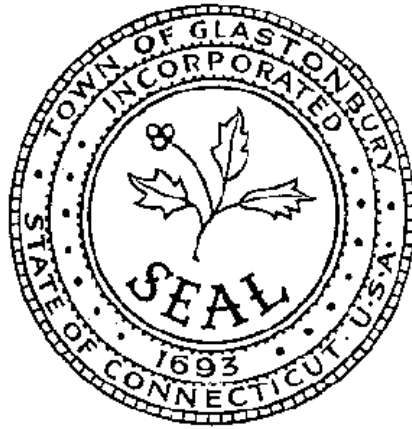


# TOWN OF GLASTONBURY, CONNECTICUT



## COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year  
July 1, 2017 to June 30, 2018

Prepared By:  
Financial Administration  
and  
Accounting Divisions

**TOWN OF GLASTONBURY, CONNECTICUT  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
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 JUNE 30, 2018**

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## **Introductory Section**



# *Town of Glastonbury*

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

January 24, 2019

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. The Town of Glastonbury was granted a 30-day extension for publishing the statements for fiscal year 2018. Pursuant to the requirement, issued herein is the comprehensive annual financial report of the Town of Glastonbury for the fiscal year ended June 30, 2018.

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, 2018 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, 2018 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 34,584 as of June 2018.

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. The community continues to be attractive to economic development, while successfully maintaining an appropriate balance between growth and preservation. 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 American Fact Finder published by the U.S. Census Bureau indicates that Glastonbury's median family income was \$132,238 compared to the State's \$73,781. The median age of a Glastonbury resident is approximately 45.1 years compared to the State of Connecticut at 40.8 years.

Glastonbury's unemployment rate ranks better than the region. The Town's unemployment rate was 2.2% as of November 2018 as compared to the State of Connecticut at 3.0%. Glastonbury's unemployment rate decreased approximately 0.9% from August 2017 when the unemployment rate was 3.1%.

The net taxable Grand List of October 1, 2017 was \$4.18 billion, representing an increase of 5.28% from 2016. This appears to signal an improving local economy. Individually, the real estate segment increased 5.72%, the personal property segment increased 2.62%, and the motor vehicle list increased 1.55% over the net 2016 totals.

The area real estate market continues on a path of stabilization and appreciation, as it has done for four consecutive years now, despite receding somewhat from last year's recent peak. Residential sales volume decreased by 11.6%, and the average sales price decreased 2.4% as compared to the prior period; however, this result was still 6% above the two-year prior sales result and 2% above the two-year prior average sales prices. New residential construction permits increased 11% year-over-year, as a market-dominant 59-lot subdivision entered its third year and two other existing projects increased their market share.

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. The Town Center continues to grow with the revitalization of former commercial properties. 2941 Main Street, the site of the former Pond House and Colonnade banquet facility, is undergoing construction. This property will be transformed into 27,500 sq. ft. of retail and restaurant space with a Chick-Fil-A restaurant being the anchor tenant. The developers, the Carpianto Group, are currently going through the land use approval process of phase II of this project, which will occur on 2955 Main Street, adjacent to the current construction site. Land use approvals have been granted for another development at the corner of Sycamore Street and Hebron Avenue. This revitalization effort will consist of approximately 19,000 sq. ft. of retail, office and restaurant use. Two additional 3,000 sq. ft. medical office buildings were recently approved at the intersection of Naubuc Avenue and Putnam Boulevard.

On the residential side, there has been substantial growth in the Town Center. One Glastonbury Place has been completed at the corner of House Street and Hebron Avenue adding 145 market rate apartments to the Center. The Tannery apartments, located at 911 New London Turnpike on the cusp of the Town Center, has also been completed bringing an additional 250 market rate apartments with a new destination restaurant on site. Center Village, a Glastonbury Housing Authority property located at the intersection of Salmon Brook Drive and New London Turnpike, just completed a revitalization effort of its existing units and an expansion effort, which added 38 additional housing units within a new three-story building. An additional 10 townhomes were recently approved on Naubuc Avenue.

Glastonbury continues to grow in other areas around the Town Center. 1193 Hebron Avenue, Educational Playcare (a daycare center), just completed a 6,760 sq. ft. expansion project. Another 10,000 sq. ft. daycare center was recently approved on Oak Street. The Gateway Medical campus continues to grow and expand with 289 Western Boulevard adding to the campus's medical facilities. A 10,000 sq. ft. medical facility, known as "Building I" was recently completed in Gateway, as well. In South Glastonbury, a new restaurant is now opened for business at 840 Main Street and the Town just approved its first farm brewery as well to be located off of Dug Road.

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 two and one half percent (2.5%) of the respective year full value Grand List. Additionally, annual Debt Service shall not exceed 10% of the respective year budget. For 2018, actual debt service expenditures represented approximately 5.6% 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 2018 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 Market Value	Bonded Debt Per Capita
\$44,925,000	\$1,861,000	\$46,786,000	1.18%	.76%	\$ 1,353

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, 2018 totaled \$ 44,925,000. 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, 2018, in accordance with GASB 54, the Town's General Fund unassigned fund balance represented 14.66% of expenditures and 14.71% 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 6.625% (effective with the 7/1/17 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 2017/18 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 2017/18 budget, the 2016 Grand List increased 1.39% generating approximately \$1.97 million in additional tax revenue. Offset by the revenue generated from grand list growth, in fiscal year 2017/2018, the mill rates increased 2.9% from 36.40 to 37.45 for real estate and personal property, and decreased 7.5% for motor vehicles from 34.60 to 32.00. State legislative action capped the motor vehicle mill rate at 32 mills.

Historically, actual tax collection rates have exceeded 99.1%, the assumption used to set the mill rate. In 2015, 2016, and 2017 the collection rates were 99.42%, 99.55%, and 99.45% respectively. The Town completed the 2018 fiscal year with a 99.48% collection rate.

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 6.5% 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 requires management to project future funding levels based on economic indicators at the time the budget is presented, and in most cases even adopted in late March.

Budgeting State aid in fiscal 2017/2018 was especially difficult. The budget presented by Governor Malloy in February 2017 proposed significant reductions in State aid to cities and towns, most particularly, the Educational Cost Sharing (ECS) Grant. For Glastonbury this translated to a proposed reduction from \$6.2 million to \$148,178 on a budget-to-budget basis. When the Town budget was formally adopted in March 2017, final State legislative action had not yet been determined. Accordingly, best estimates were assumed for State aid in the coming fiscal year with the adopted budget reducing intergovernmental revenues by approximately \$4.0 million. To offset this reduction, proposed town and education budgets were reduced by a combined \$4.0 million, resulting in an adopted expenditure budget that remained essentially flat to the prior year.

Final State legislative action in 2017 approved State aid greater than approved by the Council in March of that year. In the end, additional State aid to Glastonbury in 2018 was approved and Glastonbury received a net \$3.7 million above the adopted budget, most of which was appropriated to Town and Board of Education expenditures.

The Town continued to face many of the same challenges on the expenditure side of the budget for 2017-2018 as it has in prior years. Below highlight some of the challenges facing and priorities of the Town.

- Given the uncertainty of State aid, the budget for Town Operations was held relatively flat. Goals and objectives of the Town were to:
  - Continue the Town's highly successful land acquisition and preservation program as opportunities present.
  - Evaluate and implement opportunities for multi-town programs and projects to achieve improved service delivery and cost efficiencies as applicable.
  - Continue long history of devoting prudent attention to the community's long-term budget and financial management.
  - Continuously support and improve the downtown business community through a variety of actions including traffic management, parking accessibility, walkability, streetscape aesthetics, and redevelopment.
  - Continue to focus on energy efficiency and alternate energy tools and resources for Town operations.
  - Ensure the long-term stability of the Town's pension fund through careful, ongoing review of actuarial and investment assumptions, investment portfolio management, ongoing benefit plan design, and related review activities.
  - Make a concerted effort to evaluate Town facilities and ensure spaces are conducive to diverse community activities and properly accommodate the evolving needs of our residents and staff.
  - Identify new and improved methodologies for enhancing communication with residents and business owners in the community.
  - Foster activities at the Riverfront Boathouse and Riverfront Community Center to further strengthen the link between the riverfront and the downtown business community.

There were no new programs or services and full-time head count remained flat.

- Since 2008, the Town's contribution to the pension plan has increased 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 6.625%. 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 such as increased employee contributions and the implementation of a separate pension plan for new hires.
- The final Education budget increased \$2.4 million or 2.38% over the previous year. Glastonbury Public Schools is responsible for the education of approximately 5,900 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, \$29 million has been approved at referendum for land acquisition and preservation. Through this program, the Town has acquired approximately 1,650 acres of which approximately 90% 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, 2018, the Town has a balance of approximately \$ 8.2 million available for future land purchases. 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 2017-2018 was \$5 million. Funding in 2018-2019 was \$5.75 million.

Projects in the Capital Improvement Program funded on a cash basis during 2018 totaled \$9.6 million and were for various improvements to Town infrastructure and buildings, disaster preparedness, heavy machinery and equipment, and various school improvements.

Looking forward to 2018-2019, the Town Council appropriated a total of \$6.3 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, improvements to Town roads, sidewalks and

Town infrastructure, air conditioning for school buildings, energy efficiency projects, and various other building improvements. In addition to the \$5.75 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, 2017, which represents the twenty- eighth 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 2018 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



Julie Twilley, CPA  
Director of Finance & Administrative Services

## PRINCIPAL OFFICIALS

---

### Town Council

Thomas Gullotta, Chairman  
Jill Barry, Vice Chairman  
Lawrence Niland  
Stewart (Chip) Beckett III  
Deborah Carroll  
Kurt Cavanaugh  
Mary LaChance  
Whit Osgood  
George Norman

### Board of Finance

Constantine Constantine, Chairman  
Jared Soper, Vice Chairman  
Walter Cusson  
James McIntosh  
Jennifer Sanford  
James Zeller

### Town Administration

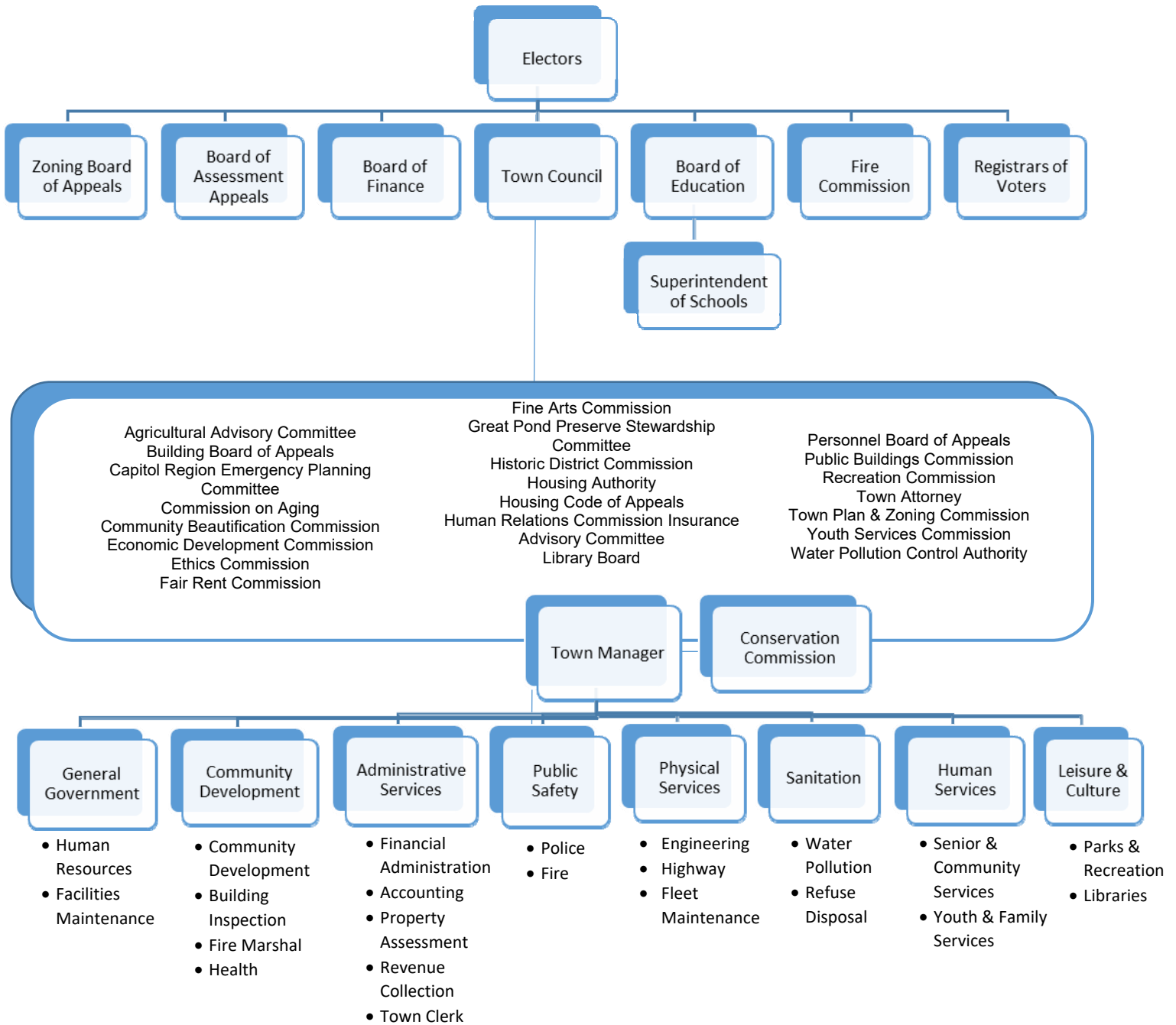
Richard J. Johnson, Town Manager  
Marshall Porter, Chief of Police  
Julie Twilley, Director of Finance & Administrative Services  
Daniel Pennington, Town Engineer/Manager of Physical Services  
Khara Dodds, Director of Planning & Land Use Services  
Sherri Tanguay, Director of Human Resources

### Board of Education

Susan Karp, Chairman  
Douglas Foyle, Ph.D., Vice Chairman  
Julie Thompson, Secretary  
Rosemary Coggeshall  
Jeremy Grieveson  
David Peniston, Jr.  
Chittaranjan Sahay, Ph.D.  
Lillian Tanksi

Dr. Alan Bookman, Superintendent  
Rosemary Tralli, Ph.D., Assistant Superintendent, Curriculum & Instruction  
Matthew Dunbar, Assistant Superintendent, Personnel & Administration  
Karen Bonfiglio, Finance Manager

# 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, 2017**

*Christopher P. Morill*

Executive Director/CEO



## **Financial Section**



## **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, 2018, 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, 2018 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 11 to the financial statements, during the fiscal year ended June 30, 2018, the Town adopted new accounting guidance, GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. The net position of the Town of Glastonbury, Connecticut, has been restated to recognize the net other postemployment benefit liability in accordance with GASB No. 75. 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, the budgetary comparison information and the pension and OPEB schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, 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.

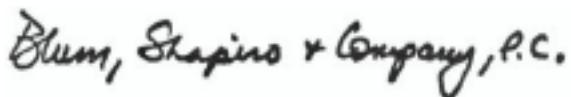
The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing 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, 2017 (not presented herein), and have issued our report thereon dated December 15, 2017, 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, 2017 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 2017 financial statements. The accompanying General Fund balance sheet has been subjected to the auditing procedures applied in the audit of the 2017 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, 2017.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated January 24, 2019 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town of Glastonbury, Connecticut's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Glastonbury, Connecticut's internal control over financial reporting and compliance.



