123,659,477</u>

**TOWN OF GLASTONBURY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016**

Pension and OPEB Combining Statement of Changes in Net Position

	Pension Trust Fund	OPEB Trust Fund	Total Trust Funds
Additions:			
Contributions:			
Employer	\$ 6,118,624	\$ 1,522,386	\$ 7,641,010
Employee	1,631,107	-	1,631,107
Total contributions	<u>7,749,731</u>	<u>1,522,386</u>	<u>9,272,117</u>
Investment income (loss):			
Net change in fair value of investments	(3,770,121)	(29,480)	(3,799,601)
Interest and dividends	2,860,392	58,022	2,918,414
	<u>(909,729)</u>	<u>28,542</u>	<u>(881,187)</u>
Less investment expenses:			
Investment management fees	601,254	1,667	602,921
Net investment income (loss)	<u>(1,510,983)</u>	<u>26,875</u>	<u>(1,484,108)</u>
Total additions	<u>6,238,748</u>	<u>1,549,261</u>	<u>7,788,009</u>
Deductions:			
Benefit payments	7,158,404	799,241	7,957,645
Administration fees	152,285	18,525	170,810
Total deductions	<u>7,310,689</u>	<u>817,766</u>	<u>8,128,455</u>
Change in Net Position	(1,071,941)	731,495	(340,446)
Net Position at Beginning of Year	<u>121,513,748</u>	<u>2,486,175</u>	<u>123,999,923</u>
Net Position at End of Year	<u>\$ 120,441,807</u>	<u>\$ 3,217,670</u>	<u>\$ 123,659,477</u>

13. DEFINED CONTRIBUTION PLAN

The Town established a defined contribution plan for certain employee groups. Employees are eligible to participate after completing one year of service as follows:

Highway/Fleet Maintenance

For employees hired after January 1, 2013 the Town contributes 6.5% of wages and the employee contributes up to 6.5%.

Sanitation/Facilities

For employees hired after January 1, 2013 the Town contributes 6.5% of wages with a mandatory employee contribution of 4% with a 6.5% maximum.

**TOWN OF GLASTONBURY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016**

Unaffiliated Town

For employees hired after June 1, 2013 the Town contributes 3% of wages and the employees contribute a minimum of 2% with a maximum of 3%.

The vesting schedules vary by employee group but employees are fully vested after ten years of service.

Employees have the right to self-direct their contributions in the defined contribution plan among the investment options offered by the plan administrator as selected by the Town.

14. RISK MANAGEMENT

The Town maintains insurance to provide for losses of property or the results of litigation. The Town is a member of the CIRMA Liability, Automobile, Property pool program which includes 151 members. Premiums were paid by the Town and Board of Education in the amount of \$518,774 and \$425,119, respectively, for the LAP pool program and for excess liability coverage during the fiscal year ended June 30, 2016. The insurance policy provisions cover general business liabilities and umbrella liability, as well as various other coverages. There are various deductibles dependent on the type of coverage. There were no significant reductions from the previous year in insurance coverages during the fiscal year ended June 30, 2016. All policy deductibles and uninsured losses are funded by insurance accounts included under Administrative Services in the General Fund. The Town had no settlements which exceeded insurance coverage for the fiscal years ended June 30, 2014, 2015 or 2016.

Additionally, the Town is a member of 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 212 members in the Workers' Compensation Pool. The coverage is subject to an incurred loss retrospective rating plan, and losses incurred in the coverage periods for each fiscal year will be evaluated at 18, 30 and 42 months after the effective date of coverage. The deposit contribution (premium) paid for the year ended June 30, 2016 was \$1,098,953, inclusive of the Board of Education. The contribution (premium) is subject to payroll audit at the close of the coverage period. CIRMA's Workers' Compensation Pool retains up to \$750,000 per occurrence. Claims over \$750,000 are reinsured.

Town health benefits are provided through an Internal Service Fund. The Health Insurance Reserve Fund accounts for medical claim activity and service fees on a self-insured basis. Town liability is limited through the purchase of Individual Stop Loss (ISL) and Aggregate Stop Loss (ASL) coverage that caps the Town's liability annually to \$175,000 per participant and 120%/125% of total expected claims, respectively. Anthem, Connecticare and Delta Dental are the Town's medical providers and they each administer payment of claims directly to the providers. The Town works with a consultant to analyze claims, calculate the incurred but not reported (IBNR) claims liability at year end and advise the Town on all health insurance related issues throughout the year. The Town adheres to a conservative reserve policy that, at a minimum, requires the Town to maintain a reserve level that will meet the total of the difference between the maximum liability and amounts budgeted, the incurred but not reported claims and ten percent (10%) of budgeted health care premiums. Approval of the Town Council is required for the use of any excess reserves and is limited to offset future health related costs.

**TOWN OF GLASTONBURY, CONNECTICUT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2016**

The following is a schedule of changes in the aggregate liabilities for claims:

	<u>Liability July 1,</u>	Current Year Claims and Changes in Estimates	<u>Claim Payments</u>	<u>Liability June 30,</u>
2015 - 2016	\$ 1,039,751	\$ 17,703,377	\$ 17,521,525	\$ 1,221,603
2014 - 2015	1,170,504	15,431,228	15,561,981	1,039,751

Premiums are paid into the Self-Insurance Reserve Fund by all other funds and are available to pay claims, claim reserves and administrative costs of the program. All liabilities are expected to be paid within one year.

15. COMMITMENTS AND CONTINGENCIES

The Town is currently a defendant in a number of lawsuits. Management and legal counsel believe that the ultimate resolution of these matters will not have a material adverse effect on the financial statements of the Town.

The Town has received state and federal grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursement to the grantor agency for any expenditure disallowed under terms of the grant. Based on prior experience, Town management believes such disallowances, if any, will not be material.

16. SUBSEQUENT EVENTS

On August 1, 2016, the Town issued \$1,240,000 of Bond Anticipation Notes with an interest rate of 0.49% and a maturity date of May 1, 2017.

Required Supplementary Information

TOWN OF GLASTONBURY, CONNECTICUT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGETARY BASIS - BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property taxes	\$ 139,718,965	\$ 139,718,965	\$ 140,255,321	\$ 536,356
Licenses and permits	833,150	833,150	1,655,217	822,067
Intergovernmental	7,871,845	8,941,027	9,207,615	266,588
Charges for services	1,535,625	1,559,525	1,821,591	262,066
Unrealized gain (loss)	-	-	89,230	89,230
Investment income	400,000	400,000	285,841	(114,159)
Other revenue	1,902,276	1,902,276	1,890,842	(11,434)
Total revenues	<u>152,261,861</u>	<u>153,354,943</u>	<u>155,205,657</u>	<u>1,850,714</u>
Expenditures:				
Current:				
General government	3,224,366	3,168,369	2,952,448	215,921
Community development	1,754,344	1,754,344	1,738,682	15,662
Administrative services	6,412,431	6,659,359	6,522,604	136,755
Public safety	12,382,071	12,461,788	12,400,819	60,969
Physical services	6,503,674	6,661,955	6,531,451	130,504
Sanitation	764,607	789,707	726,101	63,606
Human services	2,939,725	3,017,770	2,919,612	98,158
Leisure/culture	5,250,351	5,379,782	5,254,630	125,152
Contingency	175,000	118,500	-	118,500
Education	99,250,292	100,469,006	100,315,657	153,349
Debt service	9,210,000	8,856,700	8,856,681	19
Total expenditures	<u>147,866,861</u>	<u>149,337,280</u>	<u>148,218,685</u>	<u>1,118,595</u>
Excess of revenues over expenditures	<u>4,395,000</u>	<u>4,017,663</u>	<u>6,986,972</u>	<u>2,969,309</u>
Other Financing Sources (Uses):				
Transfers in	650,000	650,000	-	(650,000)
Transfers out	<u>(5,045,000)</u>	<u>(5,631,300)</u>	<u>(5,631,300)</u>	<u>-</u>
Total other financing sources (uses)	<u>(4,395,000)</u>	<u>(4,981,300)</u>	<u>(5,631,300)</u>	<u>(650,000)</u>
Net Change in Fund Balance	\$ <u>-</u>	\$ <u>(963,637)</u>	1,355,672	\$ <u>2,319,309</u>
Budgetary Fund Balance at Beginning of Year			<u>25,706,559</u>	
Budgetary Fund Balance at End of Year			\$ <u>27,062,231</u>	

TOWN OF GLASTONBURY, CONNECTICUT
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
LAST THREE FISCAL YEARS *

	<u>2014</u>	<u>2015</u>	<u>2016</u>
Total pension liability:			
Service cost	\$ 3,202,640	\$ 3,546,691	\$ 3,830,151
Interest	10,850,500	11,234,997	11,748,111
Effect of plan changes			(26,085)
Effect of economic/demographic gains or losses		(711,983)	(316,829)
Effect of assumption changes or inputs		927,997	2,408,881
Benefit payments, including refunds of member contributions	<u>(6,386,200)</u>	<u>(6,801,280)</u>	<u>(7,173,284)</u>
Net change in total pension liability	7,666,940	8,196,422	10,470,945
Total pension liability - beginning	<u>149,596,650</u>	<u>157,263,590</u>	<u>165,460,012</u>
Total pension liability - ending	<u>157,263,590</u>	<u>165,460,012</u>	<u>175,930,957</u>
Plan fiduciary net position:			
Contributions - employer	5,771,396	6,001,585	6,118,624
Contributions - member	1,675,096	1,627,914	1,631,107
Net investment income (loss)	17,267,726	1,126,546	(1,510,983)
Benefit payments, including refunds of member contributions	(6,386,200)	(6,801,280)	(7,158,404)
Administrative expense	<u>(141,637)</u>	<u>(204,307)</u>	<u>(152,285)</u>
Net change in plan fiduciary net position	18,186,381	1,750,458	(1,071,941)
Plan fiduciary net position - beginning	<u>101,576,909</u>	<u>119,763,290</u>	<u>121,513,748</u>
Plan fiduciary net position - ending	<u>119,763,290</u>	<u>121,513,748</u>	<u>120,441,807</u>
Net Pension Liability - Ending	<u>\$ 37,500,300</u>	<u>\$ 43,946,264</u>	<u>\$ 55,489,150</u>
Plan fiduciary net position as a percentage of the total pension liability	76.15%	73.44%	68.46%
Covered-employee payroll	\$ 24,455,208	\$ 27,153,582	\$ 26,362,701
Net pension liability as a percentage of covered-employee payroll	153.34%	161.84%	210.48%

*Note: This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

**TOWN OF GLASTONBURY, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
LAST TEN FISCAL YEARS**

	<u>2007</u>	<u>2008</u>	<u>2009</u>
Actuarially determined contribution	\$ 1,716,948	\$ 1,861,408	\$ 2,371,688
Contributions in relation to the actuarially determined contribution	<u>1,716,948</u>	<u>1,861,408</u>	<u>2,371,688</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	20,548,262	21,518,447	23,390,208
Contributions as a percentage of covered-employee payroll	8.36%	8.65%	10.14%

Notes to Schedule

Valuation date: July 1, 2015
 Measurement date: June 30, 2016

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 normal
Amortization method	Level percent, closed, 17 years remaining
Asset valuation method	5 year, non-asymptotic
Inflation	2.75%
Salary increases	Graded salary growth with an ultimate rate of 3.00%
Investment rate of return	7.00%
Retirement age	Age 65 for non-police; age 55 for police with 25 years of service hired on or after January 1, 2013; age 55 for police with 20 years of service hired before January 1, 2013
Mortality	RP-2000 Disabled Mortality Table for males and females

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
\$	5,054,637	\$ 4,930,505	\$ 4,753,626	\$ 5,130,000	\$ 5,771,396	\$ 6,001,585	\$ 6,118,624
	<u>4,002,757</u>	<u>4,782,742</u>	<u>4,753,626</u>	<u>5,130,000</u>	<u>5,771,396</u>	<u>6,001,585</u>	<u>6,118,624</u>
\$	<u>1,051,880</u>	<u>147,763</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	24,409,943	24,923,408	25,346,833	26,408,569	24,455,208	27,153,582	26,362,701
	16.40%	19.19%	18.75%	19.43%	23.60%	22.10%	23.21%

**TOWN OF GLASTONBURY, CONNECTICUT
SCHEDULE OF INVESTMENT RETURNS
LAST THREE FISCAL YEARS**

	<u>2014</u>	<u>2015</u>	<u>2016</u>
Annual money-weighted rate of return, net of investment expense	16.50%	0.92%	(1.2%)

TOWN OF GLASTONBURY, CONNECTICUT
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHERS RETIREMENT PLAN
LAST TWO FISCAL YEARS*

	<u>2015</u>	<u>2016</u>
Town's proportion of the net pension liability	0.00%	0.00%
Town's proportionate share of the net pension liability	\$ -	\$ -
State's proportionate share of the net pension liability associated with the Town	<u>120,207,941</u>	<u>130,053,006</u>
Total	<u>\$ 120,207,941</u>	<u>\$ 130,053,006</u>
Town's covered-employee payroll	\$ 46,123,485	\$ 47,748,108
Town's proportionate share of the net pension liability as a percentage of its covered-employee payroll	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	61.51%	59.50%

*Note: This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

Notes to Schedule

Changes in benefit terms	None
Changes of assumptions	During 2011, rates of withdrawal, retirement and assumed rates of salary increases were adjusted to reflect actual and anticipated experience. These assumptions were recommended as part of the Experience Study for the System for the five-year period ended June 30, 2010.
Actuarial cost method	Entry age
Amortization method	Level percent of salary, closed
Remaining amortization period	22.4 years
Asset valuation method	4-year smoothed market

TOWN OF GLASTONBURY, CONNECTICUT
SCHEDULES OF FUNDING PROGRESS AND EMPLOYER CONTRIBUTIONS - OPEB

Schedule of Funding Progress

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL)</u>	<u>Unfunded AAL (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a Percentage of Covered Payroll</u>
<i>Retiree Medical Program</i>						
7/1/2011	\$ 537,000	\$ 16,558,000	\$ (16,021,000)	3.2%	\$ 62,606,000	25.59%
7/1/2013	1,405,000	15,478,000	(14,073,000)	9.1%	64,192,000	21.92%
7/1/2015	2,486,000	14,156,000	(11,670,000)	17.6%	68,158,000	17.12%

Schedule of Employer Contributions

<u>Year Ended</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
6/30/2014	\$ 1,556,000	69.9%
6/30/2015	1,528,458	90.4%
6/30/2016	1,634,197	93.2%

Supplemental, Combining and Individual Fund Statements and Schedules

General Fund

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, community development, administrative services, public safety, physical services, sanitation, human services, leisure/culture, education, etc.). These activities are funded principally by property taxes, user fees and grants from other governmental units.