West Hartford, Connecticut  
January 24, 2019

## **Town of Glastonbury, Connecticut Management's Discussion and Analysis - Unaudited June 30, 2018**

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, 2018. 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 \$233.9 million. Of the Town's total net position at June 30, 2018, the unrestricted portion which can be used to meet the Town's ongoing obligations to citizens and creditors was (\$3.7) million. The deficit in unrestricted net position is primarily the result of implementing the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, which requires the Town to report the net OPEB liability in the government-wide statements.
- On a government-wide basis, during the year, the Town's net position increased by \$2.1 million or 0.91%, from \$231.8 million (as restated) to \$233.9 million. Government-wide expenses were \$193.0 million, while revenues were \$195.1 million. The increase in net position of \$2.1 million is attributable to the overall management of Town operations in a fiscally responsible manner.
- 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 \$52.8 million, a decrease of \$3.1 million from the prior fiscal year. Of the total \$52.8 million fund balance as of June 30, 2018, \$21.4 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 deficit in the Capital and Nonrecurring Expenditures Fund will be eliminated upon the receipt of final grant reimbursements.
- At the end of the current fiscal year, the total fund balance for the General Fund alone was \$25.8 million, a decrease of approximately \$0.9 million from the prior fiscal year. Of that total fund balance, \$23.9 million is unassigned. The unassigned General Fund balance at year-end represents 14.8% of total General Fund expenditures and transfers out (\$161.6 million on a budget basis).
- The Town of Glastonbury's total bonded indebtedness decreased \$6.8 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 2009 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 Fund, Capital and Nonrecurring Expenditures 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 Card, 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, Gateway Project, Riverfront Park Project, and the Magnet School. 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.

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 67.

The basic governmental fund financial statements (balance sheet and statement of revenues, expenditures and changes in fund balances) 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 26-66 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 Changes in Net Pension Liability and Related Ratios, Schedule of Employer Contributions-Pension, Schedule of Investment Returns-Pension, Schedule of the Town's Proportionate Share of the Net Pension Liability-Teachers Retirement Plan, Schedule of Changes in Net OPEB Liability and Related Ratios, Schedule of Employer Contributions-OPEB, Schedule of Investment Returns-OPEB, and Schedule of the Town's Proportionate Share of the Net OPEB Liability-Teachers Retirement Plan on pages 68-77 of this report.

Additional required supplementary information on comparative data for the general fund budgeted revenues and expenditures is shown on page 67.

## 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 and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$233.9 million on June 30, 2018.

The Town implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions* in FY2018. Consequently, the Town now reports a net OPEB liability in the government-wide statements and the net position at June 30, 2017 was restated to report the retroactive impact on net position at that date (a reduction of \$10.6 million.)

**Table 1 - Net Position**  
*(in thousands)*

	<b>Governmental Activities</b>	
	<b>2018</b>	<b>2017 as restated</b>
Current and other assets	\$ 72,223	\$ 74,607
Capital assets, net of accumulated depreciation	297,255	297,205
Total assets	<u>369,478</u>	<u>371,812</u>
Deferred outflows of resources		
Deferred charge on refunding	1,540	2,118
Change in pension actuarial experience	8,404	1,783
Change in pension assumptions	-	2,335
Net Change in pension investment experience	-	3,443
Change in OPEB actuarial experience	1,637	-
Change in OPEB assumptions	-	-
Net Change in OPEB investment experience	-	-
Total deferred outflows of resources	<u>11,581</u>	<u>9,679</u>
Long-term liabilities outstanding	134,267	136,992
Other liabilities	12,132	12,026
Total liabilities	<u>146,399</u>	<u>149,018</u>
Deferred inflows of resources		
Advance tax payments	429	204
Change in pension assumptions	302	498
Total deferred inflows of resources	<u>731</u>	<u>702</u>
Net Position:		
Net investment in capital assets	237,664	229,962
Restricted	9	9
Unrestricted	<u>(3,744)</u>	<u>1,800</u>
Total Net Position	<u>\$ 233,929</u>	<u>\$ 231,771</u>

By far, the largest portion of the Town of Glastonbury's net position reflects its investment in capital assets (such as land, buildings, machinery, equipment and infrastructure), less accumulated depreciation and 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.

The deficit in unrestricted net position is primarily attributable to the increase in pension and OPEB liabilities during the year.

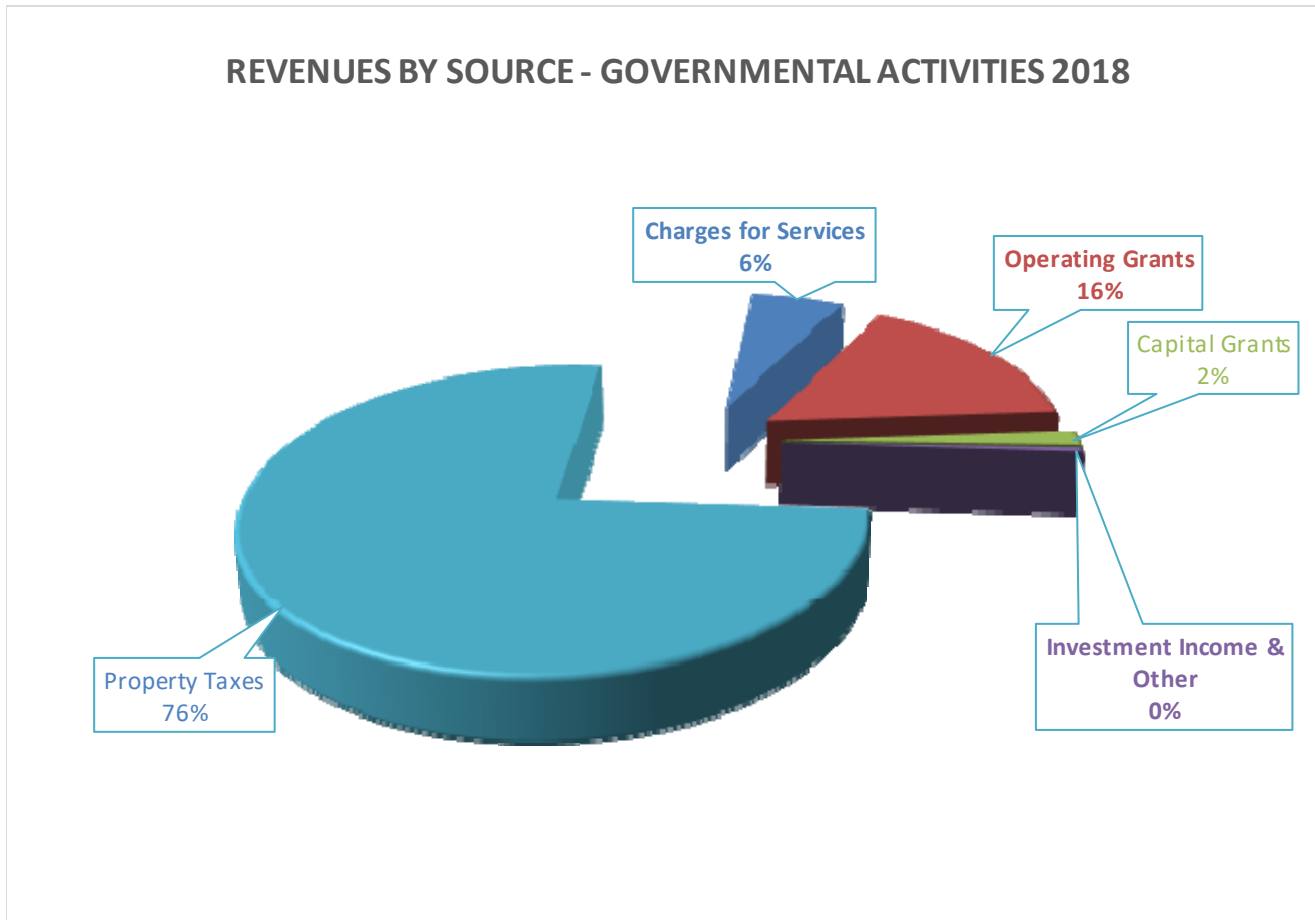
	<b>Governmental Activities</b>	
	<b>2018</b>	<b>2017</b>
Revenues:		
Program revenues:		
Charges for services	\$ 11,206	\$ 12,983
Operating grants and contributions	32,039	30,742
Capital grants and contributions	3,332	4,120
General revenues:		
Property taxes	147,569	142,549
Grants and contributions not restricted to specific programs	120	147
Investment income and other	856	424
Total revenues	<u>195,122</u>	<u>190,965</u>
Expenses:		
General government/services	4,905	4,929
Community development	1,915	1,960
Administrative services	6,522	7,446
Public safety	15,276	14,357
Physical services	11,819	12,274
Sanitation	3,789	3,890
Human services	3,094	3,030
Leisure/culture	8,463	8,878
Education	135,100	130,869
Interest on long-term debt	2,080	2,379
Total expenses	<u>192,963</u>	<u>190,012</u>
Change in Net Position	2,159	953
Net Position, July 1	231,771	241,384
Restatement	<u>-</u>	<u>(10,566)</u>
Net Position, Ending	<u>\$ 233,930</u>	<u>\$ 231,771</u>

Glastonbury's net position increased \$2.1 million during the fiscal year. This increase is attributable to the overall management of Town operations in a fiscally responsible manner.



## Governmental Activities

Approximately 75.7% of the revenues were derived from property taxes, followed by 16.4% from operating grants and contributions, 5.8% from charges for services, 1.7% from capital grants and contributions, and the remaining 0.4% from investment earnings and grants and contributions.



Major revenue factors included:

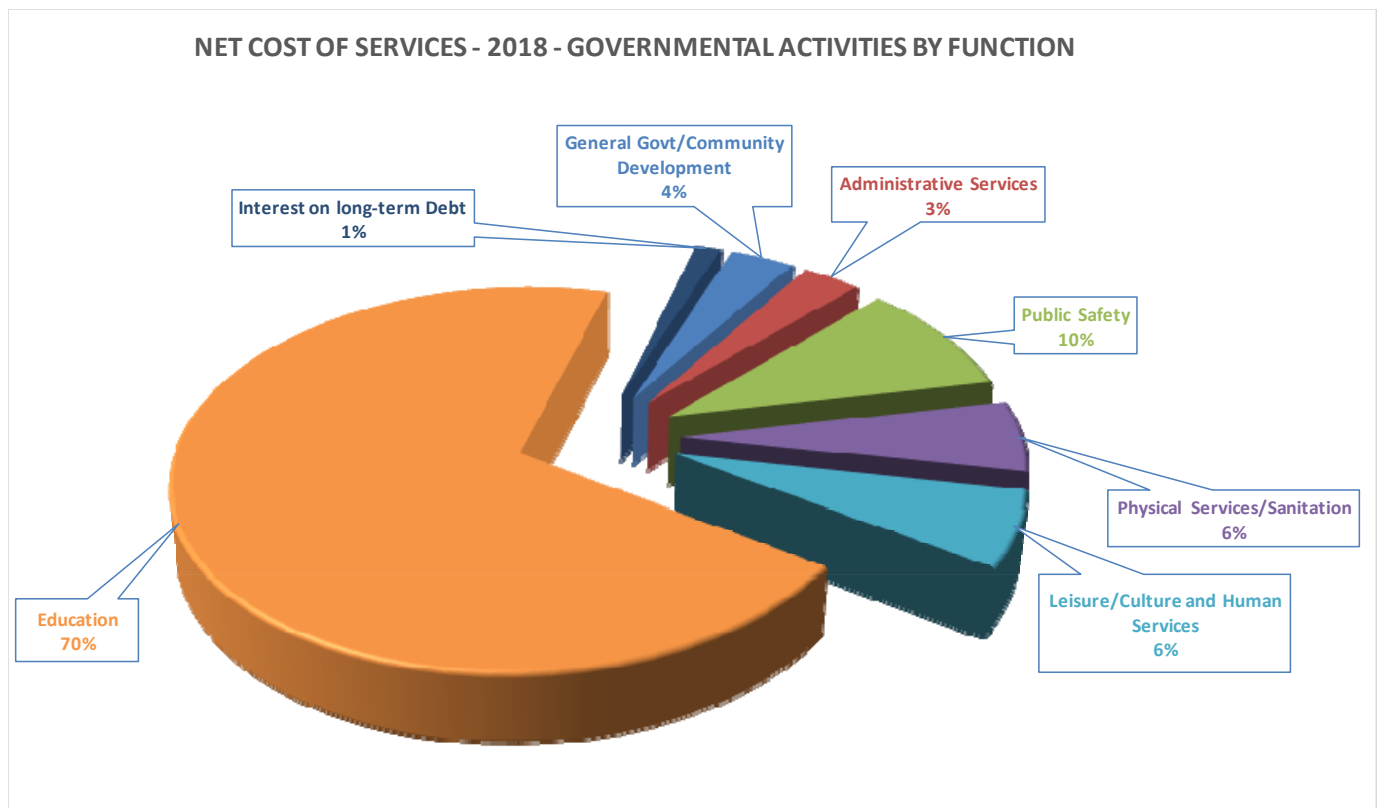
- Property tax revenues recorded for fiscal year 2018 totaled \$147.6 million, which represents an increase of 3.5% or \$5.0 million over 2017 tax revenues. The tax increase for the 2017/18 budget was 2.03%. This increase, combined with the estimated growth in the grand list of 1.39%, generated approximately \$5.0 million in additional tax revenue. Other positive factors included an unanticipated increase in the supplemental motor vehicle tax billing that was originally budgeted at \$1.1 million and generated \$1.4 million. In addition, the actual tax collection rate exceeded the assumed rate, 99.48% versus 99.1%, respectively.
- Investment income increased \$0.4 million or 101.9%, primarily due to increases in the interest rate during the year.
- Charges for services decreased \$1.7 million, primarily due to a nonrecurring gain on the disposal of capital assets in the prior year of \$0.7 million and a reduction of \$0.4 million in recording and conveyance fees collected by the Town Clerk in the current year, as compared to the prior year.
- Operating grants and contributions increased \$1.3 million or 4.2% primarily due to the increase in the State payment for the teacher's retirement system which increased \$2.0 million in FY2018.
- Capital grants and contributions decreased \$0.8 million or 19.1% primarily due to receipt of final grant reimbursements for the Magnet School, in the prior year.

With respect to governmental activities, 70.0% of the Town's expenses are related to education. Physical services and sanitation accounted for 8.1%, public safety accounted for 7.9%, leisure and culture, comprised of parks and recreation and library services, accounted for 4.4% and administrative services, which includes finance, accounting, revenue collection, assessment, town clerk, property and casualty insurances, legal costs and information technology accounted for 3.4% of expenses. The remaining 6.2% relates to general government, community development, human services and interest on long-term debt.

Overall, expenses increased \$3.0 million or 1.6% over the prior year. Major expenditure factors include:

- Public safety expenses increased \$0.9 million or 6.4%, primarily due to increases in wages and associated employee benefits.
- Education expenses increased \$4.2 million or 3.2%. The primary reason for this increase is the \$2.2 million increase in the State of Connecticut's contribution to the State Teachers Retirement System on behalf of the Town, and wage and pension increases.

Most other expenses decreased slightly due to budget restraints and cost savings. 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, 2018, the Town of Glastonbury's governmental funds reported combined ending fund balances of \$52.8 million, a decrease of \$3.1 million over the previous year. Approximately \$31.5 million of this total is nonspendable, 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 \$21.4 million of fund balance is unassigned, comprised of the net of the General Fund balance of \$23.9 million and deficit offsets in the Capital and Nonrecurring Expenditures Fund of \$2.5 million. The deficit in the Capital and Nonrecurring Expenditures Fund will be eliminated upon the receipt of final grant reimbursements.

### **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 \$23.9 million while total fund balance reached \$25.8 million.

The Town's General Fund balance decreased \$0.9 million during the current fiscal year. Key factors that contributed to the financial outcome are as follows:

- Overall, on a budget basis, General Fund revenue estimates exceeded actual revenues by \$ 1.0 million
- Intergovernmental revenue estimates exceeded actual revenues by \$2.4 million, primarily due to the elimination of State Municipal Revenue Sharing and Motor Vehicle grants.
- Property taxes collected exceeded estimates by \$0.6 million.
- Investment income exceeded budget estimates by \$0.5 million, due to rising short-term interest rates during the year.
- Licenses and permits exceeded budget estimates by approximately \$0.4 million due to building permit revenue received during the year for major development projects within Town.
- General Fund expenditures came in \$1.3 million under budget. 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, 2018 is approximately \$0.4 million in encumbrances and capital carry forwards attributable to commitments and capital purchases not made in the current year and \$0.7 million attributable to unexpended education funds authorized to be carried over to the following fiscal year. These items are classified as assigned amounts in the General Fund.

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 \$27.0 million, representing a decrease of \$2.2 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 \$0.02 million deficit. Income was generated primarily from sewer connection assessments collected during the year of \$0.1 million, investment income of \$0.23 million and accrual of an unrealized investment loss of \$0.20 million. Annually, realized 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. In addition, \$0.24 million was allocated for sewer infrastructure improvement projects.

### **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 and Nonrecurring Expenditures Fund, grants, and sewer assessment or user fees. During the year, the Town expended \$11.5 million for various capital projects and improvements. The fund balance increased \$1.4 million for a total of \$8.9 million at year end, all of which is committed for capital and infrastructure purposes.

### **Capital and Nonrecurring Expenditures Fund**

This fund accounts for monies set aside for future capital improvements. Fund balance decreased \$2.3 million. In addition to \$5.9 million transferred in from the General Fund and \$0.7 million from closed capital projects, \$2.7 million was received from state and federal grants and \$0.1 million from investment income. \$10.9 million was transferred to the Capital Reserve Projects Fund for capital expenditures. The \$2.5 million fund deficit is the result of timing differences in funding projects and receiving grant reimbursements.

### **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. Fund balance decreased \$1.1 million, due to the purchase of open space land.

### **General Fund Budgetary Highlights**

The difference between the original budget and the final amended expenditure budget was \$7.6 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 Town and Education appropriations by \$3.4 million for reinstatement of State grants.
- Increased education appropriations by \$1.1 million to reflect the receipt of special education excess costs, transportation grants and community use custodial fee reimbursements.
- Increased transfers to the Capital Reserve Projects Fund by \$2.0 million to advance fund air conditioning project for elementary schools.

- Increased appropriations for encumbrances, capital outlay, and education unexpended fund carryovers from the prior fiscal year in the amount of \$0.9 million.
- Increased appropriations by \$0.2 million for purchases of various equipment.

During the year, actual revenues on a budgetary basis were \$160.7 million which was less than budgetary estimates by \$1.0 million. Significant contributions to this decrease were \$2.4 million intergovernmental revenues that were anticipated but not received, offset by unanticipated revenues from the following sources; property taxes and fees of \$0.6 million in excess of estimates, licenses and permits of \$0.4 million in excess of estimates, and investment income of \$0.5 million in excess of estimates.

Actual expenditures and transfers out on a budgetary basis totaled \$161.6 million, which is approximately \$1.3 million less than the amended budget of \$162.9 million. This variance is attributable to various savings across all departments of the Town.

### **Capital Asset and Debt Administration**

**Capital Assets.** The Town of Glastonbury's investment in capital assets for its governmental activities as of June 30, 2018, amounted to \$531.4 million on a gross basis and \$297.3 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 \$12.4 million.

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

	<b>Governmental Activities</b>	
	<b>2018</b>	<b>2017</b>
Land	\$ 44,634	\$ 44,556
Development rights	3,331	2,231
Construction in progress	1,451	1,757
Land improvements	42,413	41,136
Building and improvements	229,072	226,136
Machinery and equipment	53,287	51,050
Computer software	872	589
Infrastructure	156,380	151,560
<b>Total</b>	<b>\$ 531,440</b>	<b>\$ 519,015</b>

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

- Major projects capitalized from Construction in Progress (CIP) during the year included: replacement and renovation of the Eastern Boulevard bridge, completion of the New London Turnpike and Hebron Avenue roundabout, air conditioning for elementary schools, replacement of artificial turf at Glastonbury High School football field, rehabilitation of Blackledge Dam, and enhancements to public safety communication systems. Major additions to CIP include the street improvements at the Hebron Avenue and House Street intersection, Hebron Avenue resurfacing, library improvements, and generators for water pollution control pump stations.
- Purchase of land and development rights totaling \$1.1 million.

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 107-110.

### **Long-Term Debt.**

At the end of the current fiscal year, the Town of Glastonbury had total bonded debt outstanding of \$44.9 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 \$995 million. As of June 30, 2018, the Town's recorded long-term debt of \$44.9 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 \$1.65 million.

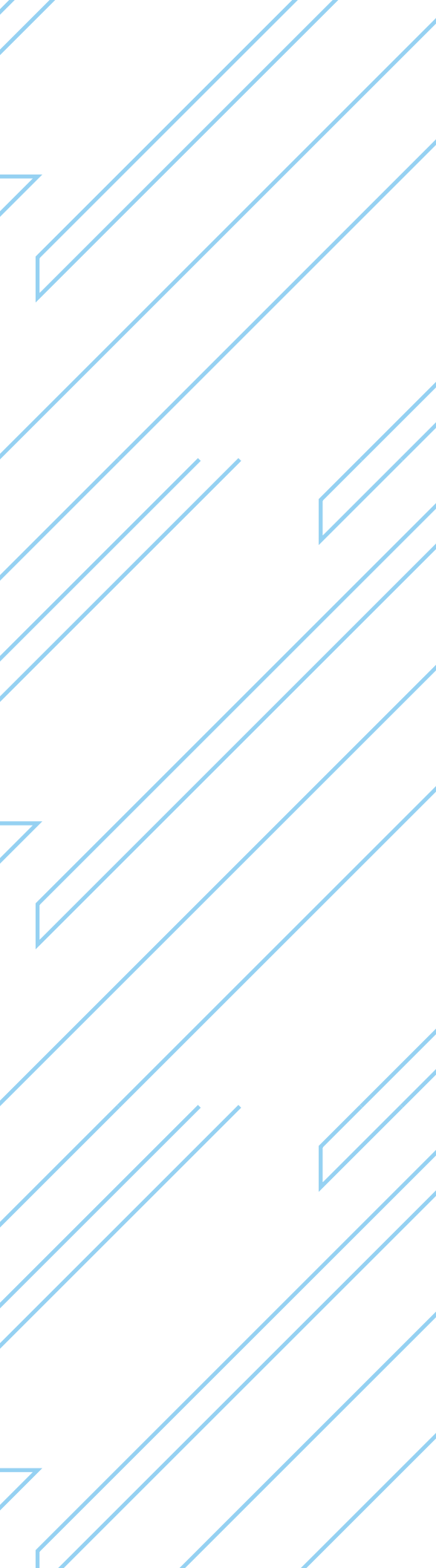
Additional information on the Town of Glastonbury's long-term debt can be found in Note 8 of this report.

### **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, 2018**

	<u>Governmental Activities</u>
Assets:	
Current assets:	
Cash and cash equivalents	\$ 48,871,969
Receivables, net of allowance of \$207,086	3,492,161
Inventory	215,743
Investments	19,622,743
Other assets	20,742
Total current assets	<u>72,223,358</u>
Noncurrent assets:	
Capital assets not being depreciated	49,415,859
Capital assets being depreciated, net of accumulated depreciation	247,838,933
Total noncurrent assets	<u>297,254,792</u>
Total assets	<u>369,478,150</u>
Deferred Outflows of Resources:	
Deferred charge on refunding	1,539,583
Deferred outflows related to pension	8,403,882
Deferred outflows related to OPEB	1,636,995
Total deferred outflows of resources	<u>11,580,460</u>
Liabilities:	
Current liabilities:	
Accounts payable and accrued liabilities	7,996,472
Due to developers for escrow deposits	771,364
Due to others for escrow deposits	214,613
Bond anticipation notes payable	1,650,000
Unearned revenue	1,183,538
Accrued interest payable	314,641
Noncurrent liabilities due within one year	7,419,082
Total current liabilities	<u>19,549,710</u>
Noncurrent liabilities due in more than one year	<u>126,848,397</u>
Total liabilities	<u>146,398,107</u>
Deferred Inflows of Resources:	
Advance tax payments	429,465
Deferred inflows related to OPEB	301,795
Total deferred inflows of resources	<u>731,260</u>
Net Position:	
Net investment in capital assets	237,663,538
Restricted for:	
Trust funds, nonexpendable	8,527
Unrestricted	<u>(3,742,822)</u>
Total Net Position	<u>\$ 233,929,243</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, 2018**

Functions/Programs	Expenses	Program Revenues			Net Revenue (Expense) and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total
Governmental activities:					
General government services	\$ 4,906,496	\$ -	\$ 597,289	\$ -	\$ (4,309,207)
Community development	1,915,888	1,076,329	-	-	(839,559)
Administrative services	6,522,052	1,881,947	-	-	(4,640,105)
Public safety	15,275,692	732,571	248,796	162,114	(14,132,211)
Physical services	11,818,642	37,441	-	3,149,186	(8,632,015)
Sanitation	3,789,056	3,525,324	90,605	-	(173,127)
Human services	3,093,526	180,479	137,125	-	(2,775,922)
Leisure/culture	8,463,475	1,891,739	41,602	20,332	(6,509,802)
Education	135,100,166	1,880,616	30,923,551	-	(102,295,999)
Interest on long-term debt	2,080,233	-	-	-	(2,080,233)
<b>Total</b>	<b>\$ 192,965,226</b>	<b>\$ 11,206,446</b>	<b>\$ 32,038,968</b>	<b>\$ 3,331,632</b>	<b>(146,388,180)</b>
		General revenues:			
					147,569,385
					120,474
					856,465
					<u>148,546,324</u>
					Change in Net Position
					2,158,144
					Net Position at Beginning of Year, as Restated
					<u>231,771,099</u>
					Net Position at End of Year
					<u>\$ 233,929,243</u>

The accompanying notes are an integral part of the financial statements

**TOWN OF GLASTONBURY, CONNECTICUT  
BALANCE SHEET - GOVERNMENTAL FUNDS  
JUNE 30, 2018**

	<u>General Fund</u>	<u>Special Assessment Fund</u>	<u>Capital Reserve Projects Fund</u>	<u>Capital and Nonrecurring Expenditures Fund</u>	<u>Land Acquisition</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>							
Cash and cash equivalents	\$ 24,197,516	\$ 3,779,584	\$ 6,741,977	\$ -	\$ 1,320,619	\$ 6,442,887	\$ 42,482,583
Receivables, net of allowances for collection losses	1,560,944	501,053	-	-	-	287,332	2,349,329
Due from other funds	-	-	1,443,459	-	-	-	1,443,459
Inventory	192,828	-	-	-	-	22,915	215,743
Investments	6,200,294	9,719,837	1,837,186	-	359,868	1,505,558	19,622,743
Other assets	9,876	-	-	-	-	10,866	20,742
Total Assets	<u>\$ 32,161,458</u>	<u>\$ 14,000,474</u>	<u>\$ 10,022,622</u>	<u>\$ -</u>	<u>\$ 1,680,487</u>	<u>\$ 8,269,558</u>	<u>\$ 66,134,599</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>							
Liabilities:							
Accounts payable and other payables	\$ 4,442,431	\$ -	\$ 1,114,825	\$ -	\$ -	\$ 991,214	\$ 6,548,470
Due to other funds	38,581	-	-	1,443,459	-	-	1,482,040
Due to developers for escrow deposits	771,364	-	-	-	-	-	771,364
Due to others for escrow deposits	123,580	91,033	-	-	-	-	214,613
Bond anticipation notes	-	-	-	-	1,650,000	-	1,650,000
Unearned revenue	34,643	-	-	1,071,798	-	77,097	1,183,538
Total liabilities	<u>5,410,599</u>	<u>91,033</u>	<u>1,114,825</u>	<u>2,515,257</u>	<u>1,650,000</u>	<u>1,068,311</u>	<u>11,850,025</u>
Deferred inflows of resources:							
Unavailable revenue - property taxes	740,091	-	-	-	-	-	740,091
Unavailable revenue - special assessments	-	480,382	-	-	-	24,939	505,321
Unavailable revenue - other	-	-	-	-	-	3,093	3,093
Advance tax payments	253,240	-	-	-	-	-	253,240
Total deferred inflows of resources	<u>993,331</u>	<u>480,382</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>28,032</u>	<u>1,501,745</u>
Fund balances:							
Nonspendable	202,704	-	-	-	-	36,608	239,312
Restricted	-	-	-	-	-	1,663,022	1,663,022
Committed	-	13,429,059	8,907,797	-	30,487	5,473,585	27,840,928
Assigned	1,678,597	-	-	-	-	-	1,678,597
Unassigned	23,876,227	-	-	(2,515,257)	-	-	21,360,970
Total fund balances	<u>25,757,528</u>	<u>13,429,059</u>	<u>8,907,797</u>	<u>(2,515,257)</u>	<u>30,487</u>	<u>7,173,215</u>	<u>52,782,829</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 32,161,458</u>	<u>\$ 14,000,474</u>	<u>\$ 10,022,622</u>	<u>\$ -</u>	<u>\$ 1,680,487</u>	<u>\$ 8,269,558</u>	<u>\$ 66,134,599</u>

(Continued on next page)

**TOWN OF GLASTONBURY, CONNECTICUT**  
**BALANCE SHEET - GOVERNMENTAL FUNDS (CONTINUED)**  
**JUNE 30, 2018**

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)	\$ 52,782,829
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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	\$ 531,439,746	
Less accumulated depreciation	<u>(234,184,954)</u>	
Net capital assets		297,254,792

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	1,072,280	
Interest receivable on property taxes	465,000	
Interest receivable on sewer assessments	46,000	
Changes in pension deferred outflows	8,403,882	
Changes in OPEB deferred outflows	<u>1,636,995</u>	
		11,624,157

Internal service funds are used by management to charge the costs of risk management to individual funds. The assets and liabilities of the internal service funds are reported with governmental activities in the statement of net position.