TOWN OF GLASTONBURY, CONNECTICUT
GENERAL FUND
BALANCE SHEET
JUNE 30, 2016

	<u>2016</u>	<u>2015</u>
ASSETS		
Cash and cash equivalents	\$ 19,723,015	\$ 18,247,941
Receivables, net:		
Property taxes (net of allowance of \$146,000 in 2016 and \$280,000 in 2015)	724,076	856,042
Intergovernmental	22,944	
Other	372,900	327,498
Due from other funds		2,512
Inventory	202,268	212,317
Investments	11,629,827	11,943,814
Other assets	<u>14,999</u>	<u>11,247</u>
Total Assets	<u>\$ 32,690,029</u>	<u>\$ 31,601,371</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE		
Liabilities:		
Accounts and other payables	\$ 3,550,942	\$ 4,123,573
Due to other funds		66,960
Due to developers for escrow deposits	812,874	874,722
Due to others for escrow deposits	119,451	113,042
Unearned revenue	<u>140,535</u>	<u>199,765</u>
Total liabilities	<u>4,623,802</u>	<u>5,378,062</u>
Deferred inflows of resources:		
Unavailable revenue - property taxes	516,195	274,235
Advance tax payments	<u>487,801</u>	<u>242,515</u>
Total deferred inflows of resources	<u>1,003,996</u>	<u>516,750</u>
Fund Balance:		
Nonspendable	217,267	223,564
Assigned	1,001,234	1,143,003
Unassigned	<u>25,843,730</u>	<u>24,339,992</u>
Total fund balance	<u>27,062,231</u>	<u>25,706,559</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 32,690,029</u>	<u>\$ 31,601,371</u>

**TOWN OF GLASTONBURY, CONNECTICUT
GENERAL FUND REVENUES AND OTHER FINANCING SOURCES -
BUDGETARY BASIS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Property Taxes:				
Current levy and back taxes	\$ 139,366,965	\$ 139,366,965	\$ 139,870,524	\$ 503,559
Penalties, interest, fees	352,000	352,000	384,797	32,797
Total property taxes	<u>139,718,965</u>	<u>139,718,965</u>	<u>140,255,321</u>	<u>536,356</u>
Licenses and Permits:				
Building Inspector	500,000	500,000	1,202,114	702,114
Town Clerk	70,600	70,600	89,097	18,497
Physical Services	11,000	11,000	12,885	1,885
Sanitation refuse permits	200,000	200,000	272,911	72,911
Health	47,150	47,150	71,175	24,025
Fire Marshal	4,400	4,400	7,035	2,635
Total licenses and permits	<u>833,150</u>	<u>833,150</u>	<u>1,655,217</u>	<u>822,067</u>
Intergovernmental:				
In lieu of taxes:				
Housing Authority	185,000	185,000	197,591	12,591
ST/CT telephone access	100,000	100,000	84,279	(15,721)
Veterans exemptions	10,000	10,000	11,963	1,963
Disability exemptions	2,400	2,400	2,460	60
State P.I.L.O.T program	50,470	50,470	-	(50,470)
Homeowners tax relief	155,000	155,000	148,957	(6,043)
Mashantucket Pequot	39,490	39,490	46,072	6,582
Town Clerk historic documents grant	4,000	4,000	4,000	-
State health grant	5,800	5,800	7,855	2,055
State parks grant	-	-	233,025	233,025
State library grant	1,200	1,200	1,087	(113)
Misc. state grants	-	-	125,401	125,401
Education:				
Magnet school transportation grant	-	33,800	33,800	-
Education enhancement	6,552,432	6,552,432	6,585,691	33,259
Special education - excess cost	-	1,035,382	1,035,382	-
Transportation	96,999	96,999	86,529	(10,470)
Vocational agricultural	290,420	290,420	342,841	52,421
School construction:				
Elementary school grants P&I	185,960	185,960	57,347	(128,613)

(Continued on next page)

**TOWN OF GLASTONBURY, CONNECTICUT
GENERAL FUND REVENUES AND OTHER FINANCING SOURCES -
BUDGETARY BASIS - BUDGET AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2016**

	<u>Budgeted Amounts</u>		<u>Actual Budgetary Basis</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Intergovernmental, Continued:				
Public safety:				
Civil preparedness	\$ 10,610	\$ 10,610	\$ -	(10,610)
Police grants	10,000	10,000	40,048	30,048
Volunteer ambulance reimbursement	30,510	30,510	19,022	(11,488)
CRRA Resource recovery	13,500	13,500	18,433	4,933
Human Services:				
YFSB state grant	27,754	27,754	26,658	(1,096)
Housing Authority resident services	49,022	49,022	47,896	(1,126)
Dial-A-Ride Grant	51,278	51,278	51,278	-
Total intergovernmental	<u>7,871,845</u>	<u>8,941,027</u>	<u>9,207,615</u>	<u>266,588</u>
Charges for Services:				
Planning and zoning	12,000	12,000	8,593	(3,407)
Town Clerk:				
Recording fees	180,000	180,000	200,532	20,532
Conveyance tax	525,900	525,900	786,236	260,336
Notary services	-	-	1,663	1,663
Education:				
Community services	46,000	69,900	43,534	(26,366)
Physical services:				
Refuse dumping fees	250,000	250,000	217,794	(32,206)
Bulky waste fill	50,000	50,000	10,266	(39,734)
Sewer inspection fees	2,000	2,000	516	(1,484)
Subdivision OT inspection	1,000	1,000	-	(1,000)
Human Services:				
Senior services	42,000	42,000	60,067	18,067
Nutrition program	35,000	35,000	38,459	3,459
Community center rentals	65,000	65,000	96,048	31,048
Parks and recreation:				
Program fees	190,525	190,525	210,689	20,164
Public safety:				
Public safety - police	71,000	71,000	87,439	16,439
Fire watch services	4,000	4,000	1,770	(2,230)
Health soil tests	1,200	1,200	3,600	2,400
Health clinic fees	-	-	8,090	8,090
Notary services	-	-	1,503	1,503
Library:				
Library fines	60,000	60,000	43,092	(16,908)
Notary services	-	-	1,700	1,700
Total charges for services	<u>1,535,625</u>	<u>1,559,525</u>	<u>1,821,591</u>	<u>262,066</u>

(Continued on next page)

**TOWN OF GLASTONBURY, CONNECTICUT
GENERAL FUND REVENUES AND OTHER FINANCING SOURCES -
BUDGETARY BASIS - BUDGET AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2016**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Investment income:				
Unrealized gain (loss)	\$	\$	\$ 89,230	\$ 89,230
Investment income	400,000	400,000	285,841	(114,159)
Total investment income	<u>400,000</u>	<u>400,000</u>	<u>375,071</u>	<u>(24,929)</u>
Other Revenues:				
Land sales and rentals	139,200	139,200	163,087	23,887
Insurance claims reimbursed	40,000	40,000	103,533	63,533
Health insurance reimbursements	837,926	837,926	849,745	11,819
Attorney fees reimbursed	12,000	12,000	15,795	3,795
Auction	25,000	25,000	30,971	5,971
Miscellaneous	15,000	15,000	30,525	15,525
Purchasing card rebates	5,000	5,000	5,348	348
Education:				
Student activities	3,500	3,500	694	(2,806)
Tuition - other towns	24,000	24,000	16,776	(7,224)
Vo-Ag tuition	626,000	626,000	527,818	(98,182)
Physical services:				
Sales	4,500	4,500	3,547	(953)
Refuse recycling sales	86,000	86,000	45,367	(40,633)
Utilities reimbursed	-	-	16,274	16,274
Human services:				
YFSB programs	33,400	33,400	22,490	(10,910)
Clinical fees	750	750	650	(100)
Library:				
Trustee account	40,000	40,000	47,632	7,632
Miscellaneous	10,000	10,000	10,590	590
Total other revenues	<u>1,902,276</u>	<u>1,902,276</u>	<u>1,890,842</u>	<u>(11,434)</u>
Total revenues	<u>152,261,861</u>	<u>153,354,943</u>	<u>155,205,657</u>	<u>1,850,714</u>
Other Financing Sources:				
Transfers in:				
Use of fund balance	650,000	650,000	-	(650,000)
Total other financing sources	<u>650,000</u>	<u>650,000</u>	<u>-</u>	<u>(650,000)</u>
Total	<u>\$ 152,911,861</u>	<u>\$ 154,004,943</u>	155,205,657	<u>\$ 1,200,714</u>

Budgetary expenditures are different than GAAP expenditures because:

State of Connecticut on-behalf contributions to the Connecticut
State Teachers' Retirement System for Town teachers are not budgeted 10,420,522

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

\$ 165,626,179

**TOWN OF GLASTONBURY, CONNECTICUT
GENERAL FUND EXPENDITURES AND OTHER FINANCING USES -
BUDGETARY BASIS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
General Government				
Town Council:				
Wages - part-time	\$ 23,120	\$ 23,120	\$ 7,801	\$ 15,319
Office supplies	4,000	4,000	117	3,883
Operating supplies	2,500	1,320	1,320	-
Training and dues	675	256	25	231
Contributory grants	72,500	68,363	68,363	-
Pensions	1,769	597	597	-
Data processing	190	190	-	190
Legal/advertising	6,500	6,500	1,533	4,967
Printing/reproduction	5,000	5,000	-	5,000
Professional services	30,000	30,000	29,900	100
Total town council	146,254	139,346	109,656	29,690
Town Manager:				
Wages - full-time	311,531	317,125	317,124	1
Wages - part-time	5,180	1,612	1,558	54
Wages - other	2,000	3,403	3,403	-
Office supplies	6,500	8,165	8,164	1
Operating supplies	2,500	3,000	2,999	1
Training and dues	5,500	5,500	5,289	211
Employee related insurance	44,432	44,432	44,312	120
Pension	70,724	69,434	69,433	1
Technology use charges	3,335	3,335	3,186	149
Vehicle maintenance	2,401	2,401	2,057	344
Equipment maintenance	800	800	69	731
Legal/advertising	10,000	7,200	3,000	4,200
Printing/reproduction	15,000	13,195	13,195	-
Professional services	30,000	62,209	57,254	4,955
Total town manager	509,903	541,811	531,043	10,768
Human Resources:				
Wages - full-time	239,918	201,698	201,689	9
Wages - part-time	35,000	36,693	36,692	1
Wages - other	750	2,150	2,033	117
Office supplies	4,300	6,300	4,608	1,692
Training and dues	10,000	10,000	6,395	3,605
Employee related insurance	55,988	55,988	55,234	754
Pension	67,750	66,057	65,803	254
Data processing	6,820	7,540	7,540	-
Technology use charges	1,230	1,230	1,187	43
Equipment maintenance	750	750	69	681
Legal/advertising	40,000	40,000	10,244	29,756
Printing/reproduction	4,000	4,000	92	3,908
Professional services	8,000	8,000	5,012	2,988
Programs	54,500	41,780	22,148	19,632
Recruitment	20,000	30,000	19,412	10,588
Total human resources	549,006	512,186	438,158	74,028

(Continued on next page)

TOWN OF GLASTONBURY, CONNECTICUT
GENERAL FUND EXPENDITURES AND OTHER FINANCING USES -
BUDGETARY BASIS - BUDGET AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
General Government, continued				
Facilities Maintenance:				
Wages - full-time	\$ 902,460	\$ 785,750	\$ 785,745	\$ 5
Wages - part-time	160,000	160,000	143,764	16,236
Wages - other	60,000	60,000	55,528	4,472
Office supplies	4,500	4,500	3,212	1,288
Operating supplies	8,900	8,900	7,164	1,736
Training and dues	8,230	8,230	2,253	5,977
Contractual services	4,000	7,995	7,950	45
Employee related insurance	212,498	212,498	212,419	79
Pension	245,995	245,995	232,103	13,892
Data processing	2,500	4,500	4,478	22
Technology use charges	3,340	3,340	3,237	103
Vehicle maintenance	14,800	15,320	15,320	-
Equipment maintenance	2,720	3,499	3,498	1
Facilities maintenance	139,210	153,080	149,689	3,391
Printing/reproduction	350	350	237	113
Uniforms	10,000	10,000	8,167	1,833
Utilities/communication	212,700	212,700	196,879	15,821
Vehicles and trucks	22,000	26,850	26,837	13
Improvements - land and buildings	5,000	51,519	15,111	36,408
Total facilities maintenance	<u>2,019,203</u>	<u>1,975,026</u>	<u>1,873,591</u>	<u>101,435</u>
Total general government	<u>3,224,366</u>	<u>3,168,369</u>	<u>2,952,448</u>	<u>215,921</u>
Community Development				
Community Development:				
Wages - full-time	300,000	346,457	346,457	-
Wages - part-time	8,000	10,796	10,795	1
Office supplies	3,820	3,855	3,854	1
Training and dues	2,600	4,087	3,771	316
Employee related insurance	62,871	47,644	47,644	-
Pension	68,026	66,535	66,534	1
Data processing	-	1,450	1,350	100
Technology use charges	780	780	780	-
Vehicle maintenance	1,535	1,535	1,219	316
Legal/advertising	3,700	2,673	2,673	-
Office equipment/furniture	2,200	4,200	3,734	466
Professional services	1,300	1,300	1,300	-
Total community development	<u>454,832</u>	<u>491,312</u>	<u>490,111</u>	<u>1,201</u>

(Continued on next page)

TOWN OF GLASTONBURY, CONNECTICUT
GENERAL FUND EXPENDITURES AND OTHER FINANCING USES -
BUDGETARY BASIS - BUDGET AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Community Development, continued				
Building Inspection:				
Wages - full-time	\$ 257,310	\$ 229,793	\$ 229,793	\$ -
Wages - part-time	2,180	2,180	1,043	1,137
Office supplies	4,000	3,600	3,442	158
Training and dues	1,300	1,300	775	525
Employee related insurance	54,600	49,637	48,996	641
Pension	69,907	69,907	67,716	2,191
Data processing	10,850	10,850	9,809	1,041
Technology use charge	1,450	1,450	1,407	43
Vehicle maintenance	2,620	2,220	2,212	8
Legal/advertising	2,600	3,000	2,299	701
Printing/reproduction	800	1,200	908	292
Office equip/furniture	2,900	4,150	4,003	147
Total building inspection	<u>410,517</u>	<u>379,287</u>	<u>372,403</u>	<u>6,884</u>
Fire Marshal:				
Wages - full-time	168,766	170,099	170,099	-
Wages - part-time	18,500	8,328	8,327	1
Wages - other	8,000	9,879	9,879	-
Office supplies	1,300	1,241	1,240	1
Operating supplies	1,500	1,565	1,018	547
Training and dues	2,000	1,425	1,425	-
Employee related insurance	23,488	24,271	24,271	-
Pension	47,897	47,897	47,325	572
Technology use charges	1,710	1,710	1,710	-
Vehicle maintenance	2,753	3,055	3,055	-
Equipment maintenance	300	300	271	29
Uniforms	2,000	2,000	1,953	47
Utilities/communication	1,100	1,044	997	47
Office equipment/furniture	-	1,250	1,213	37
Total fire marshal	<u>279,314</u>	<u>274,064</u>	<u>272,783</u>	<u>1,281</u>

(Continued on next page)

TOWN OF GLASTONBURY, CONNECTICUT
GENERAL FUND EXPENDITURES AND OTHER FINANCING USES -
BUDGETARY BASIS - BUDGET AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Community Development, continued				
Health:				
Wages - full-time	\$ 376,653	\$ 380,381	\$ 380,380	\$ 1
Wages - part-time	31,000	31,616	31,615	1
Office supplies	3,500	3,362	3,004	358
Operating supplies	1,100	1,100	1,034	66
Training and dues	2,375	2,375	2,296	79
Employee related insurance	93,406	92,692	92,691	1
Pension	87,827	87,827	87,008	819
Data processing	960	-	-	-
Technology use charges	1,520	1,520	1,485	35
Vehicle maintenance	840	1,476	1,476	-
Equipment maintenance	100	100	-	100
Printing/reproduction	600	600	558	42
Professional services	800	800	438	362
Programs	6,100	2,932	307	2,625
Office equipment and furniture	2,900	2,900	1,093	1,807
Total health	<u>609,681</u>	<u>609,681</u>	<u>603,385</u>	<u>6,296</u>
Total community development	<u>1,754,344</u>	<u>1,754,344</u>	<u>1,738,682</u>	<u>15,662</u>
Administrative Services				
Financial Administration:				
Wages - full-time	657,913	661,150	661,150	-
Wages - part-time	33,500	30,882	30,882	-
Wages - other	5,000	5,000	3,261	1,739
Office supplies	7,450	7,450	6,092	1,358
Operating supplies	1,300	681	627	54
Training and dues	22,365	26,112	20,169	5,943
Employee related insurance	119,641	126,994	126,993	1
Pension	160,122	157,456	157,456	-
Data processing	96,100	96,738	96,151	587
Technology use charges	29,535	27,505	27,502	3
Equipment maintenance	22,300	19,300	18,769	531
Legal/advertising	8,500	3,863	3,863	-
Printing/reproduction	2,500	2,500	555	1,945
Professional services	4,200	4,200	3,050	1,150
Utilities and communications	2,700	2,700	1,250	1,450
Office equipment and furniture	69,700	129,200	128,185	1,015
Total financial administration	<u>1,242,826</u>	<u>1,301,731</u>	<u>1,285,955</u>	<u>15,776</u>

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TOWN OF GLASTONBURY, CONNECTICUT
GENERAL FUND EXPENDITURES AND OTHER FINANCING USES -
BUDGETARY BASIS - BUDGET AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Administrative Services, continued				
Accounting:				
Wages - full-time	\$ 278,063	\$ 309,397	\$ 309,396	\$ 1
Wages - part-time	4,125	7,389	7,389.00	-
Wages - other	6,000	6,000	5,490	510
Office supplies	8,000	8,000	7,003	997
Training and dues	5,100	4,055	4,054	1
Contractual services	30,000	22,478	22,478	-
Employee related insurance	13,815	20,666	20,665	1
Pension	76,688	78,707	78,707	-
Data processing	9,280	3,997	3,879	118
Technology use charge	1,750	1,750	1,644	106
Equipment maintenance	300	300.00	-	300
Office equipment and furniture	2,200	41,350	1,662	39,688
Total accounting	<u>435,321</u>	<u>504,089</u>	<u>462,367</u>	<u>41,722</u>
Property Assessment:				
Wages - full-time	343,207	345,964	345,963	1
Wages - other	4,000	215	214	1
Office supplies	7,100	4,918	4,917	1
Training and dues	6,000	3,424	3,424	-
Employee related insurance	74,705	83,950	83,950	-
Pension	93,282	92,601	92,599	2
Data processing	15,800	14,443	14,443	-
Technology use charges	1,430	1,429	1,399	30
Printing and reproduction	1,400	1,220	1,195	25
Professional services	12,000	10,760	-	10,760
Office furniture and equipment	2,200	2,200	1,915	285
Total property assessment	<u>561,124</u>	<u>561,124</u>	<u>550,019</u>	<u>11,105</u>
Revenue Collection:				
Wages - full-time	263,906	264,453	264,452	1
Office supplies	37,860	35,160	24,513	10,647
Training and dues	2,165	887	654	233
Contractual services	18,500	18,500	11,384	7,116
Employee related insurance	47,858	47,858	37,673	10,185
Pension	71,920	71,520	71,519	1
Data processing	17,600	17,600	8,900	8,700
Technology use charges	1,920	1,920	1,793	127
Equipment maintenance	4,450	3,386	3,386	-
Printing/reproduction	19,200	16,458	16,458	-
Tax refunds	-	5,084	5,083	1
Office furniture and equipment	6,600	9,153	6,456	2,697
Total revenue collection	<u>491,979</u>	<u>491,979</u>	<u>452,271</u>	<u>39,708</u>