5,611,797

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	(44,925,000)
Bond premium, net of amortization	(1,860,800)
Deferred charges on refunding	1,539,583
Clean Water loans payable	(12,695,037)
Interest payable on bonds	(314,641)
Compensated absences	(4,211,625)
Net pension liability	(55,174,485)
Changes in pension deferred inflows	(301,795)
OPEB liability	<u>(15,400,532)</u>

Net Position of Governmental Activities (Exhibit I)	<u>\$ 233,929,243</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, 2018**

	General Fund	Special Assessment Fund	Capital Reserve Projects Fund	Capital and Nonrecurring Expenditures Fund	Land Acquisition	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues:</b>							
Property taxes, interest and lien fees	\$ 147,560,197	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 147,560,197
Licenses and permits	1,442,652	-	-	-	-	-	1,442,652
Intergovernmental	8,166,349	-	-	2,679,162	-	3,187,901	14,033,412
Charges for services	1,518,887	175,024	-	-	-	6,432,415	8,126,326
Investment income	793,946	235,796	-	109,604	34,716	57,069	1,231,131
Unrealized investment loss	(181,482)	(201,208)	-	-	-	-	(382,690)
Other revenues	1,420,512	72	-	11,769	9,412	1,017,862	2,459,627
State payment for teacher's retirement system	20,613,490	-	-	-	-	-	20,613,490
Total revenues	<u>181,334,551</u>	<u>209,684</u>	<u>-</u>	<u>2,800,535</u>	<u>44,128</u>	<u>10,695,247</u>	<u>195,084,145</u>
<b>Expenditures:</b>							
<b>Current:</b>							
General government	3,038,972	-	-	-	-	-	3,038,972
Community development	1,857,926	-	-	-	-	-	1,857,926
Administrative services	5,948,465	-	-	-	-	245,737	6,194,202
Public safety	13,634,227	-	-	-	-	743,357	14,377,584
Physical services	6,943,112	-	-	-	-	-	6,943,112
Sanitation	725,610	-	-	-	-	1,737,476	2,463,086
Human services	2,787,792	-	-	-	-	-	2,787,792
Leisure/culture	5,239,873	-	-	-	-	1,512,406	6,752,279
Education	105,358,616	-	-	-	-	3,950,642	109,309,258
State payment for teacher's retirement system	20,613,490	-	-	-	-	-	20,613,490
Debt service	8,662,536	-	-	-	-	1,148,679	9,811,215
Capital outlay	-	-	11,522,076	-	1,162,485	1,346,472	14,031,033
Total expenditures	<u>174,810,619</u>	<u>-</u>	<u>11,522,076</u>	<u>-</u>	<u>1,162,485</u>	<u>10,684,769</u>	<u>198,179,949</u>
Revenues over (under) Expenditures	<u>6,523,932</u>	<u>209,684</u>	<u>(11,522,076)</u>	<u>2,800,535</u>	<u>(1,118,357)</u>	<u>10,478</u>	<u>(3,095,804)</u>
<b>Other Financing Sources (Uses):</b>							
Sale of general capital assets	11,485	-	-	-	-	-	11,485
Transfers in	-	200,000	12,958,110	5,893,159	-	718,296	19,769,565
Transfers out	(7,433,600)	(438,296)	(60,000)	(10,958,110)	-	(879,559)	(19,769,565)
Total other financing sources (uses)	<u>(7,422,115)</u>	<u>(238,296)</u>	<u>12,898,110</u>	<u>(5,064,951)</u>	<u>-</u>	<u>(161,263)</u>	<u>11,485</u>
Net Change in Fund Balances	(898,183)	(28,612)	1,376,034	(2,264,416)	(1,118,357)	(150,785)	(3,084,319)
Fund Balances at Beginning of Year	<u>26,655,711</u>	<u>13,457,671</u>	<u>7,531,763</u>	<u>(250,841)</u>	<u>1,148,844</u>	<u>7,324,000</u>	<u>55,867,148</u>
Fund Balances at End of Year	<u>\$ 25,757,528</u>	<u>\$ 13,429,059</u>	<u>\$ 8,907,797</u>	<u>\$ (2,515,257)</u>	<u>\$ 30,487</u>	<u>\$ 7,173,215</u>	<u>\$ 52,782,829</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, 2018**

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) \$ (3,084,319)

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	\$ 12,793,052	
Depreciation expense	(12,597,488)	
Capital contributions	20,332	
Disposals	<u>(166,347)</u>	
		49,549

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	(168,101)	
Interest income on property taxes	146,000	
Interest income on sewer assessments	<u>10,000</u>	
		(12,101)

Deferred outflow - change in pension actuarial experience		1,507,115
Deferred outflow - change in pension assumptions		2,327,553
Deferred outflow - change in pension investment earnings		(2,992,005)
Deferred outflow - change in OPEB actuarial experience		1,055,546
Deferred outflow - change in OPEB assumptions		580,551
Deferred outflow - change in OPEB investment earnings		898

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	78,826	
Principal payments on bonds	6,810,000	
Principal payments on Clean Water loans payable	885,160	
Change in bond premium	535,006	
Change in deferred charge on refunding	(578,013)	
Change in pension liability	(3,893,909)	
Deferred inflow - change in actuarial assumptions	196,699	
Change in OPEB liability	<u>(1,883,063)</u>	
		2,150,706

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		272,033
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The net expense of certain activities of internal service funds is reported in governmental activities		<u>302,618</u>
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Change in Net Position of Governmental Activities (Exhibit II)		<u>\$ 2,158,144</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, 2018**

	<b>Governmental Activities</b>
	<b>Internal Service Fund</b>
Assets:	
Current assets:	
Cash and cash equivalents	\$ 6,389,386
Accounts receivable, net	631,832
Due from other funds	<u>38,581</u>
Total current assets	<u>7,059,799</u>
Liabilities:	
Current liabilities:	
Claims payable	1,228,863
Administration expense payable	<u>219,139</u>
Total current liabilities	<u>1,448,002</u>
Net Position:	
Unrestricted	<u>\$ 5,611,797</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, 2018**

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	<b>Governmental Activities Internal Service Fund</b>
Operating Revenues:	
Employer contributions	\$ 15,594,196
Employee contributions	3,710,977
Total operating revenues	<u>19,305,173</u>
Operating Expenses:	
Claims incurred	16,980,273
Administration	2,030,306
Total operating expenses	<u>19,010,579</u>
Operating Income	294,594
Nonoperating Revenues:	
Investment income	<u>8,024</u>
Change in Net Position	302,618
Net Position at Beginning of Year	<u>5,309,179</u>
Net Position at End of Year	<u>\$ 5,611,797</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, 2018**

	<b>Governmental Activities Internal Service Fund</b>
Cash Flows from Operating Activities:	
Receipts from customers and users	\$ 20,096,717
Claims paid	(17,202,066)
Payments for administration	(2,066,612)
Net cash provided by (used in) operating activities	<u>828,039</u>
Cash Flows from Investing Activities:	
Investment income (loss)	<u>8,024</u>
Net Increase (Decrease) in Cash and Cash Equivalents	836,063
Cash and Cash Equivalents - Beginning of Year	<u>5,553,323</u>
Cash and Cash Equivalents - End of Year	<u>\$ 6,389,386</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:	
Operating income (loss)	\$ 294,594
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:	
(Increase) decrease in accounts receivable	830,125
Increase (decrease) in claims payable	(221,793)
Increase (decrease) in administration payable	<u>(36,306)</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ 828,039</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, 2018**

	<b>Pension and Other Employee Benefit Trust Funds</b>	<b>Agency Funds</b>
	<u>                    </u>	<u>                    </u>
Assets:		
Cash and cash equivalents	\$ 1,015,216	\$ 1,253,831
Investments, at fair value:		
Mutual funds	142,046,267	-
Limited partnerships	8,556,693	-
Total assets	<u>151,618,176</u>	<u>1,253,831</u>
Liabilities:		
Due to student groups	-	1,203,582
Due to others	-	50,249
Total liabilities	<u>-</u>	<u>1,253,831</u>
Net Position:		
Restricted for Pension and OPEB Benefits	<u>\$ 151,618,176</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, 2018**

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	<b>Pension and Other Employee Benefit Trust Funds</b>
Additions:	
Contributions:	
Employer	\$ 8,530,038
Employee	1,861,582
Total contributions	<u>10,391,620</u>
Investment income:	
Net change in fair value of investments	7,671,795
Interest and dividends	3,135,029
	<u>10,806,824</u>
Less investment expenses:	
Investment management fees	62,832
Net investment income	<u>10,743,992</u>
Total additions	<u>21,135,612</u>
Deductions:	
Benefit payments	9,303,054
Administration fees	109,011
Total deductions	<u>9,412,065</u>
Change in Net Position	11,723,547
Net Position at Beginning of Year	<u>139,894,629</u>
Net Position at End of Year	<u>\$ 151,618,176</u>

The accompanying notes are an integral part of the financial statements

## **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. Exceptions to this general rule are payments in lieu of taxes and other charges between certain Town functions because the elimination of these charges would distort the direct costs and program revenues reported for various functions concerned.

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 *Capital and Nonrecurring Expenditures Fund* accounts for the funds set aside for future capital improvements.

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, 2018**

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Additionally, the Town reports the following fiduciary fund types:

The *Pension and Other Employee Benefit Trust Funds* account 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.

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

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

**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 cost. 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."

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**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 acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend 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 and OPEB 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 and OPEB 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 and OPEB plans (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 pension and OPEB in the government-wide statement of net position. Advance

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property tax 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 and OPEB results from differences between expected and actual experience, changes in assumptions or other inputs. These amounts are deferred and included in pension and OPEB expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension and OPEB plan (active employees and inactive employees). 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, special assessments, and other. 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.

*Net OPEB liability*

The net OPEB liability is measured as the portion of the present value of projected benefit payments to be provided to current active and inactive employees that is attributed to those employees' past periods of service (total OPEB liability), less the amount of the OPEB plan's fiduciary net position. The OPEB plan's fiduciary net position is determined using the same valuation methods that are used by the OPEB plan for purposes of preparing its statement of fiduciary net position. The net OPEB liability is measured as of a date (measurement date) no earlier than the end of the employer's prior fiscal year, consistently applied from period to period.

*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**

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

**Net Investment in Capital Assets**

This 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.



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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.

**TOWN OF GLASTONBURY, CONNECTICUT  
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**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, 2018, supplemental appropriations in the amount of \$7,645,040 (which included \$436,668 from the unexpended education fund) were approved by the Council and the Board of Finance.

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**3. DEFICIT FUND EQUITY**

The following funds had a deficit fund balance at June 30, 2018:

Capital Projects:		
Capital and Nonrecurring Expenditures	\$	2,515,257

Deficits in the Capital and Nonrecurring Expenditures Fund will be funded by additional grants and donations.

**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.

**TOWN OF GLASTONBURY, CONNECTICUT  
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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*, \$26,624,529 of the Town's bank balance of \$38,274,807 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 23,841,334
Uninsured and collateral held by the pledging bank's trust department, not in the Town's name	<u>2,783,195</u>
<b>Total Amount Subject to Custodial Credit Risk</b>	<b>\$ <u>26,624,529</u></b>

**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	*	\$ 19,622,743	\$ <u>3,087,378</u>	\$ <u>16,535,365</u>	\$ <u>-</u>
Other Investments:					
Mutual funds	N/A	142,046,267			
Limited partnerships	N/A	<u>8,556,693</u>			
<b>Total Investments</b>		<b>\$ <u>170,225,703</u></b>			

N/A - Not Applicable

\* Subject to coverage by Federal Depository Insurance and Collateralization

**TOWN OF GLASTONBURY, CONNECTICUT  
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At June 30, 2018, the Town's cash equivalents amounted to \$12,409,521. 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 &amp; 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 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, 2018:

	<u>June 30, 2018</u>	<u>Fair Value Measurements Using</u>		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Mutual funds	\$ 142,046,267	\$ 142,046,267	\$ -	\$ -
Investments measured at net asset value (NAV):				
Limited partnerships	<u>8,556,693</u>			
Total investments	<u>\$ 150,602,960</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.

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

	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency (if currently eligible)</u>	<u>Redemption Notice Period</u>
Barings core property fund LP	\$ 8,556,693	\$ -	Quarterly	60 days
Total investments measured at NAV	<u>8,556,693</u>			

**Real Estate Funds**

The Barings Core Property Fund (BCPF or the Fund) is a diversified, core, open-end commingled fund primarily of stabilized, income-producing, equity real estate. It is structured as a limited partnership with a private REIT subsidiary. The Fund seeks to provide attractive total returns with reduced risk. The Fund has both relative and real return objectives over the longer term: its relative performance objective is to exceed the NCREIF Fund Index-Open-End Diversified Core Equity (NFI-ODCE), and its return objective is to achieve at least a 5% real rate of return, before advisory fees. The Fund is diversified by property type and geography. It has historically provided quarterly cash flow distributions and is open to contributions and redemptions on a quarterly basis.

**5. FUND RECEIVABLES**

Receivables at June 30, 2018, 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 *	\$ 1,194,882	\$ -	\$ -	\$ 1,194,882
Assessments and user charges	-	535,906	711,811	1,247,717
Allowance for collection losses	<u>(132,000)</u>	<u>(54,000)</u>	<u>(21,086)</u>	<u>(207,086)</u>
Net taxes and assessments receivable	1,062,882	481,906	690,725	2,235,513
Intergovernmental	21,500		102,699	124,199
Other receivables	<u>476,562</u>	<u>19,147</u>	<u>125,740</u>	<u>621,449</u>
Net Receivables	<u>\$ 1,560,944</u>	<u>\$ 501,053</u>	<u>\$ 919,164</u>	<u>\$ 2,981,161</u>

\* Interest on delinquent taxes are not included

**TOWN OF GLASTONBURY, CONNECTICUT  
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**6. CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2018 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	\$ 44,555,708	\$ 78,207	\$ -	\$ 44,633,915
Development rights	2,231,097	1,099,610	-	3,330,707
Construction in progress	1,756,809	9,535,425	9,840,997	1,451,237
Total capital assets not being depreciated	<u>48,543,614</u>	<u>10,713,242</u>	<u>9,840,997</u>	<u>49,415,859</u>
Capital assets being depreciated:				
Land improvements	41,136,102	1,277,168	-	42,413,270
Buildings and improvements	226,136,387	2,935,138	-	229,071,525
Machinery and equipment	51,050,002	2,625,486	388,755	53,286,733
Computer software	588,774	283,359	-	872,133
Infrastructure	151,560,238	4,819,988	-	156,380,226
Total capital assets being depreciated	<u>470,471,503</u>	<u>11,941,139</u>	<u>388,755</u>	<u>482,023,887</u>
Less accumulated depreciation for:				
Land improvements	14,651,644	2,007,766	-	16,659,410
Buildings and improvements	66,850,404	4,414,227	-	71,264,631
Machinery and equipment	24,739,466	2,864,236	222,408	27,381,294
Computer software	445,156	72,583	-	517,739
Infrastructure	115,123,204	3,238,676	-	118,361,880
Total accumulated depreciation	<u>221,809,874</u>	<u>12,597,488</u>	<u>222,408</u>	<u>234,184,954</u>
Total capital assets being depreciated, net	<u>248,661,629</u>	<u>(656,349)</u>	<u>166,347</u>	<u>247,838,933</u>
Governmental Activities Capital Assets, Net	<u>\$ 297,205,243</u>	<u>\$ 10,056,893</u>	<u>\$ 10,007,344</u>	<u>\$ 297,254,792</u>

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

Governmental Activities:	
General government	\$ 198,030
Community development	12,251
Administrative services	58,086
Public safety	863,417
Physical services	3,605,866
Sanitation	1,279,738
Human services	201,652
Leisure / culture	1,245,127
Education	<u>5,133,321</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 12,597,488</u>

**TOWN OF GLASTONBURY, CONNECTICUT  
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**A. Construction Commitments**

The Town has the following construction commitments as of June 30, 2018:

	<u>Project Authorization</u>	<u>Expended to June 30, 2018</u>	<u>Outstanding Construction Commitments</u>
Capital Reserve Projects:			
Bridge Replacement/Rehabilitation	\$ 3,050,000	\$ 2,443,436	\$ 129,767
Hebron Avenue Resurfacing	1,250,000	413,489	657,622
Town Center Traffic/Street Improvement	2,125,000	2,007,797	115,483
Parks Facility Renovation/Expansion	917,500	580,733	336,502
Hebron Ave/House St Improvements	1,975,000	623,221	1,066,016
Schools Air Conditioning	2,650,000	1,383,593	818,923
Gideon Welles Window Replacement	<u>1,723,842</u>	<u>1,687,509</u>	<u>30,492</u>
Total	<u>\$ 13,691,342</u>	<u>\$ 9,139,778</u>	<u>\$ 3,154,805</u>

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

**7. INTERFUND RECEIVABLE AND PAYABLE BALANCES**

During the course of operations, transactions are processed through a fund on behalf of another fund. Additionally, revenues received in one fund are transferred to another fund. A summary of interfund balances as of June 30, 2018 is presented below:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Internal Service	General Fund	\$ 38,581
Capital Reserve Projects Fund	Capital and Nonrecurring Expenditures Fund	<u>1,443,459</u>
		<u>\$ 1,482,040</u>

The outstanding balance between funds result mainly from the timing between the dates that interfund goods and services are provided or reimbursable expenditures occur, transactions are recorded in the accounting system and payments between funds are made.



**TOWN OF GLASTONBURY, CONNECTICUT  
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Interfund transfers during the year ended June 30, 2018 were as follows:

	<b>Transfer In</b>				<b>Total</b>
	<b>Special Assessment Fund</b>	<b>Capital Reserve Projects Fund</b>	<b>Capital and Nonrecurring Expenditures Fund</b>	<b>Nonmajor Governmental Funds</b>	
Transfers out:					
General Fund	\$ -	\$ 2,000,000	\$ 5,213,600	\$ 220,000	\$ 7,433,600
Special Assessment Fund	-	-	-	438,296	438,296
Capital Reserve Projects Fund	-	-	-	60,000	60,000
Capital and Nonrecurring Expenditures Fund	-	10,958,110	-	-	10,958,110
Nonmajor Governmental Funds	200,000	-	679,559	-	879,559
Total Transfers In	<u>\$ 200,000</u>	<u>\$ 12,958,110</u>	<u>\$ 5,893,159</u>	<u>\$ 718,296</u>	<u>\$ 19,769,565</u>

Transfers are used to move resources from the General Fund and Special Assessment Fund to nonmajor funds and from nonmajor funds and the Capital and Nonrecurring Expenditures Fund 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, 2018 is as follows:

	<b>Beginning Balance</b>	<b>Additions</b>	<b>Reductions</b>	<b>Ending Balance</b>	<b>Due Within One Year</b>
General obligation bonds	\$ 51,735,000	\$ -	\$ 6,810,000	\$ 44,925,000	\$ 6,420,000
Premium on bonds	2,395,806	-	535,006	1,860,800	-
Clean Water loans payable	13,580,197	-	885,160	12,695,037	903,026
Compensated absences	4,483,658	118,752	390,785	4,211,625	96,056
Pension liability	51,280,576	3,893,909	-	55,174,485	-
OPEB liability	13,517,469	1,883,063	-	15,400,532	-
Total Long-Term Liabilities	<u>\$ 136,992,706</u>	<u>\$ 5,895,724</u>	<u>\$ 8,620,951</u>	<u>\$ 134,267,479</u>	<u>\$ 7,419,082</u>

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

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

**TOWN OF GLASTONBURY, CONNECTICUT  
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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%	\$ 450,000	\$ 50,000	\$ 400,000
Refunding bonds	7,370,000	04/15/09	08/01/21	2.00-5.00%	2,030,000	760,000	1,270,000
Refunding bonds	19,555,000	11/15/10	05/15/25	2.00-5.00%	10,236,000	1,379,000	8,857,000
School bonds	2,715,000	11/15/11	05/15/26	2.00-3.00%	1,940,000	155,000	1,785,000
Refunding bonds	11,675,000	06/27/12	06/30/26	2.00-5.00%	9,440,000	835,000	8,605,000
Refunding bonds	6,385,000	05/15/14	08/01/28	2.00-5.00%	3,741,500	1,165,500	2,576,000
Total schools					<u>27,837,500</u>	<u>4,344,500</u>	<u>23,493,000</u>
General purpose:							
Improvement bonds	7,000,000	04/15/09	04/15/29	2.00-4.50%	3,150,000	350,000	2,800,000
Refunding bonds	2,135,000	04/15/09	08/01/21	2.00-5.00%	665,000	215,000	450,000
Refunding bonds	8,995,000	11/15/10	05/15/25	2.00-5.00%	4,694,000	641,000	4,053,000
Land	3,680,000	11/15/11	05/15/26	2.00-3.00%	2,705,000	195,000	2,510,000
Refunding bonds	2,870,000	06/27/12	06/30/26	2.00-5.00%	2,175,000	250,000	1,925,000
Improvement bonds	8,950,000	10/10/13	10/01/33	3.00-4.625%	8,240,000	375,000	7,865,000
Refunding bonds	3,095,000	05/15/14	08/01/28	2.00-5.00%	2,268,500	439,500	1,829,000
Total general purpose					<u>23,897,500</u>	<u>2,465,500</u>	<u>21,432,000</u>
Total general obligation bonds					<u>\$ 51,735,000</u>	<u>\$ 6,810,000</u>	<u>\$ 44,925,000</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>
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	4,975,000	1,013,599	5,988,599
2023	4,675,000	837,124	5,512,124
2024-2028	14,185,000	2,026,267	16,211,267
2029-2033	3,915,000	478,709	4,393,709
2034	530,000	12,252	542,252
	<u>\$ 44,925,000</u>	<u>\$ 8,608,760</u>	<u>\$ 53,533,760</u>

**TOWN OF GLASTONBURY, CONNECTICUT  
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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>
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	958,818	189,861	1,148,679
2023	978,172	170,508	1,148,680
2024-2028	5,195,106	548,290	5,743,396
2029-2030	2,798,814	72,885	2,871,699
	<u>\$ 12,695,037</u>	<u>\$ 1,663,454</u>	<u>\$ 14,358,491</u>

**A. Bond Anticipation Notes Payable**

Bond anticipation notes totaling \$1,650,000, which were issued to temporarily finance land acquisitions, matured in November 2017. During November 2017, bond anticipation notes totaling \$1,650,000 were issued with an interest rate of 0.47%, which mature on July 26, 2018.

Bond anticipation note transactions for the year ended June 30, 2018 were as follows:

Outstanding, July 1, 2017	\$ 1,650,000
New borrowings	1,650,000
Repayments	<u>(1,650,000)</u>
Outstanding, June 30, 2018	<u>\$ 1,650,000</u>

**B. Bonds Authorized But Unissued**

The bonds authorized and unissued at June 30, 2018 are \$8,230,000 for land/open space.

**TOWN OF GLASTONBURY, CONNECTICUT  
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**C. 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:

<u>Category</u>	<u>Debt Limit</u>	<u>Indebtedness</u>	<u>Balance</u>
General purpose	\$ 319,788,297	\$ 31,312,000	\$ 288,476,297
Schools	639,576,594	23,493,000	616,083,594
Sewers	532,980,495	12,695,038	520,285,457
Urban Renewal	461,916,429	-	461,916,429
Pension deficit	426,384,396	-	426,384,396

The total overall statutory debt limit for the Town is equal to seven times annual receipts from taxation \$995 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.

**TOWN OF GLASTONBURY, CONNECTICUT  
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**9. FUND BALANCE**

The components of fund balance for the governmental funds at June 30, 2018 are as follows:

	General Fund	Special Assessment Fund	Capital Reserve Projects Fund	Capital and Nonrecurring Expenditures Fund	Land Acquisition	Nonmajor Governmental Funds	Total
Fund balances:							
Nonspendable:							
Prepaid items	\$ 9,876	\$ -	\$ -	\$ -	\$ -	\$ 5,166	\$ 15,042
Inventory	192,828	-	-	-	-	22,915	215,743
Required to be retained in perpetuity	-	-	-	-	-	8,527	8,527
Restricted for:							
Law enforcement acquisitions	-	-	-	-	-	12,176	12,176
Education	-	-	-	-	-	664,581	664,581
Road construction and maintenance	-	-	-	-	-	134,406	134,406
Library acquisitions	-	-	-	-	-	139,793	139,793
Riverfront community center	-	-	-	-	-	183,715	183,715
Human services programs	-	-	-	-	-	12,665	12,665
Parks and recreation	-	-	-	-	-	117,636	117,636
Public safety programs	-	-	-	-	-	299,123	299,123
Other programs	-	-	-	-	-	98,927	98,927
Committed to:							
Town facility improvements	-	-	1,131,491	-	-	-	1,131,491
School improvements	-	-	1,695,493	-	-	-	1,695,493
Regional dispatch center	-	-	132,023	-	-	-	132,023
Street improvements and realignment	-	-	2,890,809	-	-	-	2,890,809
Land acquisition	-	-	-	-	30,487	-	30,487
Bridge and dam replacement/maintenance	-	-	690,318	-	-	-	690,318
Sewer infrastructure	-	13,429,059	-	-	-	1,852,896	15,281,955
Sewer plant operations	-	-	-	-	-	1,115,718	1,115,718
Other capital projects	-	-	1,017,157	-	-	47,049	1,064,206
Police private duty	-	-	-	-	-	528,743	528,743
Camp Sunrise	-	-	-	-	-	21,276	21,276
Recreation programs	-	-	1,350,506	-	-	1,012,497	2,363,003
Insurance reserve	-	-	-	-	-	418,260	418,260
Riverfront Park operations	-	-	-	-	-	238,299	238,299
Planetarium operations	-	-	-	-	-	51,974	51,974
Golf course maintenance	-	-	-	-	-	186,873	186,873
Assigned to:							
Subsequent year's budget	575,000	-	-	-	-	-	575,000
Capital outlay in subsequent year	216,738	-	-	-	-	-	216,738
Education surplus carried to subsequent year	667,038	-	-	-	-	-	667,038
Continued appropriations	219,821	-	-	-	-	-	219,821
Unassigned	23,876,227	-	-	(2,515,257)	-	-	21,360,970
Total Fund Balance	\$ 25,757,528	\$ 13,429,059	\$ 8,907,797	\$ (2,515,257)	\$ 30,487	\$ 7,173,215	\$ 52,782,829

Significant encumbrances of \$3,575,077 and \$5,070,878 are included in the Capital Reserve Projects Fund and nonmajor funds, respectively, at June 30, 2018.

**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.

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, 2017, the date of the latest actuarial valuation:

Retirees, disabled and beneficiaries currently receiving benefits	323
Terminated employees entitled to benefits but not yet receiving them	122
Current plan members	<u>441</u>
 Total	 <u><u>886</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 2018, 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.

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.

**TOWN OF GLASTONBURY, CONNECTICUT  
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**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, 2018:

<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, 2018, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 7.51%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**Net Pension Liability of the Town**

The components of the net pension liability of the Town at June 30, 2018 were as follows:

Total pension liability	\$ 202,019,589
Plan fiduciary net position	<u>(146,845,104)</u>
Town’s Net Pension Liability	<u>\$ 55,174,485</u>
Plan fiduciary net position as a percentage of the total pension liability	72.69%



**TOWN OF GLASTONBURY, CONNECTICUT  
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**Actuarial Assumptions**

The total pension liability was determined by an actuarial valuation as of July 1, 2017, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Salary increases	Graded by age from 6.50% to 3.00%
Investment rate of return	6.625% for Non-hybrid plan, and 5.000% for Hybrid plan, net of pension plan investment expense, including inflation

Mortality rates for healthy annuitants was based on the RP-2000 Mortality Table for employees and healthy annuitants, with separate male and female rates, with generational projection per Scale AA. Mortality rates for disabled annuitants was based on the RP-2000 Disabled Mortality Table 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, 2018 (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	4.86 %
Core Fixed Income	2.65
Developed Foreign Equities	5.79
Non-U.S. Fixed Income	1.01
Private Real Estate Property	3.85
Emerging Market Equities	8.12
Inflation-Indexed Bonds	1.81
Core Bonds	2.50
Commodities	3.07

**Discount Rate**

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

**TOWN OF GLASTONBURY, CONNECTICUT  
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**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 July 1, 2017	\$ 187,359,615	\$ 136,079,039	\$ 51,280,576
Changes for the year:			
Service cost	4,159,188	-	4,159,188
Interest on total pension liability	12,876,054	-	12,876,054
Effect of plan changes	(33,783)	-	(33,783)
Effect of economic/demographic gains or losses	2,427,429	-	2,427,429
Effect of assumptions changes or inputs	3,835,590	-	3,835,590
Employer contributions	-	7,137,123	(7,137,123)
Member contributions	-	1,861,582	(1,861,582)
Net investment income (loss)	-	10,469,718	(10,469,718)
Benefit payments, including refund to employee contributions	(8,604,504)	(8,604,504)	-
Administrative expenses	-	(97,854)	97,854
Net changes	<u>14,659,974</u>	<u>10,766,065</u>	<u>3,893,909</u>
Balances as of June 30, 2018	<u>\$ 202,019,589</u>	<u>\$ 146,845,104</u>	<u>\$ 55,174,485</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 6.625%, as well as what the Town's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.625%) or 1 percentage point higher (7.625%) than the current rate:

	1% Decrease (5.625%)	Current Discount Rate (6.625%)	1% Increase (7.625%)
Town's Net Pension Liability	\$ 82,405,779	\$ 55,174,485	\$ 35,670,301

**TOWN OF GLASTONBURY, CONNECTICUT  
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**Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

For the year ended June 30, 2018, the Town recognized pension expense of \$9,991,670. At June 30, 2018, 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	\$ 3,289,909	\$ 301,795
Changes of assumptions	4,662,639	-
Net difference between projected and actual earning on pension plan investments	<u>451,334</u>	<u>-</u>
Total	<u>\$ 8,403,882</u>	<u>\$ 301,795</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,**

2019	\$ 4,114,055
2020	2,595,130
2021	307,942
2022	<u>1,084,960</u>
	<u>\$ 8,102,087</u>

**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](http://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.

**TOWN OF GLASTONBURY, CONNECTICUT  
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**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).

**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.

Effective January 1, 2018, the required contribution increased to 7% of pensionable salary.

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

At June 30, 2018, 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>161,548,380</u>
Total	\$	<u>161,548,380</u>

**TOWN OF GLASTONBURY, CONNECTICUT  
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The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2016. At June 30, 2018, the Town has no proportionate share of the net pension liability.

For the year ended June 30, 2018, the Town recognized pension expense and revenue of \$18,686,429 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, 2016, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Salary increase	3.25-6.50%, including inflation
Investment rate of return	8.00%, net of pension plan investment expense, including inflation

Mortality rates were based on the RPH-2014 White Collar table with employee and annuitant rates blended from ages 50 to 80, projected to the year 2020 using the BB improvement scale, and further adjusted to grade in increased rates (5% for females and 8% for males) over age 80 for the period after service retirement and for dependent beneficiaries as well as for active members. The RPH-2014 Disabled Mortality Table projected to 2017 with Scale BB is used for the period after disability retirement.

The actuarial assumptions used in the June 30, 2016 valuation were based on the results of an actuarial experience study for the period July 1, 2010 - June 30, 2015.

For teachers who retired prior to September 1, 1992, pension benefit adjustments are made in accordance with increases in the Consumer Price Index, with a minimum of 3% and a maximum of 5% per annum.

For teachers who were members of the Teachers' Retirement System before July 1, 2007 and retire on or after September 1, 1992, pension benefit adjustments are made that are consistent with those provided for Social Security benefits on January 1 of the year granted, with a maximum of 6% per annum. If the return on assets in the previous year was less than 8.5%, the maximum increase is 1.5%.

For teachers who were members of the Teachers' Retirement System after July 1, 2007, pension benefit adjustments are made that are consistent with those provided for Social Security benefits on January 1 of the year granted, with a maximum of 5% per annum. If the return on assets in the previous year was less than 11.5%, the maximum increase is 3%, and if the return on the assets in the previous year was less than 8.5%, the maximum increase is 1.0%.

**TOWN OF GLASTONBURY, CONNECTICUT**  
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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%	5.8%
Developed non-U.S. equities	18.0%	6.6%
Emerging markets (non-U.S.)	9.0%	8.3%
Core fixed income	7.0%	1.3%
Inflation linked bond fund	3.0%	1.0%
Emerging market bond	5.0%	3.7%
High yield bonds	5.0%	3.9%
Real estate	7.0%	5.1%
Private equity	11.0%	7.6%
Alternative investments	8.0%	4.1%
Liquidity fund	6.0%	0.4%
	<hr/>	
Total	<u>100.0%</u>	

**Discount Rate**

The discount rate used to measure the total pension liability was 8.00%. 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 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, 2017. The post-retirement plan does not issue stand-alone financial reports.

Management of the postemployment benefits plan is vested with the Town Manager and Director of Finance. Policy oversight is provided by the Board of Finance.

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 Entry Age Normal Method.

Membership in the plan consisted of the following at July 1, 2017, the date of the last actuarial valuation.