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TOWN OF GLASTONBURY, CONNECTICUT
GENERAL FUND EXPENDITURES AND OTHER FINANCING USES -
BUDGETARY BASIS - BUDGET AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Administrative Services, continued				
Town Clerk:				
Wages - full-time	\$ 265,539	\$ 267,662	\$ 267,662	\$ -
Wages - part-time	1,205	545	135	410
Wages - other	-	822	822	-
Office supplies	8,900	8,900	8,548	352
Training and dues	4,650	4,650	4,649	1
Contractual services	4,000	4,000	4,000	-
Employee related insurance	59,140	59,140	50,368	8,772
Pension	72,012	72,012	71,975	37
Data processing	53,640	51,355	51,212	143
Technology use charges	2,140	2,140	2,005	135
Equipment maintenance	3,320	3,320	2,569	751
Printing/reproduction	3,700	3,700	3,700	-
Professional services	6,000	6,000	6,000	-
Office equipment and furniture	4,400	4,400	4,400	-
Total town clerk	<u>488,646</u>	<u>488,646</u>	<u>478,045</u>	<u>10,601</u>
Voter Registration:				
Wages - part-time	83,750	85,475	85,475	-
Wages - other	30,355	30,324	30,255	69
Office supplies	10,000	10,714	10,714	-
Training and dues	3,950	3,950	3,764	186
Pensions	6,990	7,004	7,004	-
Technology use charges	940	940	926	14
Equipment maintenance	8,500	7,003	7,002	1
Printing/reproduction	8,000	7,075	7,074	1
Office equipment and furniture	2,700	6,550	6,262	288
Total voter registration	<u>155,185</u>	<u>159,035</u>	<u>158,476</u>	<u>559</u>
Legal Services:				
Contractual services	15,000	15,000	13,956	1,044
Prof. Town Attorney - prior	25,000	28,040	28,039	1
Prof. Town Attorney - primary	169,500	227,303	227,302	1
Prof. Town Attorney - labor	40,500	127,720	127,720	-
Total legal services	<u>250,000</u>	<u>398,063</u>	<u>397,017</u>	<u>1,046</u>
Probate Court:				
Office supplies	14,000	14,000	9,826	4,174
Operating supplies	7,600	7,807	7,807	-
Data processing	3,700	3,700	1,757	1,943
Equipment maintenance	500	293	78	215
Office equip/furniture	3,800	3,800	2,559	1,241
Total probate court	<u>29,600</u>	<u>29,600</u>	<u>22,027</u>	<u>7,573</u>

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TOWN OF GLASTONBURY, CONNECTICUT
GENERAL FUND EXPENDITURES AND OTHER FINANCING USES -
BUDGETARY BASIS - BUDGET AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Administrative Services, continued				
Insurance and Pensions:				
Training and dues	\$ 2,700	\$ -	\$ -	-
Casualty insurance	546,630	511,822	503,159	8,663
Employee related insurance	1,786,980	1,789,525	1,789,525	-
Pensions	17,930	13,116	13,116	-
OPEB reserve	312,410	312,410	312,410	-
Claims, service, retroactive charges	60,000	75,736	75,735	1
Professional services	24,600	22,483	22,482	1
Programs	6,500	-	-	-
Total insurance and pensions	<u>2,757,750</u>	<u>2,725,092</u>	<u>2,716,427</u>	<u>8,665</u>
Total administrative services	<u>6,412,431</u>	<u>6,659,359</u>	<u>6,522,604</u>	<u>136,755</u>
Public Safety				
Police:				
Wages - full-time	6,131,434	5,995,917	5,995,916	1
Wages - part-time	103,660	76,672	76,672	-
Wages - other	425,000	583,076	583,075	1
Office supplies	14,370	14,370	10,995	3,375
Operating supplies	62,000	62,000	60,175	1,825
Training and dues	47,000	48,095	47,466	629
Contractual services	19,500	16,939	14,996	1,943
Employee related insurance	991,755	994,647	994,647	-
Pensions	2,549,150	2,557,631	2,557,631	-
Data processing	66,665	49,769	49,294	475
Technology use charges	21,220	21,219	20,846	373
Vehicle maintenance	162,050	162,050	161,533	517
Equipment maintenance	109,925	107,033	106,975	58
Facilities maintenance	40,145	47,481	42,719	4,762
Printing/reproduction	5,680	5,680	4,737	943
Uniforms	70,000	63,712	63,711	1
Utilities/communication	142,025	112,365	112,364	1
Office equipment/furniture	35,000	40,750	39,455	1,295
Vehicles and trucks	190,000	190,000	179,448	10,552
Machinery & equipment	43,050	106,496	101,547	4,949
Improvements land and buildings	32,800	70,878	64,740	6,138
Total police	<u>11,262,429</u>	<u>11,326,780</u>	<u>11,288,942</u>	<u>37,838</u>
Volunteer Ambulance:				
Vehicle maintenance	10,050	10,050	92	9,958
Facilities maintenance	7,210	7,210	7,202	8
Utilities/communication	13,250	13,250	10,789	2,461
Total volunteer ambulance	<u>30,510</u>	<u>30,510</u>	<u>18,083</u>	<u>12,427</u>

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**TOWN OF GLASTONBURY, CONNECTICUT
GENERAL FUND EXPENDITURES AND OTHER FINANCING USES -
BUDGETARY BASIS - BUDGET AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2016**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Public Safety, continued				
Fire:				
Wages - full-time	\$ 56,173	\$ 56,621	\$ 56,620	\$ 1
Wages - part-time	204,415	178,954	178,953	1
Wages - units	210,000	195,803	195,803	-
Wages - other	1,420	1,462	1,462	-
Office supplies	3,550	2,889	2,888	1
Operating supplies	65,955	81,501	76,747	4,754
Training and dues	15,750	13,638	13,637	1
Contractual services	25,800	21,445	21,445	-
Contractual - fire watch	4,000	1,328	1,328	-
Employee related insurance	15,227	17,558	17,557	1
Pensions	44,177	48,743	48,743	-
Data processing	10,505	10,381	10,372	9
Technology use charges	755	755	744	11
Vehicle maintenance	53,180	115,724	115,723	1
Equipment maintenance	45,265	53,986	53,920	66
Facilities maintenance	41,155	42,070	42,070	-
Printing/reproduction	250	250	-	250
Uniforms	5,000	2,267	2,267	-
Utilities/communication	196,170	170,263	170,263	-
Office equipment and furniture	4,400	4,400	4,304	96
Machinery and equipment	55,600	54,075	50,306	3,769
Total fire	<u>1,058,747</u>	<u>1,074,113</u>	<u>1,065,152</u>	<u>8,961</u>
Civil Preparedness:				
Wages - part-time	20,000	20,000	20,000	-
Office supplies	265	258	183	75
Pensions	1,530	1,531	1,530	1
Technology use charges	600	600	600	-
Vehicle maintenance	1,130	1,130	619	511
Programs	1,300	1,306	1,305	1
Utilities/communication	3,960	3,960	3,694	266
Office equipment and furniture	1,600	1,600	711	889
Total civil preparedness	<u>30,385</u>	<u>30,385</u>	<u>28,642</u>	<u>1,743</u>
Total public safety	<u>12,382,071</u>	<u>12,461,788</u>	<u>12,400,819</u>	<u>60,969</u>

(Continued on next page)

TOWN OF GLASTONBURY, CONNECTICUT
GENERAL FUND EXPENDITURES AND OTHER FINANCING USES -
BUDGETARY BASIS - BUDGET AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Physical Services				
Engineering:				
Wages - full-time	\$ 883,684	\$ 897,208	\$ 897,208	\$ -
Wages - part-time	31,355	31,355	30,804	551
Wages - other	7,000	3,908	3,907	1
Office supplies	5,000	3,343	3,343	-
Operating supplies	4,500	4,500	4,257	243
Training and dues	9,000	8,860	8,833	27
Employee related insurance	133,931	140,865	140,865	-
Pensions	232,334	227,180	227,180	-
Data processing	48,500	47,594	46,514	1,080
Technology use charges	2,370	2,370	2,370	-
Vehicle maintenance	7,415	4,813	4,807	6
Equipment maintenance	10,900	10,900	7,542	3,358
Printing/reproduction	700	700	610	90
Professional services	15,000	8,093	8,093	-
Uniforms	1,200	1,200	709	491
Office equipment and furniture	10,400	10,400	6,925	3,475
Machinery and equipment	25,000	40,000	39,704	296
Total engineering	1,428,289	1,443,289	1,433,671	9,618
Highway:				
Wages - full-time	1,477,004	1,448,954	1,448,953	1
Wages - part-time	40,780	33,872	33,872	-
Wages - other	185,000	186,703	186,703	-
Drainage materials	54,700	54,700	54,411	289
Grounds/roadside material	29,000	9,956	9,956	-
Highway materials	150,000	150,000	139,785	10,215
Office supplies	2,690	2,587	2,416	171
Operating supplies	16,250	13,330	13,329	1
Snow and ice materials	300,000	308,495	308,474	21
Traffic control supplies	40,000	40,000	33,187	6,813
Training and dues	6,000	4,972	4,969	3
Contractual service	221,000	180,365	149,164	31,201
Employee related insurance	299,777	299,880	299,879	1
Pensions	480,972	483,977	483,977	-
Technology use charges	990	990	990	-
Vehicle maintenance	232,450	300,803	300,803	-
Equipment maintenance	3,200	3,200	2,884	316
Printing/reproduction	750	750	-	750
Uniforms	10,200	10,200	9,737	463
Utilities/communication	123,680	182,611	182,611	-
Vehicles and trucks	240,700	248,125	248,124	1
Data processing	450	450	-	450
Machinery and equipment	58,500	52,675	52,674	1
Improvements land and building	-	2,854	2,854	-
Total highway	3,974,093	4,020,449	3,969,752	50,697

(Continued on next page)

TOWN OF GLASTONBURY, CONNECTICUT
GENERAL FUND EXPENDITURES AND OTHER FINANCING USES -
BUDGETARY BASIS - BUDGET AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Physical Services, continued				
Fleet Maintenance:				
Wages - full-time	\$ 427,112	\$ 430,375	\$ 430,374	\$ 1
Wages - part-time	93,412	93,412	81,662	11,750
Wages - other	20,000	24,094	24,093	1
Office supplies	1,460	1,363	1,196	167
Operating supplies	7,225	5,987	5,987	-
Training and dues	4,975	606	606	-
Contractual services	225,675	255,050	248,496	6,554
Employee related insurance	83,928	84,126	84,125	1
Pensions	144,347	144,043	144,042	1
Data processing	4,335	2,995	2,995	-
Technology use charges	1,010	1,010	981	29
Vehicle maintenance	10,893	9,809	9,809	-
Equipment maintenance	9,000	7,304	7,304	-
Facilities maintenance	17,740	21,995	21,994	1
Printing/reproduction	500	500	349	151
Uniforms	4,600	5,168	5,167	1
Utilities/communication	45,080	45,080	31,548	13,532
Vehicles and trucks	-	65,300	27,300	38,000
Total fleet maintenance	<u>1,101,292</u>	<u>1,198,217</u>	<u>1,128,028</u>	<u>70,189</u>
Total physical services	<u>6,503,674</u>	<u>6,661,955</u>	<u>6,531,451</u>	<u>130,504</u>
Sanitation				
Refuse Disposal:				
Wages - full-time	142,355	144,830	144,829	1
Wages - part-time	145,000	153,131	153,131	-
Wages - other	12,000	8,725	7,120	1,605
Office supplies	1,580	1,580	1,285	295
Operating supplies	2,000	1,500	615	885
Repair and maintenance supplies	900	900	562	338
Training and dues	2,400	2,400	2,299	101
Contractual services	280,000	268,369	243,189	25,180
Employee related insurance	34,396	34,396	34,344	52
Pension	57,131	57,131	57,102	29
Data processing	3,600	3,600	1,237	2,363
Technology use charges	675	675	639	36
Vehicle maintenance	48,200	40,700	35,566	5,134
Equipment maintenance	4,000	3,500	1,558	1,942
Facilities maintenance	3,400	3,400	2,173	1,227
Printing/reproduction	3,500	3,500	1,864	1,636
Uniforms	3,970	3,080	3,009	71
Utilities/communication	9,500	8,500	6,664	1,836
Machinery and equipment	-	3,100	3,100	-
Office equipment and furniture	10,000	10,000	8,940	1,060
Improvements-land and building	-	36,690	16,875	19,815
Total refuse disposal	<u>764,607</u>	<u>789,707</u>	<u>726,101</u>	<u>63,606</u>
Total sanitation	<u>764,607</u>	<u>789,707</u>	<u>726,101</u>	<u>63,606</u>

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**TOWN OF GLASTONBURY, CONNECTICUT
GENERAL FUND EXPENDITURES AND OTHER FINANCING USES -
BUDGETARY BASIS - BUDGET AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2016**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Human Services				
Contributory grants	\$ 32,577	\$ 32,577	\$ 32,577	\$ -
Youth and Family Services:				
Wages - full-time	808,071	770,941	770,937	4
Wages - part-time	90,000	89,500	69,320	20,180
Office supplies	9,500	9,500	7,279	2,221
Operating supplies	750	504	251	253
Training and dues	9,500	9,500	5,674	3,826
Employee related insurance	128,605	128,851	128,850	1
Pensions	226,404	226,404	222,680	3,724
Technology use charges	3,400	3,400	3,370	30
Vehicle maintenance	2,135	2,135	1,159	976
Equipment maintenance	1,700	1,700	39	1,661
Facilities maintenance	8,510	8,836	6,222	2,614
Printing/reproduction	2,000	2,000	442	1,558
Professional services	13,200	13,200	11,270	1,930
Programs	49,000	49,000	47,507	1,493
Utilities/communications	15,300	15,300	10,805	4,495
Office equipment and furniture	9,500	12,812	11,720	1,092
Improvements - land and building	-	18,000	-	18,000
Total youth and family services	1,377,575	1,361,583	1,297,525	64,058
Senior and Community Services:				
Wages - full-time	582,396	591,110	591,110	-
Wages - part-time	297,500	280,086	278,009	2,077
Wages - other	4,000	528	-	528
Office supplies	16,755	17,114	17,113	1
Training and dues	10,400	7,900	5,920	1,980
Employee related insurance	135,707	135,707	135,599	108
Pensions	181,200	181,200	178,924	2,276
Data processing	1,000	1,000	690	310
Technology use charges	5,425	5,425	5,268	157
Vehicle maintenance	26,400	29,513	29,513	-
Equipment maintenance	8,000	8,263	5,478	2,785
Facilities maintenance	21,110	28,610	27,160	1,450
Printing/reproduction	2,800	2,800	2,620	180
Programs	104,900	104,900	97,147	7,753
Vehicles & Trucks	13,200	98,452	97,193	1,259
Improvements Land/Improvement	-	30,000	30,000	-
Machinery & Equipment	10,000	10,000	-	10,000
Utilities/communication	100,480	79,002	79,001	1
Office equipment and furniture	8,300	12,000	8,765	3,235
Total senior and community services	1,529,573	1,623,610	1,589,510	34,100
Total human services	2,939,725	3,017,770	2,919,612	98,158