Retirees and beneficiaries currently receiving benefits	168
Active plan members	<u>861</u>
Total	<u><u>1,029</u></u>

**TOWN OF GLASTONBURY, CONNECTICUT  
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**C. Investments**

**Investment Policy**

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

**Rate of Return**

For the year ended June 30, 2018, the annual money-weighted rate of return on investments, net of investment expense, was 6.09%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**Net OPEB Liability of the Town**

The Town's net OPEB liability was measured as of June 30, 2018. The components of the net OPEB liability of the Town at June 30, 2018, were as follows:

Total OPEB liability	\$ 20,173,604
Plan fiduciary net position	<u>4,773,072</u>
 Net OPEB Liability	 <u>\$ 15,400,532</u>
 Plan fiduciary net position as a percentage of the total OPEB liability	  23.66%

**Actuarial Assumptions**

The total OPEB liability was determined by an actuarial valuation as of July 1, 2017 using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.70%
Salary increases	Graded based on service for Teachers and Administrators; Graded based on age for Town
Investment rate of return	6.625%, net of OPEB plan investment expense, including inflation
Healthcare cost trend rates	5.48% - 4.50% over 56 years

Mortality rates for Teachers and Administrators were based on the RP-2000 Combined Healthy Mortality Table for males and females projected forward 19 years using scale AA, with a two-year age setback. Mortality rates for all others, were based on the RP-2000 Healthy Mortality Table for males and females with full generational projection per Scale AA, with separate tables for active employees and annuitants.

The plan has not had a formal actuarial experience study performed.



**TOWN OF GLASTONBURY, CONNECTICUT**  
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The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset as of June 30, 2018 are summarized in the following table:

	<u>Target Allocation</u>		<u>Long-Term Expected Real Rate of Return</u>
U.S. Intermediate Bonds	30.00 %		2.20 %
U.S. Equity Market	35.00		4.86
Global Equity	25.00		5.23
U.S. Inflation-Indexed Bonds	10.00		1.81
Total	<u>100.00 %</u>		

**Discount Rate**

The discount rate used to measure the total OPEB liability was 6.625%, a decrease from the prior year rate of 6.91%. The projection of cash flows used to determine the discount rate assumed that Town contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

**Changes in the Net OPEB Liability**

	<u>Total OPEB Liability (a)</u>	<u>Increase (Decrease) Plan Fiduciary Net Position (b)</u>	<u>Net OPEB Liability (a) - (b)</u>
Balances as of July 1, 2017	\$ 17,333,059	\$ 3,815,590	\$ 13,517,469
Changes for the year:			
Service cost	490,603	-	490,603
Interest on total OPEB liability	1,207,883	-	1,207,883
Effect of plan changes	-	-	-
Effect of economic/demographic gains or losses	1,187,489	-	1,187,489
Effect of assumptions changes or inputs	653,120	-	653,120
Benefit payments	(698,550)	(698,550)	-
Employer contributions	-	1,392,915	(1,392,915)
Member contributions	-	-	-
Net investment income	-	274,274	(274,274)
Administrative expenses	-	(11,157)	11,157
Balances as of June 30, 2018	<u>\$ 20,173,604</u>	<u>\$ 4,773,072</u>	<u>\$ 15,400,532</u>

**TOWN OF GLASTONBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
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**Sensitivity of the Net OPEB Liability to Changes in the Discount Rate**

The following presents the net OPEB liability of the Town, as well as what the Town's net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.625%) or 1 percentage point higher (7.625%) than the current discount rate:

	<u>1% Decrease (5.625%)</u>	<u>Current Discount Rate (6.625%)</u>	<u>1% Increase (7.625%)</u>
Net OPEB Liability	\$ 17,922,001	\$ 15,400,532	\$ 13,276,084

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

The following presents the net OPEB liability of the Town, as well as what the Town's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower (4.48% decreasing to 4.5%) or 1 percentage point higher (6.48% decreasing to 4.5%) than the current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Current Trend Rate</u>	<u>1% Increase</u>
Net OPEB Liability	\$ 12,844,441	\$ 15,400,532	\$ 18,521,758

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

For the year ended June 30, 2018, the Town recognized OPEB expense of \$1,638,983. At June 30, 2018, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 1,055,546	\$ -
Changes of assumptions	580,551	-
Net difference between projected and actual earning on pension plan investments	<u>898</u>	<u>-</u>
Total	<u>\$ 1,636,995</u>	<u>\$ -</u>

**TOWN OF GLASTONBURY, CONNECTICUT  
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Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

**Year Ending June 30,**

2019	\$	204,736
2020		204,736
2021		204,736
2022		204,738
2023		204,512
Thereafter		<u>613,537</u>
	\$	<u><u>1,636,995</u></u>

**12. PENSION AND OPEB COMBINING SCHEDULES**

**Pension and OPEB Combining Statement of Net Position**

	<u>Pension Trust Fund</u>	<u>OPEB Trust Fund</u>	<u>Total Trust Funds</u>
<b>Assets:</b>			
Cash and cash equivalents	\$ 1,006,326	\$ 8,890	\$ 1,015,216
Investments, at fair value:			
Mutual funds	137,282,085	4,764,182	142,046,267
Limited partnerships	<u>8,556,693</u>	<u>-</u>	<u>8,556,693</u>
Total assets	<u>146,845,104</u>	<u>4,773,072</u>	<u>151,618,176</u>
<b>Net Position:</b>			
Restricted for Pension and OPEB Benefits	<u>\$ 146,845,104</u>	<u>\$ 4,773,072</u>	<u>\$ 151,618,176</u>

**TOWN OF GLASTONBURY, CONNECTICUT  
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**Pension and OPEB Combining Statement of Changes in Net Position**

	<u>Pension Trust Fund</u>	<u>OPEB Trust Fund</u>	<u>Total Trust Funds</u>
Additions:			
Contributions:			
Employer	\$ 7,137,123	\$ 1,392,915	\$ 8,530,038
Employee	<u>1,861,582</u>	<u>-</u>	<u>1,861,582</u>
Total contributions	<u>8,998,705</u>	<u>1,392,915</u>	<u>10,391,620</u>
Investment income:			
Net change in fair value of investments	7,504,458	167,337	7,671,795
Interest and dividends	<u>3,028,092</u>	<u>106,937</u>	<u>3,135,029</u>
	10,532,550	274,274	10,806,824
Less investment expenses:			
Investment management fees	<u>62,832</u>	<u>-</u>	<u>62,832</u>
Net investment income	<u>10,469,718</u>	<u>274,274</u>	<u>10,743,992</u>
Total additions	<u>19,468,423</u>	<u>1,667,189</u>	<u>21,135,612</u>
Deductions:			
Benefit payments	8,604,504	698,550	9,303,054
Administration fees	<u>97,854</u>	<u>11,157</u>	<u>109,011</u>
Total deductions	<u>8,702,358</u>	<u>709,707</u>	<u>9,412,065</u>
Change in Net Position	10,766,065	957,482	11,723,547
Net Position at Beginning of Year	<u>136,079,039</u>	<u>3,815,590</u>	<u>139,894,629</u>
Net Position at End of Year	<u>\$ 146,845,104</u>	<u>\$ 4,773,072</u>	<u>\$ 151,618,176</u>

**13. OTHER POST EMPLOYMENT BENEFIT - CONNECTICUT TEACHERS RETIREMENT PLAN**

**A. Plan Description**

Teachers, principals, superintendents or supervisors engaged in service of public schools plus professional employees at State Schools of higher education are eligible to participate in the Connecticut State Teachers' Retirement System Retiree Health Insurance Plan (TRS-RHIP), a cost sharing multiple-employer defined benefit other post employment benefit plan administered by the Teachers' Retirement Board (TRB), if they choose to be covered.

Chapter 167a of the State Statutes grants authority to establish and amend the benefit terms to the TRB. TRS-RHIP issues a publicly available financial report that can be obtained at [www.ct.gov/trb](http://www.ct.gov/trb).

**B. Benefit Provisions**

There are two types of the health care benefits offered through the system. Subsidized Local School District Coverage provides a subsidy paid to members still receiving coverage through their former employer and the CTRB Sponsored Medicare Supplemental Plans provide coverage for those participating in Medicare but not receiving Subsidized Local School District Coverage.

Any member who is not currently participating in Medicare Parts A & B is eligible to continue health care coverage with their former employer. A subsidy of up to \$110 per month for a retired member plus an additional \$110 per month for a spouse enrolled in a local school district plan is provided to the school district to first offset the retiree's share of the cost of coverage, and any remaining portion is used to offset the district's cost. The subsidy amount is set by statute and has not increased since July 1996. A subsidy amount of \$220 per month may be paid for a retired member, spouse or the surviving spouse of a member who has attained the normal retirement age to participate in Medicare, is not eligible for Part A of Medicare without cost, and contributes at least \$220 per month towards coverage under a local school district plan.

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

If a member participating in Medicare Parts A & B so elects, they may enroll in one of the CTRB Sponsored Medicare Supplemental Plans. Active members, retirees and the State pay equally toward the cost of the basic coverage (medical and prescription drug benefits). There are three choices for coverage under the CTRB Sponsored Medicare Supplemental Plans. The choices and 2017 calendar year premiums charged for each choice are shown in the table below:

• Medicare Supplement with Prescriptions	\$ 92
• Medicare Supplement with Prescriptions and Dental	136
• Medicare Supplement with Prescriptions, Dental, Vision & Hearing	141

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

**Survivor Health Care Coverage**

Survivors of former employees or retirees remain eligible to participate in the plan and continue to be eligible to receive either the \$110 monthly subsidy or participate in the TRB-Sponsored Medicare Supplemental Plans, as long as they do not remarry.

**C. Eligibility**

Any member who is currently receiving a retirement or disability benefit is eligible to participate in the plan.

**Credited Service**

One month for each month of service as a teacher in Connecticut public schools, maximum 10 months for each school year. Ten months of credited service constitutes one year of Credited Service. Certain other types of teaching services, State employment, or wartime military service may be purchased prior to retirement if the member pays one-half the cost.

**Normal Retirement**

Age 60 with 20 years of Credited Service in Connecticut, or 35 years of Credited Service including at least 25 years of service in Connecticut.

**Early Retirement**

Age 55 with 20 years of Credited Service including 15 years of Connecticut service, or 25 years of Credited Service including 20 years of Connecticut service.

**Proratable Retirement**

Age 60 with 10 years of credited service

**Disability Retirement**

No service requirement if incurred in the performance of duty, and 5 years of Credited Service in Connecticut if not incurred in the performance of duty.

**Termination of Employment**

Ten or more years of Credited Service.

**D. Contributions**

*State of Connecticut*

Per Connecticut General Statutes Section 10-183z, 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. The State contributions are not currently actuarially funded. The State appropriates from the General Fund one third of the annual costs of the Plan. Administrative costs of the Plan are financed by the State. Based upon Chapter 167a, Subsection D of Section 10-183t of the Connecticut statutes, it is assumed the State will pay for any long-term shortfall arising from insufficient active member contributions.

**TOWN OF GLASTONBURY, CONNECTICUT  
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*Employer (School Districts)*

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

*Employees*

Each member is required to contribute 1.25% of their annual salary up to \$500,000. Contributions in excess of \$500,000 will be credited to the Retiree Health Insurance Plan.

**E. OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

At June 30, 2018, the Town reports no amounts for its proportionate share of the net OPEB 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 OPEB liability, the related State support and the total portion of the net OPEB liability that was associated with the Town was as follows:

Town's proportionate share of the net OPEB liability	\$ -
State's proportionate share of the net OPEB liability associated with the Town	<u>41,580,719</u>
Total	<u>\$ 41,580,719</u>

The net OPEB liability was measured as of June 30, 2017, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as June 30, 2016. At June 30, 2018, the Town has no proportionate share of the net OPEB liability.

For the year ended June 30, 2018, the Town recognized OPEB expense and revenue of \$1,927,061 in Exhibit II for on-behalf amounts for the benefits provided by the State.

**F. Actuarial Assumptions**

The total OPEB 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%
Health care costs trend rate	7.25% decreasing to 5.00% by 2022
Salary increases	3.25-6.50%, including inflation
Investment rate of return	3.56%, net of OPEB plan investment expense, including inflation
Year fund net position will be depleted	2018

Mortality rates were based on the RPH-2014 White Collar table with employee and annuitant rates blended from ages 50 to 80, projected to the year 2020 using the BB improvement scale, and further adjusted to grade in increases (5% for females and 8% for males) over age 80. For disabled retirees, mortality rates were based on the RPH-2014 Disabled Mortality Table projected to 2017 using the BB improvement scale.

**TOWN OF GLASTONBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
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The actuarial assumptions used in the June 30, 2016 valuation were based on the results of an actuarial experience study for the period July 1, 2010 - June 30, 2015.

The long-term expected rate of return on plan assets is reviewed as part of the GASB 74 valuation process. Several factors are considered in evaluating the long-term rate of return assumption, including the plan's current asset allocations and a log-normal distribution analysis using the best-estimate ranges of expected future real rates of return (expected return, net investment expense and inflation) for each major asset class. The long-term expected rate of return was determined by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The assumption is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years. The plan is 100% invested in U.S. Treasuries (Cash Equivalents) for which the expected 10-Year Geometric Real Rate of Return is (0.04%).

**G. Discount Rate**

The discount rate used to measure the total OPEB liability was 3.56%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current member contribution rate and that contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members. No future State contributions were assumed to be made. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be depleted in 2018 and, as a result, the Municipal Bond Index Rate was used in the determination.

**H. Sensitivity of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate and the Discount Rate**

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

**I. 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. Detailed information about the Connecticut State Teachers OPEB Plan fiduciary net position is available in the separately issued State of Connecticut Comprehensive Annual Financial Report at [www.ct.gov](http://www.ct.gov).



#### **14. 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.

##### **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.

During the fiscal year ended June 30, 2018, employees contributed \$71,585 and the Town contributed a matching employer contribution of \$88,781. Covered payroll totaled \$2,218,183.

#### **15. 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 \$514,756 and \$456,138, respectively, for the LAP pool program and for excess liability coverage during the fiscal year ended June 30, 2018. 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, 2018. 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, 2016, 2017 or 2018.

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, 2018 was \$1,261,932, 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 OF GLASTONBURY, CONNECTICUT**  
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**JUNE 30, 2018**

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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 \$200,000 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.

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

	<u>Liability July 1,</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>Liability June 30,</u>
2017 - 2018	\$ 1,450,656	\$ 16,980,273	\$ 17,202,066	\$ 1,228,863
2016 - 2017	1,221,603	17,850,694	17,621,641	1,450,656

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.

**16. OPERATING LEASES**

The Town has several operating leases for various computer equipment for use at various schools. The leases are classified as operating leases, which do not give rise to property rights or lease obligations. In most cases, management expects leases will be renewed or replaced by other leases in the normal course of business.

Rental expense for all operating leases for the year ended June 30, 2018 was \$816,410.

The following is a schedule of future payments on operating leases:

<u>Fiscal Year Ending June 30,</u>	<u>Amount</u>
2019	\$ 771,153
2020	427,149
2021	<u>82,650</u>
	<u>\$ 1,280,952</u>

**TOWN OF GLASTONBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
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**17. 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.

**18. SUBSEQUENT EVENTS**

On July 12, 2018, the Town issued \$2,735,000 of General Obligation Bonds, Issue of 2018, Series A with interest rates ranging from 2.00% to 5.00% and a maturity date of July 15, 2038, \$3,800,000 of General Obligation Refunding Bonds, Issue of 2018, Series B with an interest rate of 5.00% maturing on July 15, 2025 and \$1,305,000 General Obligation Bond Anticipation Notes with an interest rate of 1.70% and a maturity date of July 25, 2019.

The Bond Anticipation notes of \$1,650,000 maturing on July 26, 2018 were paid off through the bonds and notes issued on July 12, 2018.