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**TOWN OF GLASTONBURY, CONNECTICUT
GENERAL FUND EXPENDITURES AND OTHER FINANCING USES -
BUDGETARY BASIS - BUDGET AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2016**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Leisure/Culture				
Parks and Recreation:				
Wages - full-time	\$ 1,486,701	\$ 1,495,669	\$ 1,495,668	\$ 1
Wages - part-time	406,729	432,474	432,473	1
Wages - other	80,000	53,349	53,349	-
Grounds/roadside materials	92,000	92,000	87,578	4,422
Office supplies	12,000	12,000	9,368	2,632
Operating supplies	850	850	543	307
Repair and maintenance supplies	42,000	43,760	42,701	1,059
Training and dues	5,300	5,300	5,070	230
Contractual services	135,000	135,000	131,738	3,262
Employee related insurance	305,835	306,794	306,793	1
Pensions	440,479	440,760	440,759	1
Data processing	11,000	11,000	7,732	3,268
Technology use charges	5,880	5,880	5,694	186
Vehicle maintenance	108,407	97,345	93,068	4,277
Equipment maintenance	500	500	39	461
Facilities maintenance	6,900	6,900	4,908	1,992
Printing/reproduction	1,200	1,200	398	802
Programs	31,678	31,678	28,490	3,188
Uniforms	11,870	11,870	11,077	793
Utilities/communication	139,730	150,293	150,292	1
Office equipment and furniture	7,290	7,290	7,248	42
Vehicles and trucks	50,000	194,030	193,273	757
Machinery and equipment	26,600	26,600	26,025	575
Improvements - land and buildings	80,000	96,500	60,126	36,374
Total parks and recreation	<u>3,487,949</u>	<u>3,659,042</u>	<u>3,594,410</u>	<u>64,632</u>
Welles-Turner Library:				
Wages - full-time	641,950	610,851	592,210	18,641
Wages - part-time	248,000	248,000	245,672	2,328
Wages - other	1,000	1,000	-	1,000
Office supplies	12,000	11,680	7,203	4,477
Operating supplies	5,500	5,500	3,544	1,956
Training and dues	5,000	5,000	2,562	2,438
Books/media	265,000	264,847	264,347	500
Employee related insurance	143,834	143,987	143,986	1
Pensions	192,908	192,908	191,062	1,846
Data processing	60,555	60,555	58,935	1,620
Technology use charges	8,085	8,085	7,881	204
Equipment maintenance	2,900	2,900	1,917	983
Facilities maintenance	22,570	22,570	22,492	78
Printing/reproduction	5,000	5,000	-	5,000
Programs	8,000	8,000	6,679	1,321
Utilities/communication	95,500	84,937	80,666	4,271
Office equipment and furniture	7,600	7,920	7,192	728
Improvements-land and building	22,000	22,000	8,872	13,128
Total Welles-Turner Library	<u>1,747,402</u>	<u>1,705,740</u>	<u>1,645,220</u>	<u>60,520</u>

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TOWN OF GLASTONBURY, CONNECTICUT
GENERAL FUND EXPENDITURES AND OTHER FINANCING USES -
BUDGETARY BASIS - BUDGET AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Leisure/Culture, continued				
South Glastonbury Library:				
Contributory grants	\$ 7,500	\$ 7,500	\$ 7,500	\$ -
East Glastonbury Library:				
Contributory grants	7,500	7,500	7,500	-
Total leisure/culture	5,250,351	5,379,782	5,254,630	125,152
Debt Service				
General Town	3,304,132	3,304,132	3,304,131	1
Education	5,492,318	5,492,318	5,492,318	-
Sewers	175,000	-	-	-
Temporary notes	104,500	49,450	49,438	12
Administrative costs	134,050	10,800	10,794	6
Total debt service	9,210,000	8,856,700	8,856,681	19
Contingency	175,000	118,500	-	118,500
Board of Education				
Instruction:				
Art	1,156,217	1,104,072	1,102,076	1,996
Basic Education	14,672,035	14,730,474	14,617,401	113,073
Language Arts	4,171,932	4,207,086	4,203,069	4,017
Mathematics	2,521,432	2,499,064	2,494,148	4,916
Science	3,310,680	3,322,659	3,320,451	2,208
History/Social Science	2,150,176	2,083,261	2,078,717	4,544
Career/Vocational Education	1,471,854	1,478,087	1,464,748	13,339
P.A.C.E.	626,504	619,440	616,768	2,672
Foreign Languages & ELL	4,207,222	4,102,076	4,098,565	3,511
Health/physical education	1,891,637	1,885,738	1,880,117	5,621
Music	1,582,863	1,569,450	1,553,857	15,593
Special Education	11,592,446	12,742,735	12,712,521	30,214
Agriscience & Technology	288,275	276,564	257,153	19,411
Total Instruction	49,643,273	50,620,706	50,399,591	221,115
Special Services/Instruction:				
School Counseling	2,844,320	2,721,318	2,708,419	12,899
Health Services	778,556	759,295	758,510	785
Libraries/Media Centers	1,333,970	1,370,082	1,365,380	4,702
Program and Staff Development	771,900	771,900	768,464	3,436
Athletics and Clubs	1,511,488	1,510,227	1,520,446	(10,219)
Elementary Administration	2,924,618	2,904,345	2,873,152	31,193
Secondary Administration	2,698,509	2,690,932	2,653,565	37,367
Systemwide Support Services	2,739,606	2,753,035	2,562,512	190,523
Technology Support Services	4,111,381	4,270,454	4,606,275	(335,821)
Total Special Services/Instruction	19,714,348	19,751,588	19,816,723	(65,135)

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TOWN OF GLASTONBURY, CONNECTICUT
GENERAL FUND EXPENDITURES AND OTHER FINANCING USES -
BUDGETARY BASIS - BUDGET AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Board of Education, continued				
Support Services/Operations:				
Operations/Maintenance	\$ 5,929,468	\$ 6,043,817	\$ 6,453,072	\$ (409,255)
Utilities	2,251,568	2,283,612	1,978,927	304,685
Pupil Transportation	3,484,730	3,491,493	3,470,039	21,454
Total Support Services/Operations	<u>11,665,766</u>	<u>11,818,922</u>	<u>11,902,038</u>	<u>(83,116)</u>
Community Services:				
Community Services	<u>328,103</u>	<u>361,003</u>	<u>336,536</u>	<u>24,467</u>
Fringe Benefits	<u>17,898,802</u>	<u>17,916,787</u>	<u>17,860,769</u>	<u>56,018</u>
Total Board of Education	<u>99,250,292</u>	<u>100,469,006</u>	<u>100,315,657</u>	<u>153,349</u>
Total expenditures	<u>147,866,861</u>	<u>149,337,280</u>	<u>148,218,685</u>	<u>1,118,595</u>
Other Financing Uses				
Transfers out:				
Capital reserve fund	5,000,000	5,133,800	5,133,800	-
Dog fund	45,000	45,000	45,000	-
Capital reserve projects fund	-	277,500	277,500	-
Sewer operating fund	-	175,000	175,000	-
Total operating transfers out	<u>5,045,000</u>	<u>5,631,300</u>	<u>5,631,300</u>	<u>-</u>
Total Expenditures and Other Financing Uses	<u>\$ 152,911,861</u>	<u>\$ 154,968,580</u>	153,849,985	<u>\$ 1,118,595</u>
Budgetary expenditures are different than GAAP expenditures because:				
State of Connecticut on-behalf contributions to the Connecticut State Teachers' Retirement System for Town teachers are not budgeted			<u>10,420,522</u>	
Total Expenditures and Other Financing Uses as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds - Exhibit IV			<u>\$ 164,270,507</u>	

Nonmajor Governmental Funds

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special Revenue Funds account for and report the proceeds of specific revenue sources (other than major capital projects) that are restricted by law or committed by the highest level of administrative action to expenditures for specified purposes other than debt service or capital outlay.

Sewer Operating Fund

To account for the operations of the Water Pollution treatment plant. Sewer use fees are set by the Water Pollution Control Authority. Proceeds are used to operate and maintain the facility and pay debt service for Clean Water Fund loans.

Dog Fund

To account for the operation of animal control. Financing is provided by license fees, fines and a state grant.

Grants and Contracts Fund

To account for certain state, federal or private grants that are restricted to use for specified programs or activities.

Police Forfeited Property

To account for the proceeds of property confiscated by the Town's Police Department. Such property confiscation is pursuant to 21 USC 88 of the Federal Comprehensive Drug Abuse Prevention and Control Act of 1970.

Special Gifts/Grants Fund

To account for gifts from the public designated for specific purposes.

Historic Documents/Preservation

To account for the portion of property recording fees designated for use by the Town Clerk.

School Cafeteria Fund

To account for the operation of the public school lunch program. Funding is provided from the sale of food, federal and state grants, and USDA food donations.

Education Grants Fund

To account for state and federal educational grants received through the State Department of Education.

Library Funds

To account for monies received from private donors for the acquisition of books, materials and other related library services.

Connecticard

To account for monies provided by the State as reimbursement for excess borrowing of books by citizens of other municipalities.

Police Private Duty

To account for revenues and expenditures related to services provided by the police department on a contractual basis.

Camp Sunrise

To account for a summer day camp program designed to meet the special needs of both physically and emotionally handicapped children. Financing is provided by state grant, tuition and private donations.

Recreation Activities

To account for program activities administered by the Parks and Recreation Department that are funded by participation fees.

Insurance Reserve Fund

To account for monies in reserve for insurance purposes.

Riverfront Park Operations Fund

To account for the operation of Riverfront Park facilities, including the boathouse, boat storage and boat launch. Operations are funded by usage fees.

Planetarium

To account for the operation of the planetarium at the Glastonbury / East Hartford Magnet School, which is funded by participation fees.

NONMAJOR GOVERNMENTAL FUNDS

Capital Projects Funds

These funds account for financial resources to be used for the acquisition or construction of major capital facilities. The projects are authorized by the Town Council, Board of Finance and citizen referendum pursuant to the "Criteria for the Capital Improvement Program." This program is funded by a combination of debt, Capital and Nonrecurring Expenditures Fund (CNR), Sewer Assessment Fund and grant revenues. The Town adopted criteria that established a continuing appropriation of tax funding into the CNR Fund.

Minnechaug Golf

To account for costs of maintaining the Town owned golf course. Revenues are generated through lease payments from the contracted administrator and expenditures are for course maintenance and improvement.

Town Aid

To account for improvement to existing Town roads. Funding is provided through a state grant program.

Sewer Sinking Projects

To account for various projects funded by the Special Assessments Fund.

Capital and Nonrecurring Expenditures

To account for the funds set aside for future capital improvements. The funding is provided by the General Fund. On the approval of the annual capital improvement program, resources are transferred to the Capital Reserve Projects Fund.

Gateway Project

To account for costs associated with the Gateway Project.

Riverfront Park

To account for the costs of construction and equipment for a public park along the Connecticut River.

**TOWN OF GLASTONBURY, CONNECTICUT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2016**

	Special Revenue Funds							
	Sewer Operating Fund	Dog Fund	Grants and Contracts	Police Forfeited Property	Special Gifts/ Grants Fund	Historic Documents/ Preservation	School Cafeteria Fund	Education Grants Fund
ASSETS								
Cash and cash equivalents	\$ 1,436,466	\$ 22,916	\$ 10,444	\$ 247,633	\$ 300,087	\$ 52,597	\$ 229,092	\$ 100,656
Receivables	76,696	15	-	-	-	-	72,774	44,902
Inventory	-	-	-	-	-	-	17,701	-
Investments	888,391	14,173	6,459	-	172,318	32,529	-	-
Other	1,464	-	-	-	-	-	-	-
Total Assets	\$ 2,403,017	\$ 37,104	\$ 16,903	\$ 247,633	\$ 472,405	\$ 85,126	\$ 319,567	\$ 145,558
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES								
Liabilities:								
Accounts and other payables	\$ 104,672	\$ 17,126	\$ 3,616	\$ -	\$ 45,992	\$ 199	\$ -	\$ 7,569
Unearned revenue	-	-	-	-	-	-	-	137,989
Total liabilities	104,672	17,126	3,616	-	45,992	199	-	145,558
Deferred Inflows of Resources:								
Unavailable revenue - special assessments	63,103	-	-	-	-	-	-	-
Unavailable revenue - other	-	-	-	-	-	-	-	-
Total deferred inflows of resources	63,103	-	-	-	-	-	-	-
Fund Balances:								
Nonspendable	1,464	-	-	-	-	-	17,701	-
Restricted	-	19,978	13,287	247,633	426,413	84,927	301,866	-
Committed	2,233,778	-	-	-	-	-	-	-
Total fund balances	2,235,242	19,978	13,287	247,633	426,413	84,927	319,567	-
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 2,403,017	\$ 37,104	\$ 16,903	\$ 247,633	\$ 472,405	\$ 85,126	\$ 319,567	\$ 145,558

(Continued on next page)

**TOWN OF GLASTONBURY, CONNECTICUT
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2016**

	Special Revenue Funds							
	Library Funds	Connecticard	Police Private Duty	Camp Sunrise	Recreation Activities	Insurance Reserve Fund	Riverfront Park Operations Fund	Planetarium Fund
ASSETS								
Cash and cash equivalents	\$ 112,819	\$ 39,687	\$ 277,483	\$ 24,296	\$ 606,383	\$ 213,135	\$ 143,156	\$ 14,361
Receivables	-	-	59,618	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	-
Investments	69,772	24,545	171,611	14,964	375,021	131,814	88,535	-
Other	-	-	-	100	10,005	-	-	-
Total Assets	\$ 182,591	\$ 64,232	\$ 508,712	\$ 39,360	\$ 991,409	\$ 344,949	\$ 231,691	\$ 14,361
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES								
Liabilities:								
Accounts and other payables	\$ 7,051	\$ -	\$ 17,677	\$ 16,428	\$ 154,105	\$ -	\$ 20,911	\$ -
Unearned revenue	-	-	-	-	-	-	-	-
Total liabilities	7,051	-	17,677	16,428	154,105	-	20,911	-
Deferred Inflows of Resources:								
Unavailable revenue - special assessments	-	-	-	-	-	-	-	-
Unavailable revenue - other	-	-	4,706	-	-	-	-	-
Total deferred inflows of resources	-	-	4,706	-	-	-	-	-
Fund Balances:								
Nonspendable	8,527	-	-	100	10,005	-	-	-
Restricted	167,013	64,232	-	-	-	-	-	-
Committed	-	-	486,329	22,832	827,299	344,949	210,780	14,361
Total fund balances	175,540	64,232	486,329	22,932	837,304	344,949	210,780	14,361
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 182,591	\$ 64,232	\$ 508,712	\$ 39,360	\$ 991,409	\$ 344,949	\$ 231,691	\$ 14,361

(Continued on next page)

**TOWN OF GLASTONBURY, CONNECTICUT
 COMBINING BALANCE SHEET (CONTINUED)
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2016**

	<u>Capital Projects</u>						<u>Totals</u>
	<u>Minnechaug Golf Fund</u>	<u>Town Aid</u>	<u>Sewer Sinking Projects</u>	<u>Capital and Nonrecurring Expenditures</u>	<u>Gateway Project</u>	<u>Riverfront Park</u>	
ASSETS							
Cash and cash equivalents	\$ 116,081	\$ 748,978	\$ 49,623	\$ 729,135	\$ 16,215	\$ 196,843	\$ 5,688,086
Receivables	622	-	-	153,306	-	-	407,933
Inventory	-	-	-	-	-	-	17,701
Investments	71,791	463,210	30,689	605,553	10,028	121,739	3,293,142
Other	-	-	-	-	-	-	11,569
Total Assets	\$ 188,494	\$ 1,212,188	\$ 80,312	\$ 1,487,994	\$ 26,243	\$ 318,582	\$ 9,418,431
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities:							
Accounts and other payables	\$ 10,728	\$ 453,066	\$ -	\$ -	\$ -	\$ 139,695	\$ 998,835
Unearned revenue	-	-	-	-	-	-	137,989
Total liabilities	10,728	453,066	-	-	-	139,695	1,136,824
Deferred Inflows of Resources:							
Unavailable revenue - special assessments	-	-	-	-	-	-	63,103
Unavailable revenue - other	-	-	-	-	-	-	4,706
Total deferred inflows of resources	-	-	-	-	-	-	67,809
Fund Balances:							
Nonspendable	-	-	-	-	-	-	37,797
Restricted	-	759,122	-	-	-	178,887	2,263,358
Committed	177,766	-	80,312	1,487,994	26,243	-	5,912,643
Total fund balances	177,766	759,122	80,312	1,487,994	26,243	178,887	8,213,798
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 188,494	\$ 1,212,188	\$ 80,312	\$ 1,487,994	\$ 26,243	\$ 318,582	\$ 9,418,431

**TOWN OF GLASTONBURY, CONNECTICUT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2016**

	Special Revenue Funds							
	Sewer Operating Fund	Dog Fund	Grants and Contracts	Police Forfeited Property	Special Gifts/ Grants Fund	Historic Documents/ Preservation	School Cafeteria Fund	Education Grants Fund
Revenues:								
Intergovernmental	\$ 17,003	\$ -	\$ 96,457	\$ 1,268	\$ -	\$ -	\$ 633,998	\$ 2,070,117
Charges for services	2,819,892	23,014	-	-	-	15,968	1,470,529	-
Investment income (loss)	12,145	227	-	-	-	-	-	-
Unrealized investment income (loss)	6,816	109	50	-	1,322	250	-	-
Other revenues	6,275	-	-	11,246	138,808	-	51,458	-
Total revenues	<u>2,862,131</u>	<u>23,350</u>	<u>96,507</u>	<u>12,514</u>	<u>140,130</u>	<u>16,218</u>	<u>2,155,985</u>	<u>2,070,117</u>
Expenditures:								
Administrative services	-	-	-	-	157,979	2,679	-	-
Public safety	-	63,488	45,288	30,527	-	-	-	-
Sanitation	1,906,380	-	-	-	-	-	-	-
Human services	-	-	52,172	-	-	-	-	-
Leisure/culture	-	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	2,096,448	2,070,117
Debt service	1,148,679	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total expenditures	<u>3,055,059</u>	<u>63,488</u>	<u>97,460</u>	<u>30,527</u>	<u>157,979</u>	<u>2,679</u>	<u>2,096,448</u>	<u>2,070,117</u>
Revenues over (under) Expenditures	<u>(192,928)</u>	<u>(40,138)</u>	<u>(953)</u>	<u>(18,013)</u>	<u>(17,849)</u>	<u>13,539</u>	<u>59,537</u>	<u>-</u>
Other Financing Sources (Uses):								
Transfers in	425,005	45,000	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>425,005</u>	<u>45,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	232,077	4,862	(953)	(18,013)	(17,849)	13,539	59,537	-
Fund Balance at Beginning of Year	<u>2,003,165</u>	<u>15,116</u>	<u>14,240</u>	<u>265,646</u>	<u>444,262</u>	<u>71,388</u>	<u>260,030</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 2,235,242</u>	<u>\$ 19,978</u>	<u>\$ 13,287</u>	<u>\$ 247,633</u>	<u>\$ 426,413</u>	<u>\$ 84,927</u>	<u>\$ 319,567</u>	<u>\$ -</u>

(Continued on next page)

TOWN OF GLASTONBURY, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

	Special Revenue Funds							
	Library Funds	Connecticard	Police Private Duty	Camp Sunrise	Recreation Activities	Insurance Reserve Fund	Riverfront Park Operations Fund	Planetarium Fund
Revenues:								
Intergovernmental	\$ -	\$ 13,274	\$ -	\$ 22,800	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	633,258	38,728	1,249,084	-	92,629	20,562
Investment income (loss)	1,090	346	-	141	-	2,035	1,632	-
Unrealized investment income (loss)	535	188	1,317	115	2,877	1,011	679	-
Other revenues	-	-	-	2,459	-	46,276	-	-
Total revenues	<u>1,625</u>	<u>13,808</u>	<u>634,575</u>	<u>64,243</u>	<u>1,251,961</u>	<u>49,322</u>	<u>94,940</u>	<u>20,562</u>
Expenditures:								
Administrative services	-	-	-	-	-	34,017	-	-
Public safety	-	-	521,166	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-	-
Human services	-	-	-	-	-	-	-	-
Leisure/culture	14,100	9,952	-	71,075	1,199,956	-	182,323	-
Education	-	-	-	-	-	-	-	8,140
Debt service	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total expenditures	<u>14,100</u>	<u>9,952</u>	<u>521,166</u>	<u>71,075</u>	<u>1,199,956</u>	<u>34,017</u>	<u>182,323</u>	<u>8,140</u>
Revenues over (under) Expenditures	<u>(12,475)</u>	<u>3,856</u>	<u>113,409</u>	<u>(6,832)</u>	<u>52,005</u>	<u>15,305</u>	<u>(87,383)</u>	<u>12,422</u>
Other Financing Sources (Uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(12,475)	3,856	113,409	(6,832)	52,005	15,305	(87,383)	12,422
Fund Balance at Beginning of Year	<u>188,015</u>	<u>60,376</u>	<u>372,920</u>	<u>29,764</u>	<u>785,299</u>	<u>329,644</u>	<u>298,163</u>	<u>1,939</u>
Fund Balance at End of Year	<u>\$ 175,540</u>	<u>\$ 64,232</u>	<u>\$ 486,329</u>	<u>\$ 22,932</u>	<u>\$ 837,304</u>	<u>\$ 344,949</u>	<u>\$ 210,780</u>	<u>\$ 14,361</u>

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**TOWN OF GLASTONBURY, CONNECTICUT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2016**

	<u>Capital Projects</u>						<u>Totals</u>
	<u>Minnechaug Golf Fund</u>	<u>Town Aid</u>	<u>Sewer Sinking Projects</u>	<u>Capital and Nonrecurring Expenditures</u>	<u>Gateway Project</u>	<u>Riverfront Park</u>	
Revenues:							
Intergovernmental	\$ -	\$ 461,027	\$ -	\$ 1,556,855	\$ -	\$ -	\$ 4,872,799
Charges for services	39,047	-	-	-	-	-	6,402,711
Investment income (loss)	2,362	6,852	-	47,464	152	3,110	77,556
Unrealized investment income (loss)	551	3,554	235	4,646	77	934	25,266
Other revenues	-	-	-	288,917	-	-	545,439
Total revenues	<u>41,960</u>	<u>471,433</u>	<u>235</u>	<u>1,897,882</u>	<u>229</u>	<u>4,044</u>	<u>11,923,771</u>
Expenditures:							
Administrative services	-	-	-	-	-	-	194,675
Public safety	-	-	-	-	-	-	660,469
Sanitation	-	-	-	-	-	-	1,906,380
Human services	-	-	-	-	-	-	52,172
Leisure/culture	-	-	-	-	-	-	1,477,406
Education	-	-	-	-	-	-	4,174,705
Debt service	-	-	-	-	-	-	1,148,679
Capital outlay	8,597	686,826	3,599	-	-	1,568,645	2,267,667
Total expenditures	<u>8,597</u>	<u>686,826</u>	<u>3,599</u>	<u>-</u>	<u>-</u>	<u>1,568,645</u>	<u>11,882,153</u>
Revenues over (under) Expenditures	<u>33,363</u>	<u>(215,393)</u>	<u>(3,364)</u>	<u>1,897,882</u>	<u>229</u>	<u>(1,564,601)</u>	<u>41,618</u>
Other Financing Sources (Uses):							
Transfers in	-	-	-	5,133,800	-	-	5,603,805
Transfers out	-	-	-	(7,305,000)	-	-	(7,305,000)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,171,200)</u>	<u>-</u>	<u>-</u>	<u>(1,701,195)</u>
Net Change in Fund Balances	33,363	(215,393)	(3,364)	(273,318)	229	(1,564,601)	(1,659,577)
Fund Balance at Beginning of Year	<u>144,403</u>	<u>974,515</u>	<u>83,676</u>	<u>1,761,312</u>	<u>26,014</u>	<u>1,743,488</u>	<u>9,873,375</u>
Fund Balance at End of Year	<u>\$ 177,766</u>	<u>\$ 759,122</u>	<u>\$ 80,312</u>	<u>\$ 1,487,994</u>	<u>\$ 26,243</u>	<u>\$ 178,887</u>	<u>\$ 8,213,798</u>

Fiduciary Funds

FIDUCIARY FUNDS

Fiduciary Funds are used to account for assets held in a trust capacity for others, and include Agency Funds.

Trust Funds

Trust funds account for the accumulation of resources for retirement benefits and other post-employment benefits.

Pension Trust Fund

To account for the accumulation of resources to be used for retirement benefits.

OPEB Trust Fund

To account for the accumulation of resources to be used for other post-employment benefits.

Agency Funds

Agency funds are custodial in nature (assets equal liabilities). The Town's Agency Funds are listed below:

Student Activity Fund

To account for monies from various self-funding school activity funds.

Education Dependent Care Fund

To account for dependent care reimbursement accounts maintained for Board of Education employees.

TOWN OF GLASTONBURY, CONNECTICUT
COMBINING STATEMENT OF FIDUCIARY NET POSITION - TRUST FUNDS
JUNE 30, 2016

	<u>Pension Trust Fund</u>	<u>OPEB Trust Fund</u>	<u>Total Trust Funds</u>
Assets:			
Cash and cash equivalents	\$ 987,508	\$ 1,916	\$ 989,424
Employee contributions receivable	41,050	-	41,050
Investments, at fair value:			
Mutual funds	<u>119,413,249</u>	<u>3,215,754</u>	<u>122,629,003</u>
Total assets	<u>120,441,807</u>	<u>3,217,670</u>	<u>123,659,477</u>
Net Position:			
Restricted for Pension and OPEB Benefits	<u>\$ 120,441,807</u>	<u>\$ 3,217,670</u>	<u>\$ 123,659,477</u>

TOWN OF GLASTONBURY, CONNECTICUT
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - TRUST FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

	Pension Trust Fund	OPEB Trust Fund	Total Trust Funds
Additions:			
Contributions:			
Employer	\$ 6,118,624	\$ 1,522,386	\$ 7,641,010
Employee	1,631,107	-	1,631,107
Total contributions	<u>7,749,731</u>	<u>1,522,386</u>	<u>9,272,117</u>
Investment income (loss):			
Net change in fair value of investments	(3,770,121)	(29,480)	(3,799,601)
Interest and dividends	2,860,392	58,022	2,918,414
	<u>(909,729)</u>	<u>28,542</u>	<u>(881,187)</u>
Less investment expenses:			
Investment management fees	601,254	1,667	602,921
Net investment income (loss)	<u>(1,510,983)</u>	<u>26,875</u>	<u>(1,484,108)</u>
Total additions	<u>6,238,748</u>	<u>1,549,261</u>	<u>7,788,009</u>
Deductions:			
Benefit payments	7,158,404	799,241	7,957,645
Administration fees	152,285	18,525	170,810
Total deductions	<u>7,310,689</u>	<u>817,766</u>	<u>8,128,455</u>
Change in Net Position	(1,071,941)	731,495	(340,446)
Net Position at Beginning of Year	<u>121,513,748</u>	<u>2,486,175</u>	<u>123,999,923</u>
Net Position at End of Year	<u>\$ 120,441,807</u>	<u>\$ 3,217,670</u>	<u>\$ 123,659,477</u>

**TOWN OF GLASTONBURY, CONNECTICUT
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2016**

	<u>Balance July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2016</u>
Student Activity Fund				
Assets:				
Cash and cash equivalents	\$ <u>934,551</u>	\$ <u>1,675,293</u>	\$ <u>1,589,247</u>	\$ <u>1,020,597</u>
Liabilities:				
Due to student groups	\$ <u>934,551</u>	\$ <u>1,675,293</u>	\$ <u>1,589,247</u>	\$ <u>1,020,597</u>
Education Dependent Care Fund				
Assets:				
Cash and cash equivalents	\$ <u>38,894</u>	\$ <u>154,473</u>	\$ <u>150,894</u>	\$ <u>42,473</u>
Liabilities:				
Due to others	\$ <u>38,894</u>	\$ <u>154,473</u>	\$ <u>150,894</u>	\$ <u>42,473</u>
Total Agency Funds				
Assets:				
Cash and cash equivalents	\$ <u>973,445</u>	\$ <u>1,829,766</u>	\$ <u>1,740,141</u>	\$ <u>1,063,070</u>
Liabilities:				
Due to student groups	\$ 934,551	\$ 1,675,293	\$ 1,589,247	\$ 1,020,597
Due to others	<u>38,894</u>	<u>154,473</u>	<u>150,894</u>	<u>42,473</u>
Total Liabilities	\$ <u>973,445</u>	\$ <u>1,829,766</u>	\$ <u>1,740,141</u>	\$ <u>1,063,070</u>

Other Schedules

**TOWN OF GLASTONBURY, CONNECTICUT
SCHEDULE OF REPORT OF TAX COLLECTOR
FOR THE YEAR ENDED JUNE 30, 2016**

Grand List	Due Date	Uncollected Taxes	Lawful Corrections		Transfers to Suspense	Adjusted Uncollected Taxes Receivable	Collections				Uncollected Taxes June 30, 2016
		July 1, 2015	Additions	Deductions			Taxes Paid	Interest	Lien Fees	Total	
10/1/14	7/1/15	\$ 140,175,480	\$ 117,923	\$ 302,646	\$ -	\$ 139,990,757	\$ 139,364,464	\$ 253,715	\$ 3,864	\$ 139,622,043	\$ 626,293
10/1/13	7/1/14	788,585	15,457	15,600	116,499	671,943	599,015	92,147	1,344	692,506	72,928
10/1/12	7/1/13	187,524	22,341	53	-	209,812	157,976	53,034	264	211,274	51,836
10/1/11	7/1/12	68,914	14,735	16,418	-	67,231	29,291	12,199	72	41,562	37,940
10/1/10	7/1/11	45,971	2,196	-	-	48,167	7,746	5,726	48	13,520	40,421
10/1/09	7/1/10	27,051	556	-	-	27,607	4,931	2,855	48	7,834	22,676
10/1/08	7/1/09	9,120	823	-	-	9,943	830	943	24	1,797	9,113
10/1/07	7/1/08	8,877	1,965	-	-	10,842	1,973	2,957	24	4,954	8,869
10/1/06	7/1/07	-	3,558	-	-	3,558	3,558	4,747	24	8,329	-
10/1/05	7/1/06	-	3,644	-	-	3,644	3,644	2,988	24	6,656	-
10/1/04	7/1/05	-	1,644	-	-	1,644	1,644	3,031	24	4,699	-
10/1/03	7/1/04	-	1,422	-	-	1,422	1,422	2,697	24	4,143	-
10/1/02	7/1/03	-	750	-	-	750	750	1,288	24	2,062	-
10/1/01	7/1/02	-	779	-	-	779	779	1,830	24	2,633	-
TOTAL		\$ <u>141,311,522</u>	\$ <u>187,793</u>	\$ <u>334,717</u>	\$ <u>116,499</u>	\$ <u>141,048,099</u>	\$ <u>140,178,023</u>	\$ <u>440,157</u>	\$ <u>5,832</u>	\$ <u>140,624,012</u>	\$ <u>870,076</u>

**TOWN OF GLASTONBURY, CONNECTICUT
 SCHEDULE OF SEWER CONNECTION CHARGES COLLECTIBLE
 FOR THE YEAR ENDED JUNE 30, 2016**

<u>Collectible July 1, 2015</u>	<u>Additions and Deductions</u>	<u>Total Collectible</u>	<u>Charges Collected</u>	<u>Interest</u>	<u>Liens</u>	<u>Total Collected</u>	<u>Collectible June 30, 2016</u>
\$ <u>219,886</u>	\$ <u>446,845</u>	\$ <u>666,731</u>	\$ <u>521,901</u>	\$ <u>15,830</u>	\$ <u>240</u>	\$ <u>537,971</u>	\$ <u>144,830</u>

**TOWN OF GLASTONBURY, CONNECTICUT
SCHEDULE OF EXPENDITURES AND ENCUMBRANCES
COMPARED WITH APPROPRIATIONS
CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED JUNE 30, 2016**

	<u>Appropriations</u>	<u>Current Appropriations</u>	<u>Transfers and Closed Projects</u>	<u>Adjusted Appropriations June 30, 2016</u>
Reserve Fund:				
General Government:				
Academy Reuse	\$ 2,221,238	\$ -	\$ -	2,221,238
Town Building Security	150,000	-	-	150,000
Planimetric/Topographic Map Update	149,000	-	(10,200)	138,800
Disaster Preparation/Recovery Resources	500,000	200,000	-	700,000
Multi-Town Dispatch Center	-	710,000	-	710,000
Fiber Optic Network	1,117,000	-	-	1,117,000
Land Acquisition Fund	1,293,639	-	(40,000)	1,253,639
Town Facilities Shop/Storage	550,000	495,000	-	1,045,000
Town-Owned Building Demolition	50,000	-	-	50,000
Property Revaluation	1,039,000	100,000	-	1,139,000
RCC Replacement Floor	-	75,000	-	75,000
Townwide Boiler/HVAC Replacements	-	25,000	-	25,000
Youth and Family Building Improvements	-	125,000	-	125,000
Document Management Systems	-	50,000	-	50,000
Town Hall Improvements	820,283	550,000	-	1,370,283
Townwide Roof Replacement	375,000	250,000	-	625,000
Clean Renewable Energy	1,096,044	75,000	-	1,171,044
Total	<u>9,361,204</u>	<u>2,655,000</u>	<u>(50,200)</u>	<u>11,966,004</u>
Physical Services:				
Dam Maintenance/Replacement	-	-	35,000	35,000
Bridge Replacement/Rehabilitation	275,000	40,000	-	315,000
Addison Road Bridge	1,398,420	-	-	1,398,420
Griswold/House Street Realignment	650,000	1,075,000	-	1,725,000
Naubuc Avenue Bridge	127,431	-	-	127,431
Sidewalk Construction	187,457	380,000	-	567,457
Tryon Street Drainage	242,000	-	-	242,000
Road Overlay	(4,498)	810,000	-	805,502
Griswold Street Paving	789,200	-	-	789,200
Main Street Paving	862,600	-	-	862,600
Heavy Equipment	375,000	160,000	(24,800)	510,200
Renovation and Site Restoration	1,519,720	-	40,000	1,559,720
Town Center Traffic/Street Improvements	1,340,000	-	-	1,340,000
Main Street Traffic Signals	2,836,000	-	-	2,836,000
Hebron Avenue/House Street Improvements	-	275,000	-	275,000
Total	<u>10,598,330</u>	<u>2,465,000</u>	<u>50,200</u>	<u>13,113,530</u>
Parks and Recreation:				
Bikeways/Bikepaths	900,000	-	-	900,000
Backup Generator - Boathouse	-	175,000	-	175,000
Minnechaug Golf Improvements	-	250,000	-	250,000
Parks Facility Renovation/Expansion	517,500	50,000	-	567,500
Riverfront Park Extension	640,214	-	-	640,214
Showmobile	135,000	-	-	135,000
Salmon Brook Park Study	15,000	-	-	15,000
Cider Mill	80,000	-	-	80,000
Open Space Access	500,000	-	-	500,000
Library Space Planning	50,000	-	-	50,000
Winter Hill	100,000	-	-	100,000
Total	<u>2,937,714</u>	<u>475,000</u>	<u>-</u>	<u>3,412,714</u>