**19. PRIOR PERIOD ADJUSTMENT AND RESTATEMENT**

The following restatements were recorded to the beginning net position of the governmental activities as a result of implementation of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*:

Governmental Activities:

Balance as previously reported June 30, 2017	\$ 242,337,546
Eliminate Net OPEB Obligation reported per GASB No. 45	2,951,022
Record Net OPEB Liability per GASB No. 75	<u>(13,517,469)</u>
Balance July 1, 2017, as Restated	<u>\$ 231,771,099</u>



## **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, 2018**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property taxes	\$ 146,986,165	\$ 146,986,165	\$ 147,560,197	\$ 574,032
Licenses and permits	1,051,100	1,051,100	1,442,652	391,552
Intergovernmental	3,534,606	10,565,540	8,166,349	(2,399,191)
Charges for services	1,792,290	1,810,090	1,518,887	(291,203)
Unrealized (gain) loss	-	-	(181,482)	(181,482)
Investment income	315,000	315,000	793,946	478,946
Other revenue	1,007,072	1,007,072	1,431,997	424,925
Total revenues	<u>154,686,233</u>	<u>161,734,967</u>	<u>160,732,546</u>	<u>(1,002,421)</u>
Expenditures:				
Current:				
General government	3,056,303	3,114,744	3,038,972	75,772
Community development	1,937,698	1,962,109	1,857,926	104,183
Administrative services	5,579,754	5,816,928	5,707,607	109,321
Public safety	13,327,239	14,019,341	13,634,227	385,114
Physical services	6,691,374	6,981,452	6,943,112	38,340
Sanitation	780,913	802,919	725,610	77,309
Human services	2,910,763	2,974,128	2,787,792	186,336
Leisure/culture	5,374,418	5,531,578	5,239,873	291,705
Education	100,894,967	104,911,670	104,911,670	-
Debt service	8,975,000	8,670,000	8,662,536	7,464
Total expenditures	<u>149,528,429</u>	<u>154,784,869</u>	<u>153,509,325</u>	<u>1,275,544</u>
Excess of revenues over expenditures	<u>5,157,804</u>	<u>6,950,098</u>	<u>7,223,221</u>	<u>273,123</u>
Other Financing Sources (Uses):				
Transfers in				
Use of fund balance	575,000	575,000	-	(575,000)
Transfers out	<u>(5,732,804)</u>	<u>(8,121,404)</u>	<u>(8,121,404)</u>	<u>-</u>
Total other financing uses	<u>(5,157,804)</u>	<u>(7,546,404)</u>	<u>(8,121,404)</u>	<u>(575,000)</u>
Net Change in Fund Balance	\$ <u>-</u>	\$ <u>(596,306)</u>	(898,183)	\$ <u>(301,877)</u>
Budgetary Fund Balance at Beginning of Year			<u>26,655,711</u>	
Budgetary Fund Balance at End of Year			\$ <u>25,757,528</u>	

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

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Total pension liability:					
Service cost	\$ 3,202,640	\$ 3,546,691	\$ 3,830,151	\$ 3,976,246	\$ 4,159,188
Interest	10,850,500	11,234,997	11,748,111	12,330,029	12,876,054
Effect of plan changes	-	-	(26,085)	11,568	(33,783)
Effect of economic/demographic gains or losses	-	(711,983)	(316,829)	2,217,622	2,427,429
Effect of assumption changes or inputs	-	927,997	2,408,881	550,555	3,835,590
Benefit payments, including refunds of member contributions	(6,386,200)	(6,801,280)	(7,173,284)	(7,657,362)	(8,604,504)
Net change in total pension liability	7,666,940	8,196,422	10,470,945	11,428,658	14,659,974
Total pension liability - beginning	149,596,650	157,263,590	165,460,012	175,930,957	187,359,615
Total pension liability - ending	<u>157,263,590</u>	<u>165,460,012</u>	<u>175,930,957</u>	<u>187,359,615</u>	<u>202,019,589</u>
Plan fiduciary net position:					
Contributions - employer	5,771,396	6,001,585	6,118,624	6,325,363	7,137,123
Contributions - member	1,675,096	1,627,914	1,631,107	1,705,360	1,861,582
Net investment income (loss)	17,267,726	1,126,546	(1,510,983)	15,358,365	10,469,718
Benefit payments, including refunds of member contributions	(6,386,200)	(6,801,280)	(7,158,404)	(7,657,362)	(8,604,504)
Administrative expense	(141,637)	(204,307)	(152,285)	(94,494)	(97,854)
Net change in plan fiduciary net position	18,186,381	1,750,458	(1,071,941)	15,637,232	10,766,065
Plan fiduciary net position - beginning	101,576,909	119,763,290	121,513,748	120,441,807	136,079,039
Plan fiduciary net position - ending	<u>119,763,290</u>	<u>121,513,748</u>	<u>120,441,807</u>	<u>136,079,039</u>	<u>146,845,104</u>
Net Pension Liability - Ending	<u>\$ 37,500,300</u>	<u>\$ 43,946,264</u>	<u>\$ 55,489,150</u>	<u>\$ 51,280,576</u>	<u>\$ 55,174,485</u>
Plan fiduciary net position as a percentage of the total pension liability	76.15%	73.44%	68.46%	72.63%	72.69%
Covered-employee payroll	\$ 24,455,208	\$ 27,153,582	\$ 26,362,701	\$ 27,677,315	\$ 28,655,358
Net pension liability as a percentage of covered-employee payroll	153.34%	161.84%	210.48%	185.28%	192.55%

\*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  
PENSION  
LAST TEN FISCAL YEARS**

	<u>2009</u>	<u>2010</u>	<u>2011</u>
Actuarially determined contribution	\$ 2,371,688	\$ 5,054,637	\$ 4,930,505
Contributions in relation to the actuarially determined contribution	<u>2,371,688</u>	<u>4,002,757</u>	<u>4,782,742</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ 1,051,880</u>	<u>\$ 147,763</u>
Covered-employee payroll	23,390,208	24,409,943	24,923,408
Contributions as a percentage of covered-employee payroll	10.14%	16.40%	19.19%

**Notes to Schedule**

Valuation date: July 1, 2017  
Measurement date: June 30, 2018

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, 15 years remaining
Asset valuation method	Market value
Inflation	2.75%
Salary increases	Graded by age from 6.50% to 3.00%
Investment rate of return	6.625% for Non-Hybrid plan, 5.000% for Hybrid plan
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	Healthy: RP-2000 Mortality Table for employees and healthy annuitants, with separate male and female rates, with generational projection per Scale AA Disabled: RP-2000 Disabled Mortality Table for males and females

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	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
\$	4,753,626	\$ 5,130,000	\$ 5,771,396	\$ 6,001,585	\$ 6,118,624	\$ 6,325,363	\$ 7,193,600
	<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>6,325,363</u>	<u>7,137,123</u>
\$	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>56,477</u>
	25,346,833	26,408,569	24,455,208	27,153,582	26,362,701	27,677,315	28,655,358
	18.75%	19.43%	23.60%	22.10%	23.21%	22.85%	24.91%



**TOWN OF GLASTONBURY, CONNECTICUT  
 SCHEDULE OF INVESTMENT RETURNS  
 PENSION  
 LAST FIVE FISCAL YEARS\***

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	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Annual money-weighted rate of return, net of investment expense	16.50%	0.92%	(1.2%)	12.43%	7.51%

\*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 THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**  
**TEACHERS RETIREMENT PLAN**  
**LAST FOUR FISCAL YEARS\***

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Town's proportion of the net pension liability	0.00%	0.00%	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>	<u>170,434,778</u>	<u>161,548,380</u>
Total	<u>\$ 120,207,941</u>	<u>\$ 130,053,006</u>	<u>\$ 170,434,778</u>	<u>\$ 161,548,380</u>
Town's covered payroll	\$ 46,123,485	\$ 47,748,108	\$ 47,896,842	\$ 48,175,430
Town's proportionate share of the net pension liability as a percentage of its covered payroll	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	61.51%	59.50%	52.26%	55.93%

\*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 2016, rates of withdrawal, disability, retirement, mortality and assumed rates of salary increase were adjusted to more closely 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, 2015.
	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	20.4 years
Asset valuation method	4-year smoothed market
Investment rate of return	8.50%, net of investment related expense

**TOWN OF GLASTONBURY, CONNECTICUT**  
**SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS**  
**OPEB**  
**LAST TWO FISCAL YEARS\***

	<u>2017</u>	<u>2018</u>
Total OPEB liability:		
Service cost	\$ 514,970	\$ 490,603
Interest	1,141,882	1,207,883
Differences between expected and actual experience	-	1,187,489
Changes of assumptions	(124,569)	653,120
Benefit payments	<u>(696,124)</u>	<u>(698,550)</u>
Net change in total OPEB liability	836,159	2,840,545
Total OPEB liability - beginning	<u>16,496,900</u>	<u>17,333,059</u>
Total OPEB liability - ending	<u>17,333,059</u>	<u>20,173,604</u>
Plan fiduciary net position:		
Contributions - employer	925,241	1,392,915
Net investment income	372,700	274,274
Benefit payments	(696,124)	(698,550)
Administrative expense	<u>(3,897)</u>	<u>(11,157)</u>
Net change in plan fiduciary net position	597,920	957,482
Plan fiduciary net position - beginning	<u>3,217,670</u>	<u>3,815,590</u>
Plan fiduciary net position - ending	<u>3,815,590</u>	<u>4,773,072</u>
Net OPEB Liability - Ending	<u>\$ 13,517,469</u>	<u>\$ 15,400,532</u>
Plan fiduciary net position as a percentage of the total OPEB liability	22.01%	23.66%
Covered-employee payroll	\$ 68,158,459	\$ 68,158,459
Net OPEB liability as a percentage of covered-employee payroll	19.83%	22.60%

\*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  
OPEB  
LAST TEN FISCAL YEARS**

	<u>2009</u>	<u>2010</u>	<u>2011</u>
Actuarially determined contribution (1)	\$ 1,151,000	\$ 1,212,300	\$ 1,264,000
Contributions in relation to the actuarially determined contribution	<u>768,460</u>	<u>775,900</u>	<u>814,000</u>
Contribution Deficiency (Excess)	<u>\$ 382,540</u>	<u>\$ 436,400</u>	<u>\$ 450,000</u>
Covered-employee payroll	\$ N/A	\$ N/A	\$ N/A
Contributions as a percentage of covered-employee payroll	N/A	N/A	N/A

(1) Actuarially Determined Contributions prior to fiscal year ending June 30, 2018 is based on the Annual Required Contribution (ARC) calculated in accordance with GASB No. 45

Notes to Schedule

Valuation date: July 1, 2017  
Measurement date: June 30, 2018

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 percentage of payroll, closed
Amortization period	20 years
Asset valuation method	5-year smoothed market
Inflation	2.70%
Healthcare cost trend rates	5.48% - 4.50%, over 56 years
Salary increases	3.50%, average, including inflation
Investment rate of return	6.625%, net of pension plan investment expense, including inflation
Retirement age	In the 2017 actuarial valuation, expected retirement ages of general employees were adjusted to more closely reflect actual experience
Mortality	RP-2000 Combined Healthy and Disabled Mortality, Male and Female, with generational projection per Scale AA.

Other Information:

The results of the 2015 actuarial valuation reflect a modification to benefit terms that increased retiree copayments for prescription drugs. The results of the 2013 actuarial valuation reflect the addition of vision benefits.

<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
\$ 1,330,000	\$ 1,478,000	\$ 1,556,000	\$ 1,528,458	\$ 1,634,197	\$ 1,321,393	\$ 1,392,913
<u>1,220,000</u>	<u>1,141,000</u>	<u>1,088,000</u>	<u>1,381,616</u>	<u>1,522,386</u>	<u>925,241</u>	<u>1,392,915</u>
\$ <u>110,000</u>	\$ <u>337,000</u>	\$ <u>468,000</u>	\$ <u>146,842</u>	\$ <u>111,811</u>	\$ <u>396,152</u>	\$ <u>(2)</u>
\$ N/A	\$ 62,606,000	\$ 62,606,000	\$ 64,192,394	\$ 64,192,394	\$ 68,158,459	\$ 68,158,459
N/A	1.82%	1.74%	2.15%	2.37%	1.36%	2.04%

**TOWN OF GLASTONBURY, CONNECTICUT  
SCHEDULE OF INVESTMENT RETURNS  
OPEB  
LAST TWO FISCAL YEARS\***

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	<u>2017</u>	<u>2018</u>
Annual money-weighted rate of return, net of investment expense	10.80%	6.09%

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


**TOWN OF BLUM, CONNECTICUT  
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY  
TEACHERS RETIREMENT PLAN  
LAST FISCAL YEAR\***

	<u>2018</u>
Town's proportion of the net OPEB liability	0.00%
Town's proportionate share of the net OPEB liability	\$ -
State's proportionate share of the net OPEB liability associated with the Town	<u>41,580,719</u>
Total	<u>\$ 41,580,719</u>
Town's covered payroll	\$ 48,175,430
Town's proportionate share of the net OPEB liability as a percentage of its covered payroll	0.00%
Plan fiduciary net position as a percentage of the total OPEB liability	1.79%

**Notes to Schedule**

Changes in benefit terms	None
Changes of assumptions	<p>The discount rate was increased from 3.01% to 3.56% to reflect the change in the Municipal Bond Index Rate.</p> <p>Changes were made to the assumed initial per capita health care costs, rates of health care inflation used to project the per capita costs, and the rates of Plan participation based upon recent experience and current expectations.</p> <p>As a result of the experience study for the five-year period ended June 30, 2015, the payroll growth rate assumption was decreased from 3.75% to 3.25% to reflect the decrease in the rate of inflation and the decrease in the rate of real wage increase. Last, the salary growth assumption, the payroll growth rate, the rates of withdrawal, the rates of retirement, the rates of mortality, and the rates of disability incidence were adjusted based upon the experience study's findings and their adoption by the Board.</p>
Actuarial cost method	Entry age
Amortization method	Level percent of payroll
Remaining amortization period	30 years, open
Asset valuation method	Market value of assets
Investment rate of return	4.25%, net of investment related expense including price inflation

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



**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  
COMPARATIVE BALANCE SHEET  
JUNE 30, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 24,197,516	\$ 25,252,709
Receivables, net:		
Property taxes (net of allowance of \$132,000 in 2018 and \$161,000 in 2017)	1,062,882	953,632
Intergovernmental	21,500	22,970
Other	476,562	320,095
Inventory	192,828	197,871
Investments	6,200,294	6,130,973
Other assets	<u>9,876</u>	<u>20,757</u>
Total Assets	<u>\$ 32,161,458</u>	<u>\$ 32,899,007</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>		
Liabilities:		
Accounts and other payables	\$ 4,442,431	\$ 4,493,445
Due to other funds	38,581	
Due to developers for escrow deposits	771,364	676,073
Due to others for escrow deposits	123,580	96,833
Unearned revenue	34,643	46,564
Total liabilities	<u>5,410,599</u>	<u>5,312,915</u>
Deferred Inflows of Resources:		
Unavailable revenue - property taxes	740,091	706,532
Advance tax payments	<u>253,240</u>	<u>223,849</u>
Total deferred inflows of resources	<u>993,331</u>	<u>930,381</u>
Fund Balance:		
Nonspendable	202,704	218,628
Assigned	1,678,597	2,121,442
Unassigned	<u>23,876,227</u>	<u>24,315,641</u>
Total fund balance	<u>25,757,528</u>	<u>26,655,711</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 32,161,458</u>	<u>\$ 32,899,007</u>

**TOWN OF GLASTONBURY, CONNECTICUT  
GENERAL FUND REVENUES AND OTHER FINANCING SOURCES -  
BUDGETARY BASIS - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2018**