(Continued on next page)

SCHEDULE 3

	<u>Expended to July 1, 2015</u>	<u>Current Expenditures</u>	<u>Expended to June 30, 2016</u>	<u>Encumbrances June 30, 2016</u>	<u>Designated for Capital Expenditures June 30, 2016</u>
\$	2,191,082	\$ 28,338	\$ 2,219,420	\$ 2,386	\$ (568)
	150,216	415	150,631	-	(631)
	124,361	12,680	137,041	-	1,759
	204,700	201,621	406,321	6,041	287,638
	-	59,850	59,850	425,309	224,841
	1,048,582	2,192	1,050,774	3,692	62,534
	1,002,045	133,905	1,135,950	-	117,689
	141,093	506,068	647,161	78,491	319,348
	50,000	-	50,000	-	-
	950,164	36,385	986,549	-	152,451
	-	75,000	75,000	-	-
	-	11,443	11,443	11,880	1,677
	-	-	-	-	125,000
	-	33,299	33,299	-	16,701
	714,445	25,874	740,319	34,308	595,656
	312,434	187,447	499,881	-	125,119
	947,015	47,524	994,539	53,925	122,580
	<u>7,836,137</u>	<u>1,362,041</u>	<u>9,198,178</u>	<u>616,032</u>	<u>2,151,794</u>
	-	-	-	15,900	19,100
	56,839	189,929	246,768	55,717	12,515
	1,394,519	-	1,394,519	-	3,901
	139,249	1,014,652	1,153,901	242,828	328,271
	127,426	-	127,426	-	5
	-	547,617	547,617	4,800	15,040
	174,546	66,428	240,974	-	1,026
	-	798,160	798,160	-	7,342
	729,737	-	729,737	-	59,463
	769,447	-	769,447	-	93,153
	200,000	309,919	509,919	-	281
	1,386,923	40,096	1,427,019	-	132,701
	285,094	121,322	406,416	85,514	848,070
	2,626,578	55,549	2,682,127	135,800	18,073
	-	-	-	-	275,000
	<u>7,890,358</u>	<u>3,143,672</u>	<u>11,034,030</u>	<u>540,559</u>	<u>1,813,941</u>
	894,128	450	894,578	134	5,288
	-	159,692	159,692	-	15,308
	-	27,183	27,183	-	222,817
	389,314	45,181	434,495	-	133,005
	640,140	-	640,140	-	74
	133,656	1,306	134,962	-	38
	-	-	-	-	15,000
	29,388	-	29,388	-	50,612
	283,465	38,706	322,171	-	177,829
	38,718	767	39,485	-	10,515
	81,810	4,109	85,919	-	14,081
	<u>2,490,619</u>	<u>277,394</u>	<u>2,768,013</u>	<u>134</u>	<u>644,567</u>

**TOWN OF GLASTONBURY, CONNECTICUT
SCHEDULE OF EXPENDITURES AND ENCUMBRANCES
COMPARED WITH APPROPRIATIONS (CONTINUED)
CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED JUNE 30, 2016**

	<u>Appropriations</u>	<u>Current Appropriations</u>	<u>Transfers and Closed Projects</u>	<u>Adjusted Appropriations June 30, 2016</u>
Reserve Fund, Continued				
Education:				
HVAC/Boilers K-6	\$ 2,281,189	\$ -	\$ -	2,281,189
Energy Audit - All Schools	112,500	200,000	-	312,500
GHS Pool Upgrades	-	250,000	-	250,000
Magnet School	124,810	-	-	124,810
Carpet Replacement - Schools	-	300,000	86,500	386,500
GHS Fieldhouse	-	35,000	-	35,000
Gideon Welles Window Replace	1,410,000	600,000	(186,500)	1,823,500
Schools Air Conditioning	-	50,000	-	50,000
School Code Compliance	-	-	100,000	100,000
Smith Middle School Chillers	462,540	-	-	462,540
Smith Middle School Gym Floor	306,664	-	-	306,664
School Security Improvements	486,915	-	-	486,915
School Communications	285,105	-	-	285,105
GHS Auditorium Acoustics	100,000	-	-	100,000
GHS Practice Football Field	100,000	-	-	100,000
Total	<u>5,669,723</u>	<u>1,435,000</u>	<u>-</u>	<u>7,104,723</u>
Total reserve fund	<u>28,566,971</u>	<u>7,030,000</u>	<u>-</u>	<u>35,596,971</u>
Sewer Sinking Fund:				
Nutmeg Pump Station	805,000	-	-	805,000
Master Sewer Study	140,000	-	-	140,000
Total sinking fund	<u>945,000</u>	<u>-</u>	<u>-</u>	<u>945,000</u>
Complex Funding/Grants				
Gateway Corporate Park	888,541	-	-	888,541
Land Acquisition:				
Land/Site Costs 2009	2,000,000	233,000	-	2,233,000
Land/Site Costs 2012	2,000,000	-	-	2,000,000
Magnet School	36,724,250	-	-	36,724,250
Riverfront Park	19,300,000	-	-	19,300,000
Town Aid:				
Town Aid Improved	800,560	447,391	-	1,247,951
Town Aid Unimproved	173,957	16,407	-	190,364
Total complex funding	<u>61,887,308</u>	<u>696,798</u>	<u>-</u>	<u>62,584,106</u>
Total	<u>\$ 91,399,279</u>	<u>\$ 7,726,798</u>	<u>\$ -</u>	<u>\$ 99,126,077</u>

(Continued on next page)

SCHEDULE 3

<u>Expended to July 1, 2015</u>	<u>Current Expenditures</u>	<u>Expended to June 30, 2016</u>	<u>Encumbrances June 30, 2016</u>	<u>Designated for Capital Expenditures June 30, 2016</u>
\$ 2,217,011	\$ 273	\$ 2,217,284	\$ 27,727	\$ 36,178
101,344	3,950	105,294	-	207,206
-	230,903	230,903	10,088	9,009
124,806	-	124,806	-	4
-	331,603	331,603	94	54,803
-	26,077	26,077	4,000	4,923
135,798	992,099	1,127,897	573,949	121,654
-	23,554	23,554	14,896	11,550
-	-	-	71,995	28,005
455,087	-	455,087	-	7,453
279,505	-	279,505	27,159	-
486,915	-	486,915	-	-
283,540	1,565	285,105	-	-
-	13,884	13,884	-	86,116
72,326	-	72,326	-	27,674
<u>4,156,332</u>	<u>1,623,908</u>	<u>5,780,240</u>	<u>729,908</u>	<u>594,575</u>
<u>22,373,446</u>	<u>6,407,015</u>	<u>28,780,461</u>	<u>1,886,633</u>	<u>5,204,877</u>
752,442	-	752,442	-	52,558
108,881	3,599	112,480	4,820	22,700
<u>861,323</u>	<u>3,599</u>	<u>864,922</u>	<u>4,820</u>	<u>75,258</u>
888,184	-	888,184	-	357
1,466,479	401,972	1,868,451	-	364,549
-	-	-	-	2,000,000
36,099,712	-	36,099,712	15,850	608,688
17,247,233	1,568,645	18,815,878	67,581	416,541
-	584,456	584,456	290,495	373,000
-	102,370	102,370	-	87,994
<u>55,701,608</u>	<u>2,657,443</u>	<u>58,359,051</u>	<u>373,926</u>	<u>3,851,129</u>
<u>\$ 78,936,377</u>	<u>\$ 9,068,057</u>	<u>\$ 88,004,434</u>	<u>\$ 2,265,379</u>	<u>\$ 9,131,264</u>

Statistical Section

STATISTICAL SECTION

The objectives of statistical section information are to provide financial statement users with additional historical perspective, context and detail to assist in using the information in the financial statements, notes to financial statements and required supplementary information to understand and assess economic condition.

Statistical section information is presented in the following categories:

- Financial trends information is intended to assist users in understanding and assessing how financial position has changed over time.
- Revenue capacity information is intended to assist users in understanding and assessing the factors affecting the ability to generate own-source revenues (property taxes, charges for services, etc.).
- Debt capacity information is intended to assist users in understanding and assessing debt burden and the ability to issue additional debt.
- Demographic and economic information is intended 1) to assist users in understanding the socioeconomic environment and 2) to provide information that facilitates comparisons of financial statement information over time and among governments.
- Operating information is intended to provide contextual information about operations and resources to assist readers in using financial statement information to understand and assess economic condition.

The accompanying tables are presented in the above order. Refer to the Table of Contents for applicable page number locations.

Sources: Unless otherwise noted, the information in the tables is derived from the comprehensive annual financial reports for the relevant year.

TOWN OF GLASTONBURY, CONNECTICUT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Governmental Activities:				
Net investment in capital assets	\$ 148,634,177	\$ 159,396,788	\$ 167,909,894	\$ 170,298,270
Restricted				1,991,580
Unrestricted	<u>38,415,432</u>	<u>39,508,307</u>	<u>37,313,643</u>	<u>39,130,713</u>
Total Governmental Activities				
Net Position	<u>\$ 187,049,609</u>	<u>\$ 198,905,095</u>	<u>\$ 205,223,537</u>	<u>\$ 211,420,563</u>

* Fiscal Year 2014 was restated for opening pension liability for GASB 68.

TABLE 1

FISCAL YEAR					
2011	2012	2013	2014*	2015	2016
\$ 184,735,191	\$ 205,117,516	\$ 215,532,264	\$ 220,913,819	\$ 225,203,554	\$ 228,343,977
1,985,169	1,890,376	1,771,533	8,527	8,527	8,527
34,981,661	36,407,601	40,289,893	15,576,198	17,031,058	13,031,950
<u>\$ 221,702,021</u>	<u>\$ 243,415,493</u>	<u>\$ 257,593,690</u>	<u>\$ 236,498,544</u>	<u>\$ 242,243,139</u>	<u>\$ 241,384,454</u>

TOWN OF GLASTONBURY, CONNECTICUT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Expenses:				
Governmental activities:				
General government services	\$ 2,407,411	\$ 2,505,352	\$ 3,407,468	\$ 2,850,139
Community development	1,699,522	1,820,941	1,878,328	1,898,166
Administrative services	5,056,474	5,110,205	5,720,224	4,897,820
Public safety	9,540,865	10,089,029	10,529,537	11,161,476
Physical services	9,748,631	11,206,577	10,220,379	10,725,354
Sanitation	2,500,182	2,452,632	3,871,059	2,001,502
Human services	2,407,729	2,610,765	2,781,794	2,949,719
Leisure/culture	5,450,780	5,860,202	6,073,062	6,587,422
Education	83,546,722	113,372,530	97,415,606	101,986,906
Interest on long-term debt	3,835,804	3,925,038	3,755,506	3,535,834
Total governmental activities expenses	<u>126,194,120</u>	<u>158,953,271</u>	<u>145,652,963</u>	<u>148,594,338</u>
Program Revenues:				
Governmental activities:				
Charges for services:				
Community development	1,241,889	1,155,890	734,501	751,483
Administrative services	2,189,984	2,307,838	2,142,999	1,872,512
Public safety	572,105	594,714	574,486	400,506
Physical services	33,173	33,081	139,243	24,546
Sanitation	2,526,993	2,465,899	2,406,040	2,562,231
Human services	149,299	135,549	170,246	191,292
Leisure/culture	1,042,440	1,145,823	1,278,173	1,384,702
Education	1,973,512	2,125,904	2,131,968	2,402,528
Operating grants and contributions	13,670,982	40,674,367	17,694,988	18,687,878
Capital grants and contributions	10,658,007	5,991,587	5,373,474	6,709,085
Total governmental activities program revenues	<u>34,058,384</u>	<u>56,630,652</u>	<u>32,646,118</u>	<u>34,986,763</u>
Net Expenses	<u>(92,135,736)</u>	<u>(102,322,619)</u>	<u>(113,006,845)</u>	<u>(113,607,575)</u>
General Revenues and Other				
Changes in Net Position:				
Governmental activities:				
Property taxes	104,151,495	111,316,445	115,906,389	118,985,878
Grants and contributions not restricted to specific programs	253,456	219,259	379,688	106,606
Unrestricted investment earnings	3,468,398	2,732,401	1,276,871	560,468
Gain (loss) on sale of capital assets	-	-	1,672,339	-
Capital contributions	-	-	-	-
Total governmental activities	<u>107,873,349</u>	<u>114,268,105</u>	<u>119,235,287</u>	<u>119,652,952</u>
Change in Net Position	<u>\$ 15,737,613</u>	<u>\$ 11,945,486</u>	<u>\$ 6,228,442</u>	<u>\$ 6,045,377</u>

TABLE 2

FISCAL YEAR					
2011	2012	2013	2014	2015	2016
\$ 2,761,913	\$ 3,016,304	\$ 3,063,739	\$ 2,437,457	\$ 2,773,267	\$ 4,501,967
1,718,967	1,795,016	1,795,599	1,768,601	1,740,867	1,796,427
4,914,647	4,845,717	5,074,835	6,173,038	6,474,631	6,822,060
11,095,871	11,531,769	11,615,297	12,915,490	12,669,044	14,053,008
11,795,662	13,689,502	12,167,088	10,471,157	10,975,918	11,032,856
2,479,712	3,436,259	3,640,404	3,214,383	3,638,913	4,119,041
2,893,617	2,968,749	2,968,337	3,021,292	3,034,591	3,261,539
6,340,605	6,811,418	6,822,187	7,075,241	7,740,493	8,339,722
101,682,170	108,177,159	108,886,522	113,857,497	116,887,944	122,929,957
3,593,388	3,477,580	3,201,363	3,268,620	2,900,598	2,585,718
<u>149,276,552</u>	<u>159,749,473</u>	<u>159,235,371</u>	<u>164,202,776</u>	<u>168,836,266</u>	<u>179,442,295</u>
607,781	721,745	899,667	732,127	663,062	1,292,517
1,851,704	1,926,586	2,217,092	2,003,566	2,046,272	2,381,040
444,204	405,770	630,516	772,016	537,679	756,727
52,443	15,591	22,142	27,517	31,578	33,222
2,734,348	3,204,166	3,470,123	3,481,680	3,575,444	3,919,616
188,111	185,135	194,984	214,226	209,169	217,714
1,379,937	1,423,334	1,458,981	1,514,392	1,585,442	1,754,512
2,526,003	2,397,613	2,502,054	2,408,524	2,159,117	2,110,809
18,579,189	21,258,861	23,982,010	23,396,762	20,754,777	22,428,207
3,546,352	23,284,200	5,712,086	9,657,006	4,494,322	2,318,625
<u>31,910,072</u>	<u>54,823,001</u>	<u>41,089,655</u>	<u>44,207,816</u>	<u>36,056,862</u>	<u>37,212,989</u>
<u>(117,366,480)</u>	<u>(104,926,472)</u>	<u>(118,145,716)</u>	<u>(119,994,960)</u>	<u>(132,779,404)</u>	<u>(142,229,306)</u>
122,557,674	125,688,970	128,517,167	134,371,417	136,885,474	140,296,610
144,370	105,650	119,354	178,093	204,483	138,808
420,914	373,024	305,276	469,352	499,031	935,203
(66,020)	-	2,873,616	1,379,604	(38,297)	-
4,591,000	472,300	509,500	-	-	-
<u>127,647,938</u>	<u>126,639,944</u>	<u>132,324,913</u>	<u>136,398,466</u>	<u>137,550,691</u>	<u>141,370,621</u>
<u>\$ 10,281,458</u>	<u>\$ 21,713,472</u>	<u>\$ 14,179,197</u>	<u>\$ 16,403,506</u>	<u>\$ 4,771,287</u>	<u>\$ (858,685)</u>

**TOWN OF GLASTONBURY, CONNECTICUT
 FUND BALANCES OF GOVERNMENTAL FUNDS
 LAST TEN FISCAL YEARS
 (Modified Accrual Basis of Accounting)**

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
General fund:				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Reserved	387,873	532,947	274,528	340,646
Unreserved/undesignated	<u>15,276,359</u>	<u>19,037,173</u>	<u>19,351,109</u>	<u>17,663,217</u>
Total General Fund	\$ <u>15,664,232</u>	\$ <u>19,570,120</u>	\$ <u>19,625,637</u>	\$ <u>18,003,863</u>
All other governmental funds:				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Reserved	12,649,079	23,410,393	7,819,483	4,147,109
Unreserved, reported in:				
Special revenue funds	14,686,811	14,001,002	16,526,499	18,119,821
Capital projects funds	<u>(4,000,869)</u>	<u>(25,943,492)</u>	<u>(23,283,881)</u>	<u>(20,973,885)</u>
Total All Other Governmental Funds	\$ <u>23,335,021</u>	\$ <u>11,467,903</u>	\$ <u>1,062,101</u>	\$ <u>1,293,045</u>

* In fiscal year 2011, the Town implemented GASB Statement No. 54, which requires fund balance to be reported as nonspendable, restricted, committed, assigned or unassigned. See Notes to the Financial Statements for definitions of each type of fund balance.

TABLE 3

FISCAL YEAR					
<u>2011*</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
\$ 266,034	\$ 256,476	\$ 252,167	\$ 223,188	\$ 223,564	\$ 217,267
-	-	-	-	-	-
-	-	-	-	-	-
3,366,844	2,386,401	2,323,703	1,045,142	1,143,003	1,001,234
15,958,589	15,890,555	21,881,949	25,648,081	24,339,992	25,843,730
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 19,591,467</u>	<u>\$ 18,533,432</u>	<u>\$ 24,457,819</u>	<u>\$ 26,916,411</u>	<u>\$ 25,706,559</u>	<u>\$ 27,062,231</u>
\$ 40,855	\$ 51,779	\$ 38,797	\$ 65,774	\$ 58,498	\$ 37,797
1,985,169	1,881,849	1,772,533	5,143,573	3,995,838	2,263,358
19,096,641	20,323,177	20,045,428	21,130,041	24,751,335	26,488,882
83,849	124,452	142,073	-	-	-
(6,888,970)	(989,284)	(3,842,280)	(3,046,633)	(3,132,404)	(3,247,163)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 14,317,544</u>	<u>\$ 21,391,973</u>	<u>\$ 18,156,551</u>	<u>\$ 23,292,755</u>	<u>\$ 25,673,267</u>	<u>\$ 25,542,874</u>

**TOWN OF GLASTONBURY, CONNECTICUT
REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - GOVERNMENTAL FUNDS
LAST TEN YEARS
(Modified Accrual Basis of Accounting)**

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Revenues:				
Property taxes	\$ 104,418,584	\$ 111,518,677	\$ 115,923,084	\$ 119,227,409
Licenses and permits	1,347,568	1,267,583	888,429	918,526
Intergovernmental	18,735,128	17,233,644	17,083,763	18,514,524
Charges for services	6,347,489	6,562,254	6,687,260	6,755,094
Investment income	3,468,398	2,732,401	1,276,871	560,468
Unrealized investment income (loss)	-	-	-	-
Other	2,613,483	3,062,169	4,063,994	2,326,548
State payment for teacher's retirement system	4,616,951	28,791,494	6,321,000	6,568,000
Total revenues	<u>141,547,601</u>	<u>171,168,222</u>	<u>152,244,401</u>	<u>154,870,569</u>
Expenditures:				
Current:				
General government	2,326,787	2,415,826	2,551,501	2,694,876
Community development	1,668,626	1,772,040	1,863,995	1,809,662
Administrative services	5,268,921	5,438,076	5,700,454	5,237,657
Public safety	9,051,712	9,613,355	9,930,590	10,147,475
Physical services	5,089,293	5,538,185	5,889,862	6,007,171
Sanitation	2,242,013	2,198,330	2,401,026	2,433,602
Human services	2,151,797	2,346,629	2,576,246	2,629,351
Leisure/culture	5,007,431	5,314,273	5,567,234	5,771,463
Contingency	-	-	-	-
Education	77,487,168	82,878,171	87,672,746	91,082,690
State payment for teacher's retirement system	4,616,951	28,791,494	6,321,000	6,568,000
Capital outlay	31,681,921	21,953,650	29,490,912	11,117,292
Debt service:				
Principal	6,631,875	6,871,875	6,960,000	7,225,000
Interest	3,738,800	3,997,548	3,921,655	3,537,160
Total expenditures	<u>156,963,295</u>	<u>179,129,452</u>	<u>170,847,221</u>	<u>156,261,399</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(15,415,694)</u>	<u>(7,961,230)</u>	<u>(18,602,820)</u>	<u>(1,390,830)</u>
Other Financing Sources (Uses):				
Issuance of bonds	11,120,000	-	8,000,000	-
Issuance of refunding bonds	-	-	9,505,000	-
Payment to escrow agent	-	-	(9,941,099)	-
Premiums on bonds issued	-	-	578,154	-
Issuance of notes	-	-	110,480	-
Transfers in	10,556,378	15,247,454	12,562,803	9,523,517
Transfers out	(10,556,378)	(15,247,454)	(12,562,803)	(9,523,517)
Sale of general capital assets	-	-	-	-
Total other financing sources (uses)	<u>11,120,000</u>	<u>-</u>	<u>8,252,535</u>	<u>-</u>
Net Change in Fund Balances	(4,295,694)	(7,961,230)	(10,350,285)	(1,390,830)
Fund Balance at Beginning of Year	<u>43,294,947</u>	<u>38,999,253</u>	<u>31,038,023</u>	<u>20,687,738</u>
Fund Balance at End of Year	<u>\$ 38,999,253</u>	<u>\$ 31,038,023</u>	<u>\$ 20,687,738</u>	<u>\$ 19,296,908</u>
Debt Service as a Percentage to Noncapital Expenditures	8.27%	6.87%	7.66%	7.41%

TABLE 4

FISCAL YEAR						
	2011	2012	2013	2014	2015	2016
\$	123,041,929	\$ 126,040,914	\$ 128,472,632	\$ 133,909,658	\$ 137,088,886	\$ 140,255,321
	789,486	884,941	1,042,305	1,062,965	1,014,893	1,655,217
	15,141,206	35,237,827	20,054,747	20,679,938	15,017,466	14,080,414
	7,146,269	7,591,533	7,893,389	7,980,340	7,843,594	8,774,124
	420,914	373,024	305,276	463,305	485,238	613,267
	-	-	-	-	-	308,089
	2,165,241	2,353,983	2,716,551	2,402,865	2,504,856	2,417,701
	6,834,000	9,010,000	9,462,000	11,477,065	9,019,032	10,420,522
	<u>155,539,045</u>	<u>181,492,222</u>	<u>169,946,900</u>	<u>177,976,136</u>	<u>172,973,965</u>	<u>178,524,655</u>
	2,711,663	2,713,125	2,763,750	2,843,420	2,934,917	2,952,448
	1,821,437	1,829,362	1,762,554	1,748,810	1,699,054	1,738,682
	5,610,331	5,605,900	5,838,088	6,132,621	6,385,266	6,717,279
	10,706,853	11,021,324	11,119,389	12,253,110	12,033,001	13,061,288
	6,216,519	8,588,617	6,371,239	6,478,656	6,812,516	6,531,451
	2,191,813	2,309,070	2,320,431	2,386,174	2,379,895	2,632,481
	2,700,551	2,726,637	2,867,048	2,791,127	2,785,624	2,971,784
	5,908,807	6,145,720	6,110,748	6,263,893	6,600,388	6,732,036
	-	-	-	-	-	-
	93,380,504	95,474,089	96,695,236	99,527,578	102,324,041	104,490,362
	6,834,000	9,010,000	9,462,000	11,477,065	9,019,032	10,420,522
	10,570,574	26,358,103	14,400,310	18,361,870	8,172,844	9,076,654
	7,430,000	6,702,765	7,433,613	7,680,811	7,772,816	7,419,642
	3,443,890	3,494,755	3,161,900	3,268,620	2,900,598	2,585,718
	<u>159,526,942</u>	<u>181,979,467</u>	<u>170,306,306</u>	<u>181,213,755</u>	<u>171,819,992</u>	<u>177,330,347</u>
	<u>(3,987,897)</u>	<u>(487,245)</u>	<u>(359,406)</u>	<u>(3,237,619)</u>	<u>1,153,973</u>	<u>1,194,308</u>
	-	6,395,000	-	8,950,000	-	-
	28,550,000	14,545,000	-	9,480,000	-	-
	(31,174,780)	(16,633,344)	-	(9,694,079)	-	-
	2,624,780	2,196,983	-	380,454	-	-
	18,600,000	-	-	135,000	-	-
	8,589,017	10,692,734	10,195,410	4,653,977	6,915,987	13,186,305
	(8,589,017)	(10,692,734)	(10,195,410)	(4,653,977)	(6,915,987)	(13,186,305)
	-	-	3,048,371	1,581,040	16,687	30,971
	<u>18,600,000</u>	<u>6,503,639</u>	<u>3,048,371</u>	<u>10,832,415</u>	<u>16,687</u>	<u>30,971</u>
	14,612,103	6,016,394	2,688,965	7,594,796	1,170,660	1,225,279
	<u>19,296,908</u>	<u>33,909,011</u>	<u>39,925,405</u>	<u>42,614,370</u>	<u>50,209,166</u>	<u>51,379,826</u>
\$	<u>33,909,011</u>	<u>\$ 39,925,405</u>	<u>\$ 42,614,370</u>	<u>\$ 50,209,166</u>	<u>\$ 51,379,826</u>	<u>\$ 52,605,105</u>
	7.30%	6.55%	6.80%	6.76%	6.49%	5.95%

TABLE 5

TOWN OF GLASTONBURY, CONNECTICUT
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
(000's)
LAST TEN FISCAL YEARS

Fiscal Year	Real Property		Motor Vehicles	Personal Property	Tax Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
	Residential Property	Commercial Property							
2007	\$ 2,271,807	\$ 403,068	\$ 254,295	\$ 115,600	\$ 12,143	\$ 3,032,627	34.00	\$ 5,773,839	52.52
2008	2,313,289	414,084	258,099	117,658	12,857	3,090,273	35.80	6,104,016	50.63
2009	3,148,987	549,819	262,712	126,478	13,045	4,074,951	28.35	5,830,109	69.89
2010	3,179,188	559,147	247,547	139,798	21,171	4,104,509	29.05	5,953,642	68.94
2011	3,193,843	565,348	252,094	135,804	21,154	4,125,935	29.65	5,782,669	71.35
2012	3,208,186	577,160	263,823	137,609	21,378	4,165,400	30.05	5,717,775	72.85
2013	3,223,394	576,116	280,615	150,642	23,154	4,207,613	30.50	5,742,992	73.27
2014	2,821,228	581,418	277,944	151,740	23,784	3,808,546	35.10	5,441,509	69.99
2015	2,835,226	581,095	286,310	151,423	21,465	3,832,589	35.65	5,749,529	66.66
2016	2,856,856	592,180	284,873	162,926	25,530	3,871,305	36.10	5,895,699	65.66

Source: Town Assessor's office

Note: By state law, property is assessed at 70% of actual value with periodic revaluation of real property.

Note: The Town has no overlapping governments

TABLE 6

**TOWN OF GLASTONBURY, CONNECTICUT
PRINCIPAL TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO**

Taxpayer	2016			2007		
	Taxable Assessed Value	Rank	Percentage of Gross Taxable Assessed Grand List	Taxable Assessed Value	Rank	Percentage of Gross Taxable Assessed Grand List
Connecticut Light & Power	\$ 33,662,630	1	0.87%	\$ 16,498,840	1	0.54%
Flanders Somerset LLC et al	23,254,100	2	0.60%	11,271,600	5	0.37%
Connecticut Mutual Life Ins. Co.	17,646,800	3	0.46%	15,330,300	2	0.51%
Realty Associates Fund IX LP	16,466,200	4	0.43%			
Brixmor Residual Shoppes at Fox Run LLC	14,825,300	5	0.38%			
Hearth at Glastonbury LLC	14,391,490	6	0.37%			
Connecticut Natural Gas Corp.	12,344,980	7	0.32%			
VII-HII Glastonbury Blvd LLC	11,652,300	8	0.30%			
PRA Suites at Glastonbury	11,477,700	9	0.30%	8,251,400	8	0.27%
Gateway Medical Associates LLC	11,234,000	10	0.29%			
Grunberg 628 Hebron LLC				12,880,000	3	0.42%
BCIA New England Holdings, LLC				12,116,100	4	0.40%
Alecta Pensionsforsakring omseidig co				9,788,500	6	0.32%
PRA Glastonbury LLC				9,006,600	7	0.30%
Winding Brook LLC				6,650,100	9	0.22%
New Boston Winding Brook Ltd Part.				6,638,700	10	0.22%
	\$ <u>166,955,500</u>		<u>4.31%</u>	\$ <u>108,432,140</u>		<u>3.58%</u>

Source: Town Assessor's office

**TOWN OF GLASTONBURY, CONNECTICUT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>Taxes Levied for the Fiscal Year</u>	<u>Collected within the Fiscal Year of the Levy</u>		<u>Collections in Subsequent Years</u>	<u>Total Collections to Date</u>	
		<u>Amount</u>	<u>Percentage of Levy</u>		<u>Amount</u>	<u>Percentage of Levy</u>
2007	\$ 103,739,735	\$ 103,294,543	99.57 %	\$ 323,877	\$ 103,618,420	99.88 %
2008	111,163,102	110,641,815	99.53	525,816	111,167,631	100.00
2009	115,587,894	114,581,091	99.13	908,571	115,489,662	99.92
2010	118,936,203	117,896,533	99.13	926,894	118,823,427	99.91
2011	122,201,916	121,393,374	99.34	761,371	122,154,745	99.96
2012	125,090,309	124,429,404	99.47	564,412	124,993,816	99.92
2013	128,299,243	127,582,218	99.44	599,563	128,181,781	99.91
2014	133,617,305	132,828,872	99.41	558,221	133,387,093	99.83
2015	136,682,892	135,894,309	99.42	599,015	136,493,324	99.86
2016	139,990,757	139,364,464	99.55	-	139,364,464	99.55

Source: Town Revenue Collection office and Finance office

**TOWN OF GLASTONBURY, CONNECTICUT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

Fiscal Year	General Bonded Debt (000's)			Percentage of Actual Taxable Value of Property ⁽⁴⁾	Per Capita ⁽⁵⁾	Other Governmental Activities Debt (000's)		Total Primary Government (000's)	Debt as a Percentage of Actual Taxable Value of Property ⁽⁵⁾	Debt Per Capita ⁽⁵⁾
	General Obligation Bonds ⁽¹⁾	Premium on Bonds	Total			Clean Water Fund Notes Payable ⁽²⁾	Term Notes Payable ⁽³⁾			
2007	\$ 95,665	\$ 931	\$ 96,596	1.67%	\$ 2,944	\$ -	\$ 227	\$ 96,823	1.68%	\$ 2,951
2008	89,020	856	89,876	1.47%	2,720	-	227	90,103	1.48%	2,727
2009	89,990	1,301	91,291	1.57%	2,750	-	110	91,401	1.57%	2,753
2010	82,765	1,168	83,933	1.41%	2,517	-	83	84,016	1.41%	2,519
2011	76,010	3,369	79,379	1.37%	2,303	18,535	55	97,969	1.69%	2,842
2012	76,220	5,197	81,417	1.42%	2,336	17,750	28	99,195	1.73%	2,846
2013	69,615	4,611	74,226	1.29%	2,139	16,949	-	91,175	1.59%	2,628
2014	71,940	4,031	75,971	1.40%	2,207	16,132	135	92,238	1.70%	2,679
2015	65,085	3,466	68,551	1.19%	1,972	15,298	90	83,939	1.46%	2,415
2016	58,570	2,931	61,501	1.04%	1,769	14,448	45	75,994	1.29%	2,186

⁽¹⁾ Town only issues general obligation bonds and has no overlapping debt.
⁽²⁾ Represents 2% 20-year loan with the State of Connecticut Clean Water Fund program to finance upgrades to the wastewater treatment plant in June 2011.
⁽³⁾ Represents relatively short-term notes for the acquisition of various land parcels.
⁽⁴⁾ See Table 5 for taxable property value data.
⁽⁵⁾ See Table 11 for population data.

**TOWN OF GLASTONBURY, CONNECTICUT
SCHEDULE OF DEBT LIMITATION
FOR THE YEAR ENDED JUNE 30, 2016**

Tax Base:	
Total tax collections (including interest and lien fees)	\$ 140,255,321
Reimbursement of Revenue Loss from Tax Relief for the Elderly	<u>148,957</u>
Total Base	<u>\$ 140,404,278</u>

	<u>General Purpose</u>	<u>Schools</u>	<u>Sewer</u>	<u>Urban Renewal</u>	<u>Pension Deficit</u>
Debt Limitation:					
2 1/4 times base	\$ 315,909,626	\$ -	\$ -	\$ -	\$ -
4 1/2 times base	-	631,819,251	-	-	-
3 3/4 times base	-	-	526,516,043	-	-
3 1/4 times base	-	-	-	456,313,904	-
3 times base	-	-	-	-	421,212,834
Total limitations	<u>315,909,626</u>	<u>631,819,251</u>	<u>526,516,043</u>	<u>456,313,904</u>	<u>421,212,834</u>
Indebtedness:					
Bonds outstanding	26,350,000	32,220,000	-	-	-
Authorized and unissued	2,640,000	-	-	-	-
Bond anticipation notes	1,265,000	-	-	-	-
Clean Water Fund notes	-	-	14,447,844	-	-
Construction grants	-	-	-	-	-
Total indebtedness	<u>30,255,000</u>	<u>32,220,000</u>	<u>14,447,844</u>	<u>-</u>	<u>-</u>
Debt Limitation in Excess of Outstanding and Authorized Debt	<u>\$ 285,654,626</u>	<u>\$ 599,599,251</u>	<u>\$ 512,068,199</u>	<u>\$ 456,313,904</u>	<u>\$ 421,212,834</u>

Note: In no event shall total indebtedness exceed seven times the base for debt limitation computation: \$ 982,829,946

See Notes to the Financial Statements for further information and explanation on the Town's indebtedness at June 30, 2016.

**TOWN OF GLASTONBURY, CONNECTICUT
 LEGAL DEBT MARGIN INFORMATION
 LAST TEN FISCAL YEARS**

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Debt limit	\$ 729,820,301	\$ 779,786,049	\$ 807,411,521	\$ 835,494,023
Total net debt applicable to limit	<u>136,868,614</u>	<u>128,294,036</u>	<u>120,939,376</u>	<u>113,332,765</u>
Legal Debt Margin	<u>\$ 592,951,687</u>	<u>\$ 651,492,013</u>	<u>\$ 686,472,145</u>	<u>\$ 722,161,258</u>
Total net debt applicable to the limit as a percentage of debt limit	18.75%	16.45%	14.98%	13.56%

TABLE 10

FISCAL YEAR					
2011	2012	2013	2014	2015	2016
\$ 859,972,099	\$ 881,587,371	\$ 900,743,193	\$ 938,369,383	\$ 960,676,976	\$ 982,829,946
<u>105,703,742</u>	<u>99,423,346</u>	<u>105,349,500</u>	<u>91,986,430</u>	<u>84,275,977</u>	<u>76,922,844</u>
<u>\$ 754,268,357</u>	<u>\$ 782,164,025</u>	<u>\$ 795,393,693</u>	<u>\$ 846,382,953</u>	<u>\$ 876,400,999</u>	<u>\$ 905,907,102</u>
12.29%	11.28%	11.70%	9.80%	8.77%	7.83%

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

Fiscal Year	Population ⁽¹⁾	Median Family Income ⁽²⁾	Per Capita Personal Income ⁽²⁾	Median Age ⁽²⁾	Educational Attainment		School Enrollment ⁽³⁾	Unemployment Rate ⁽⁴⁾
					High School	Bachelors Degree		
2007	32,806	N/A	N/A	N/A	N/A	N/A	7,045	3.2%
2008	33,039	N/A	N/A	N/A	N/A	N/A	7,094	4.4%
2009	33,201	119,821	47,766	39.8	93.7%	55.0%	7,118	5.6%
2010	33,353	120,351	47,833	39.8	93.7%	55.0%	7,029	5.8%
2011	34,467	N/A	N/A	40.9	97.0%	56.4%	6,868	6.5%
2012	34,860	124,057	49,324	43.1	96.4%	57.3%	6,768	5.8%
2013	34,698	124,493	50,484	42.1	96.4%	59.3%	6,571	5.6%
2014	34,427	123,003	51,179	42.7	96.7%	59.3%	6,385	4.7%
2015	34,754	126,188	55,678	43.1	96.7%	59.3%	6,169	3.8%
2016	34,768	123,164	53,101	43.8	95.8%	60.6%	6,094	3.6%

Sources:

⁽¹⁾ State of Connecticut Department of Health⁽²⁾ U.S. Census Bureau, American Fact Finder⁽³⁾ Town of Glastonbury Board of Education⁽⁴⁾ United States Department of Labor, Bureau of Labor Statistics

TABLE 12

**TOWN OF GLASTONBURY, CONNECTICUT
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO**

Name	Nature of Business	2016			2007		
		Employees	Rank	Percentage of Total Town Employment	Employees	Rank	Percentage of Total Town Employment
Town of Glastonbury	Government	1000-4999	1	18.21%	1,083	1	7.10%
Bio Med Scientific Inc.	Health Care	1000-4999	2	18.21%			
Healthtrax Inc .	Health Clubs	1000-4999	3	18.21%			
United Financial Bancorp	Financial Services	250-499	4	2.28%			
FiServ (was Open Solutions)	Data Processing	250-499	5	2.28%	420	4	2.75%
Stop & Shop - 2 locations	Grocers-Retail	100-249	6	1.06%	310	5	2.03%
Home Depot	Home Centers	100-249	7	1.06%			
USI Consulting Group	Employee Benefits	100-249	8	1.06%			
Flanagan Brothers	Manufacturing	100-249	9	1.06%			
Salmon Brook Center	Nursing Home	100-249	10	1.06%	180	6	1.18%
Met Life	Insurance				450	2	2.95%
Ikon/Office Solutions	Office Equipment				420	3	2.75%
Bank of America Business Capital	Financial Services				130	7	0.85%
AMICA	Insurance				127	8	0.83%
Nabisco/Kraft	Wholesale Distributor				100	9	0.66%
Aero-Med	Environmental Control				95	10	0.62%
				<u>64.48%</u>	<u>3,315</u>		<u>21.74%</u>
Total Town Employment			est	<u>16,477</u>		est	<u>15,250</u>

Source: 2016 data - Connecticut Department of Labor and Connecticut Economic Resources Center, Inc.
2007 data - Glastonbury Community Development Department and Bond Official Statement Telephone Survey

Note: Percentage of 2016 total Town employment is calculated on the midpoint of the range given.

**TOWN OF GLASTONBURY, CONNECTICUT
 FULL-TIME EMPLOYEES BY FUNCTION/PROGRAM
 LAST TEN FISCAL YEARS**

	FISCAL YEAR									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General government										
Town Manager	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	3.0	3.0
Human Resources	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Facilities Maintenance	17.4	16.9	16.9	16.9	17.2	17.2	17.2	17.2	17.2	18.5
Community Development										
Community Development	6.0	6.0	6.0	5.5	5.5	5.5	5.5	4.5	4.5	4.5
Building Inspection	5.0	5.0	5.0	5.0	4.0	4.5	4.5	4.5	4.5	4.0
Fire Marshal	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5
Health	6.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5
Administrative Services										
Financial Administration	8.6	9.2	8.5	8.5	8.5	8.5	8.5	8.5	9.5	8.5
Accounting	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Property Assessment	5.5	5.5	5.5	5.5	5.0	5.0	5.0	5.0	5.0	5.0
Revenue Collection	5.0	4.5	4.5	4.5	4.0	4.0	4.0	4.0	4.0	4.0
Town Clerk	4.8	4.8	4.8	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Registrar of Voters	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3
Public Safety										
Police	76.0	76.5	77.0	77.0	77.0	77.0	77.0	77.0	77.0	77.0
Fire	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Physical Services										
Engineering	12.5	12.5	12.0	12.5	12.5	12.5	13.0	13.0	13.0	13.0
Highway	23.5	23.5	23.5	22.5	22.5	22.5	22.5	22.5	22.5	23.0
Fleet Maintenance	14.9	13.9	13.9	8.9	8.9	8.9	8.9	8.2	8.2	8.2
Sanitation										
Water Pollution	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0
Refuse Disposal	7.1	7.1	7.1	7.1	6.1	6.1	6.1	6.1	6.1	6.1
Human Services										
Youth & Family Services	13.5	14.0	14.0	14.0	14.0	14.0	14.0	13.1	13.1	13.1
Senior & Community Services	13.4	16.6	16.1	16.1	16.1	16.1	16.1	16.8	16.8	16.8
Leisure/Culture										
Parks & Recreation	23.7	24.7	24.9	24.3	24.3	24.3	24.3	23.8	23.8	23.8
Welles-Turner Library	17.7	17.7	17.7	17.7	17.7	17.7	15.6	15.6	15.6	15.6
Education	<u>797.2</u>	<u>813.4</u>	<u>818.0</u>	<u>807.9</u>	<u>788.1</u>	<u>809.2</u>	<u>824.6</u>	<u>823.2</u>	<u>814.3</u>	<u>806.8</u>
Total	<u>1,084.1</u>	<u>1,103.1</u>	<u>1,106.7</u>	<u>1,089.2</u>	<u>1,066.7</u>	<u>1,088.3</u>	<u>1,102.1</u>	<u>1,098.3</u>	<u>1,091.4</u>	<u>1,084.2</u>

Source: Town and Board of Education budgets
 Note: Full-time equivalents do not include seasonal employees.

**TOWN OF GLASTONBURY, CONNECTICUT
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

	2007	2008	2009
Building/Community Development			
Alterations - residential/commercial	690	617	699
Number of subdivisions approved	8	6	2
New residential dwellings	128	57	36
New commercial buildings	4	4	7
Fire Marshal			
Fire investigations completed	93	120	123
Assembly occupancy inspections	122	266	223
Health			
Routine inspections	1,007	1,026	592
Complaint inspections	164	201	158
Financial Administration			
Percent of taxes to total revenue	87.90%	88.70%	88.60%
Property Assessment			
Grand list accounts	52,181	52,087	53,029
Adjusted grand list accounts	2,485	2,466	2,407
Revenue Collection			
Collection rate	99.57%	99.53%	99.13%
# of real estate tax bills	13,750	13,883	13,739
# of motor vehicle tax bills	31,056	31,372	31,534
# of personal property tax bills	2,094	2,118	2,144
# of supplemental motor vehicle bills	5,092	5,083	4,841
Police			
Uniform strength	59	56	56
Dispatches for service	19,846	20,417	20,718
Emergency time response	4.49 min	4.27 min	4.56 min
Average police response time (all calls)	6.16 min	6.03 min	6.14 min
Total crimes / FBI uniform crime index	463	449	396
Total medical calls	1,547	1,654	1,652
Total animal control calls	1,039	984	904
Total motor vehicle accidents	859	854	786
Physical arrests	623	630	564
Parking violations	275	229	171
Traffic violations	1,569	1,797	1,945
Fire			
Uniform strength	132	124	120
Full time	2	2	1
Emergency incidents	955	912	981
Structure fires	128	134	53
Fire training hours	6,799	7,366	7,923
Engineering			
Right of way permits	305	313	328
Sanitation sewer permits	116	69	40
Highway			
Snow routes	21	21	21
Road miles plowed	49,743	23,577	44,256
Lane miles paved/street resurfacing	22	18	13
Catch basins cleaned	3,000	3,000	710
Water Pollution Control			
Average daily treatment flow (gal/day)	2,400,000	2,210,000	2,330,000
Gallons of sludge disposed	3,307,000	3,500,784	3,431,000
Refuse Disposal			
Annual tons of solid waste collected	3,171	2,388	2,083
Vehicles at hazard waste collection	583	603	452
Permits issued	6,954	6,239	7,377
Senior & Community Services			
Senior center participation	36,581	38,037	41,059
Outreach clients	1,089	1,048	1,084
Dial-A-Ride participation	21,997	23,962	20,888
Youth & Family Services			
Clinical clients	929	921	1,285
Youth program participation	8,468	11,036	9,690
Parks & Recreation			
Program participation registrations	93,405	93,981	91,743
Fields maintained	53	53	53
Rounds of golf played	13,409	13,006	16,392
Hours of athletic field use	34,014	39,277	38,300
Library			
Library transactions	563,176	567,145	567,440
Self check library transactions	28,158	37,316	96,465

Source(s): Various Town Departments

TABLE 14

FISCAL YEAR						
2010	2011	2012	2013	2014	2015	2016
780	717	972	574	1,575	1,523	1,956
3	-	6	4	-	3	5
43	44	47	21	19	15	25
4	4	2	2	4	-	8
168	116	130	81	91	63	43
188	202	156	265	278	300	236
793	971	1,414	1,100	914	996	967
165	220	145	173	113	142	76
89.60%	89.90%	90.60%	90.60%	91.10%	90.80%	91.60%
52,526	52,836	53,027	53,467	53,480	53,690	53,657
2,122	2,368	2,211	2,418	2,342	2,566	3,337
99.13%	99.34%	99.47%	99.44%	99.41%	99.42%	99.55%
13,782	13,774	13,782	13,844	13,871	13,874	13,945
31,780	31,877	31,908	31,839	31,756	32,126	31,883
2,139	2,086	2,120	2,123	2,165	2,190	2,210
4,296	4,551	4,654	4,993	5,157	4,953	5,068
55	57	56	52	57	56	59
20,459	17,145	19,223	20,030	18,726	18,264	18,162
4.38 min	4.40 min	5.28 min	4.59 min	4:37 min	4:32 min	4:34 mins
6.18 min	6.30 min	6.36 min	6.08 min	6:14 min	5:56 min	6:13 mins
454	437	428	363	385	292	440
1,630	1,663	1,637	1,614	1,707	1,859	2,195
880	860	809	729	699	627	761
762	806	779	932	888	874	766
467	536	563	596	572	475	429
192	82	152	137	131	96	117
1,816	965	1,414	1,761	2,056	1,601	1,575
115	111	111	114	111	115	116
-	1	1	1-2	2	2	2
951	1,139	1,295	950	858	851	870
53	17	34	35	25	15	13
5,960	6,870	7,777	7,800	7,379	7,053	6,449
234	295	253	209	270	416	296
39	38	63	36	31	42	50
21	21	21	21	21	21	21
32,057	45,335	13,766	36,200	50,007	47,812	25,400
15	11	9	18	12	15	11
345	273	237	215	250	360	365
2,200,000	2,140,000	2,290,000	2,200,000	2,147,315	2,070,000	2,030,000
3,304,000	3,022,500	2,977,500	2,312,000	2,184,000	2,246,000	2,359,500
1,933	2,024	1,864	2,087	1,622	1,595	1,600
535	441	421	563	457	427	411
6,374	6,252	6,475	6,450	6,897	7,135	7,350
43,909	44,372	43,759	33,392	30,428	30,210	31,879
1,337	1,401	1,454	1,467	1,480	1,216	1,245
21,356	20,169	20,243	19,633	24,151	24,688	22,687
1,232	1,184	1,076	1,183	1,094	1,085	1,175
11,972	10,530	10,397	10,748	8,944	1,875	928
96,683	92,540	92,920	88,668	84,325	79,205	87,405
53	53	54	54	54	54	54
18,544	16,763	13,594	15,599	13,010	14,229	15,394
45,714	47,077	46,267	43,596	45,576	43,441	45,389
560,689	335,729	481,960	470,070	452,381	403,943	382,471
38,509	35,898	36,277	28,204	17,433	18,640	305,976

**TOWN OF GLASTONBURY, CONNECTICUT
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

	FISCAL YEAR									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Fire										
Stations	4	4	4	4	4	4	4	4	4	4
Front-line equipment	23	23	21	21	21	21	20	20	13	21
Fire hydrants	706	706	708	708	708	709	709	709	711	775
Highway										
Storm drains	5,600	6,500	5,647	5,647	5,791	5,808	5,813	5,813	5,838	5,838
Street miles - center line	218	223	219	219	222	222	222	222	222	222
Expressways (miles)	13	13	13	13	13	13	13	13	13	13
Residential streets (miles)	168	193	169	169	172	172	172	172	172	172
Total street lights	1,003	1,003	1,003	1,003	1,003	1,003	1,003	1,003	1,003	1,003
Traffic signals	17	17	19	19	19	19	19	19	19	19
Bridges	15	15	16	16	16	16	16	16	16	16
Water Pollution Control										
Number of sanitary sewer miles	101	101	101	101	102	102	102	102	102	105
Senior & Community Services										
Community center	1	1	1	1	1	1	1	1	1	1
Natural gas sedan	-	-	1	1	1	1	1	2	3	2
Dial-A-Ride Buses										
Vans - Diesel	5	5	6	6	6	6	2	2	2	1
CNG	-	1	1	1	1	1	4	3	3	5
Parks & Recreation										
Number of golf holes	9	9	9	9	9	9	9	9	9	9
Parks	12	12	12	12	12	12	12	12	12	12
Athletic fields	53	53	53	53	53	54	54	54	54	54
Swimming pools	3	3	3	3	3	3	3	3	3	3
Welles-Turner Library										
Libraries	3	3	3	3	3	3	3	3	3	3

Source(s): Various Town Departments