	<u>Budgeted Amounts</u>		<u>Actual Budgetary Basis</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Property Taxes:				
Current levy and back taxes	\$ 146,634,165	\$ 146,634,165	\$ 147,160,045	\$ 525,880
Penalties, interest, fees	352,000	352,000	400,152	48,152
Total property taxes	<u>146,986,165</u>	<u>146,986,165</u>	<u>147,560,197</u>	<u>574,032</u>
Licenses and Permits:				
Building Inspector	555,000	555,000	941,858	386,858
Town Clerk	75,000	75,000	75,768	768
Physical Services	11,000	11,000	14,375	3,375
Sanitation refuse permits	290,000	290,000	296,347	6,347
Health	118,000	118,000	110,066	(7,934)
Fire Marshal	2,100	2,100	4,238	2,138
Total licenses and permits	<u>1,051,100</u>	<u>1,051,100</u>	<u>1,442,652</u>	<u>391,552</u>
Intergovernmental:				
In lieu of taxes:				
Housing Authority	185,000	185,000	177,236	(7,764)
ST/CT telephone access	85,000	85,000	72,244	(12,756)
Veterans exemptions	12,000	12,000	10,191	(1,809)
Disability exemptions	2,400	2,400	2,129	(271)
State P.I.L.O.T program	32,027	32,027	4	(32,023)
Municipal revenue sharing	1,086,151	1,086,151	-	(1,086,151)
Homeowners tax relief	150,000	150,000	-	(150,000)
Mashantucket Pequot	40,754	40,754	40,754	-
Town Clerk historic documents grant	5,000	5,000	5,000	-
State health grant	8,330	8,330	7,983	(347)
State motor vehicle grant	1,000,000	1,000,000	-	(1,000,000)
State stabilization grant	-	281,748	281,748	-
Education:				
Magnet school transportation grant	-	26,400	26,400	-
Education enhancement	148,478	5,808,429	5,659,951	(148,478)
Special education - excess cost	-	1,035,835	1,035,835	-
Vocational agricultural	331,888	331,888	259,848	(72,040)

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**TOWN OF GLASTONBURY, CONNECTICUT  
GENERAL FUND REVENUES AND OTHER FINANCING SOURCES -  
BUDGETARY BASIS - BUDGET AND ACTUAL (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Intergovernmental, Continued:				
Public safety:				
Civil preparedness	\$ 10,610	\$ 10,610	\$ -	\$ (10,610)
Police grants	290,000	317,000	197,805	(119,195)
Volunteer ambulance reimbursement	20,010	20,010	18,365	(1,645)
Regional dispatch	-	-	162,114	162,114
MIRA Resource recovery	-	-	83,596	83,596
Human Services:				
YFSB state grant	26,658	26,658	25,448	(1,210)
Housing Authority resident services	49,022	49,022	48,420	(602)
Dial-A-Ride Grant	51,278	51,278	51,278	-
Total intergovernmental	<u>3,534,606</u>	<u>10,565,540</u>	<u>8,166,349</u>	<u>(2,399,191)</u>
Charges for Services:				
Community development:				
Planning and zoning	12,000	12,000	15,842	3,842
Notary services	250	250	-	(250)
Revenue collections:				
Notary services	-	-	2,202	2,202
Customer service:				
Notary services	47,000	47,000	-	(47,000)
Town Clerk:				
Recording fees	185,800	185,800	169,768	(16,032)
Conveyance tax	582,100	582,100	561,513	(20,587)
Notary services	2,100	2,100	2,410	310
Education:				
Community services	46,000	63,800	34,910	(28,890)
Physical services:				
Refuse dumping fees	280,000	280,000	233,775	(46,225)
Bulky waste fill	105,000	105,000	590	(104,410)
Sewer inspection fees	2,000	2,000	-	(2,000)
Subdivision OT inspection	1,000	1,000	-	(1,000)
Human Services:				
Senior services	55,000	55,000	61,291	6,291
Nutrition program	35,000	35,000	32,319	(2,681)
Community center rentals	90,000	90,000	80,388	(9,612)
Parks and recreation:				
Program fees	218,720	218,720	203,333	(15,387)
Public safety:				
Public safety - police	71,000	71,000	80,678	9,678
Fire watch services	5,320	5,320	320	(5,000)
Health soil tests	2,000	2,000	4,325	2,325
Library:				
Library fines	50,000	50,000	33,223	(16,777)
Notary services	2,000	2,000	2,000	-
Total charges for services	<u>1,792,290</u>	<u>1,810,090</u>	<u>1,518,887</u>	<u>(291,203)</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, 2018**

	<u>Budgeted Amounts</u>		<u>Actual Budgetary Basis</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Investment income:				
Unrealized (gain) loss	\$ -	\$ -	\$ (181,482)	\$ (181,482)
Investment income	315,000	315,000	793,946	478,946
Total investment income	<u>315,000</u>	<u>315,000</u>	<u>612,464</u>	<u>297,464</u>
Other Revenues:				
Land rentals	164,922	164,922	179,530	14,608
Land sales	-	-	-	-
Insurance claims reimbursed	40,000	40,000	168,814	128,814
Health insurance reimbursements	-	-	-	-
Attorney fees reimbursed	12,000	12,000	35,132	23,132
Auction sales	35,000	35,000	11,485	(23,515)
Miscellaneous	45,000	45,000	508,838	463,838
Purchasing card rebates	5,000	5,000	4,723	(277)
Probate Court Reimbursement	-	-	8,120	8,120
Education:				
Student activities	200	200	140	(60)
Tuition - other towns	6,920	6,920	-	(6,920)
Vo-Ag tuition	557,880	557,880	365,973	(191,907)
Physical services:				
Sales	3,500	3,500	2,248	(1,252)
Refuse recycling sales	52,000	52,000	60,892	8,892
Utilities reimbursed	-	-	20,818	20,818
Human services:				
YFSB programs	33,400	33,400	4,856	(28,544)
Clinical fees	750	750	1,625	875
Library:				
Trustee account	40,000	40,000	48,831	8,831
Miscellaneous	10,500	10,500	9,972	(528)
Total other revenues	<u>1,007,072</u>	<u>1,007,072</u>	<u>1,431,997</u>	<u>424,925</u>
Total revenues	154,686,233	161,734,967	160,732,546	(1,002,421)
Other Financing Sources:				
Transfers in:				
Use of fund balance	<u>575,000</u>	<u>575,000</u>	<u>-</u>	<u>(575,000)</u>
Total	<u>\$ 155,261,233</u>	<u>\$ 162,309,967</u>	160,732,546	<u>\$ (1,577,421)</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

20,613,490

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

\$ 181,346,036

**TOWN OF GLASTONBURY, CONNECTICUT  
GENERAL FUND EXPENDITURES AND OTHER FINANCING USES -  
BUDGETARY BASIS - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
General Government				
Town Council:				
Wages - part-time	\$ 23,120	\$ 8,009	\$ 8,009	\$ -
Office supplies	4,000	2,694	2,694	-
Operating supplies	3,000	3,206	3,205	1
Training and dues	466	466	340	126
Contributory grants	72,500	58,703	58,703	-
Pensions	1,912	2,005	613	1,392
Data processing	190	190	-	190
Legal/advertising	6,500	6,500	2,819	3,681
Printing/reproduction	5,000	4,456	-	4,456
Professional services	30,000	31,644	31,643	1
Total town council	146,688	117,873	108,026	9,847
Town Manager:				
Wages - full-time	329,269	376,657	376,657	-
Wages - part-time	10,000	1,998	1,997	1
Wages - other	3,000	5,116	5,116	-
Office supplies	7,065	7,583	7,583	-
Operating supplies	2,500	1,030	1,029	1
Training and dues	4,140	4,178	4,177	1
Employee related insurance	51,320	55,962	55,961	1
Pension	88,732	94,339	94,339	-
Technology use charges	3,970	3,970	3,741	229
Vehicle maintenance	2,130	1,752	1,667	85
Equipment maintenance	800	800	69	731
Legal/advertising	10,000	-	-	-
Printing/reproduction	15,000	24,159	24,159	-
Professional services	30,000	3,133	3,132	1
Total town manager	557,926	580,677	579,627	1,050
Human Resources:				
Wages - full-time	247,018	230,623	230,623	-
Wages - part-time	45,000	34,788	34,787	1
Wages - other	1,000	5,581	5,580	1
Office supplies	4,200	5,858	5,857	1
Training and dues	6,624	9,797	9,797	-
Employee related insurance	62,340	35,455	35,454	1
Pension	56,612	49,901	47,940	1,961
Data processing	8,314	8,867	8,866	1
Technology use charges	1,463	1,730	1,730	-
Equipment maintenance	500	500	178	322
Legal/advertising	25,000	25,000	13,510	11,490
Printing/reproduction	1,000	1,000	137	863
Professional services	23,000	23,381	23,380	1
Programs	45,000	45,000	35,286	9,714
Recruitment	27,000	23,876	19,061	4,815
Office equipment and furniture	-	6,265	6,264	1
Total human resources	554,071	507,622	478,450	29,172

(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, 2018**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
General Government, continued				
Facilities Maintenance:				
Wages - full-time	\$ 781,080	\$ 780,559	\$ 780,558	\$ 1
Wages - part-time	153,000	171,590	171,589	1
Wages - other	60,000	60,151	60,151	-
Office supplies	4,500	4,500	4,475	25
Operating supplies	8,900	9,270	9,270	-
Training and dues	5,679	5,679	3,253	2,426
Contractual services	4,000	4,000	4,000	-
Employee related insurance	212,020	217,740	217,739	1
Pension	196,187	210,839	210,838	1
Data processing	5,000	5,000	4,113	887
Technology use charges	2,975	2,975	2,872	103
Vehicle maintenance	12,682	12,682	7,706	4,976
Equipment maintenance	3,000	3,000	2,271	729
Facilities maintenance	139,210	147,574	147,574	-
Printing/reproduction	350	350	-	350
Uniforms	10,000	10,000	7,843	2,157
Utilities/communication	168,035	189,924	189,924	-
Vehicles and trucks	26,000	26,000	26,000	-
Machinery and equipment	-	25,000	1,800	23,200
Improvements - land and buildings	5,000	21,739	20,893	846
Total facilities maintenance	<u>1,797,618</u>	<u>1,908,572</u>	<u>1,872,869</u>	<u>35,703</u>
Total general government	<u>3,056,303</u>	<u>3,114,744</u>	<u>3,038,972</u>	<u>75,772</u>
Community Development				
Community Development:				
Wages - full-time	327,924	334,745	334,744	1
Wages - part-time	3,070	3,687	3,686	1
Wages - other	-	18	17	1
Office supplies	3,820	2,450	2,214	236
Training and dues	3,346	6,146	5,923	223
Employee related insurance	77,726	70,905	63,083	7,822
Pension	65,597	68,787	67,372	1,415
Technology use charges	1,165	1,246	1,246	-
Vehicle maintenance	1,495	779	657	122
Legal/advertising	3,700	3,700	3,176	524
Printing/reproduction	400	-	-	-
Office equipment/furniture	-	2,470	2,392	78
Professional services	1,300	1,300	1,300	-
Total community development	<u>489,543</u>	<u>496,233</u>	<u>485,810</u>	<u>10,423</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, 2018**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Community Development, continued				
Building Inspection:				
Wages - full-time	\$ 298,019	\$ 273,538	\$ 232,092	\$ 41,446
Wages - part-time	2,225	26,706	26,706	-
Office supplies	4,500	4,200	3,764	436
Training and dues	2,070	2,070	1,165	905
Employee related insurance	74,258	60,781	49,807	10,974
Pension	68,884	72,234	65,023	7,211
Data processing	12,200	12,200	10,148	2,052
Technology use charge	1,944	1,944	1,869	75
Vehicle maintenance	2,920	2,920	1,072	1,848
Legal/advertising	2,600	2,900	2,678	222
Printing/reproduction	1,000	1,000	745	255
Office equip/furniture	-	588	588	-
Total building inspection	<u>470,620</u>	<u>461,081</u>	<u>395,657</u>	<u>65,424</u>
Fire Marshal:				
Wages - full-time	176,214	176,984	176,984	-
Wages - part-time	21,830	3,946	-	3,946
Wages - other	7,500	10,360	10,360	-
Office supplies	1,300	1,802	1,802	-
Operating supplies	1,500	1,500	1,458	42
Training and dues	1,380	1,393	1,393	-
Employee related insurance	26,825	38,349	38,349	-
Pension	58,725	59,408	59,072	336
Technology use charges	700	700	700	-
Vehicle maintenance	3,089	3,977	3,977	-
Equipment maintenance	300	300	-	300
Uniforms	2,000	2,000	610	1,390
Utilities/communication	2,210	2,210	1,475	735
Total fire marshal	<u>303,573</u>	<u>302,929</u>	<u>296,180</u>	<u>6,749</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, 2018**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Community Development, continued				
Health:				
Wages - full-time	\$ 406,429	\$ 406,755	\$ 406,755	\$ -
Wages - part-time	35,115	35,115	33,731	1,384
Office supplies	3,750	3,750	2,978	772
Operating supplies	1,250	924	680	244
Training and dues	1,929	1,929	1,862	67
Employee related insurance	93,711	107,188	107,188	-
Pension	111,594	117,021	114,552	2,469
Technology use charges	1,719	1,719	1,695	24
Vehicle maintenance	840	840	741	99
Equipment maintenance	100	100	-	100
Printing/reproduction	600	600	599	1
Professional services	6,800	9,550	3,170	6,380
Programs	9,165	15,415	6,328	9,087
Utilities and communications	960	960	-	960
Total health	<u>673,962</u>	<u>701,866</u>	<u>680,279</u>	<u>21,587</u>
Total community development	<u>1,937,698</u>	<u>1,962,109</u>	<u>1,857,926</u>	<u>104,183</u>
Administrative Services				
Financial Administration:				
Wages - full-time	709,175	652,652	652,651	1
Wages - part-time	15,000	46,195	46,195	-
Wages - other	5,000	2,600	2,300	300
Office supplies	7,225	8,279	8,278	1
Operating supplies	1,500	1,000	781	219
Training and dues	15,432	7,112	7,112	-
Employee related insurance	145,575	137,086	137,085	1
Pension	186,452	188,148	188,148	-
Data processing	116,050	113,704	113,565	139
Technology use charges	35,565	31,306	31,305	1
Equipment maintenance	18,400	22,400	19,331	3,069
Legal/advertising	6,000	4,936	4,935	1
Printing/reproduction	2,500	2,500	629	1,871
Professional services	1,500	600	-	600
Utilities and communications	1,800	1,800	1,497	303
Office equipment and furniture	70,000	150,727	140,107	10,620
Total financial administration	<u>1,337,174</u>	<u>1,371,045</u>	<u>1,353,919</u>	<u>17,126</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, 2018**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Administrative Services, continued				
Accounting:				
Wages - full-time	\$ 278,626	\$ 280,774	\$ 280,774	\$ -
Wages - part-time	4,125	1,475	-	1,475
Wages - other	6,000	6,000	5,033	967
Office supplies	8,000	8,000	7,661	339
Training and dues	3,519	4,021	4,021	-
Contractual services	30,000	25,543	15,913	9,630
Employee related insurance	28,612	22,975	22,974	1
Pension	68,246	71,565	70,158	1,407
Data processing	9,700	9,700	9,526	174
Technology use charge	2,068	2,068	1,983	85
Office equipment and furniture	-	39,688	14,215	25,473
Total accounting	<u>438,896</u>	<u>471,809</u>	<u>432,258</u>	<u>39,551</u>
Property Assessment:				
Wages - full-time	349,030	344,323	344,091	232
Wages - other	2,000	2,000	1,182	818
Office supplies	7,100	7,100	4,944	2,156
Training and dues	4,140	4,140	4,087	53
Employee related insurance	98,483	103,190	103,189	1
Pension	102,040	107,003	103,207	3,796
Data processing	17,700	17,700	15,090	2,610
Technology use charges	1,536	1,536	1,516	20
Printing and reproduction	1,700	1,700	1,630	70
Professional services	12,000	-	-	-
Office equipment and furniture	6,340	6,340	6,233	107
Total property assessment	<u>602,069</u>	<u>595,032</u>	<u>585,169</u>	<u>9,863</u>
Revenue Collection:				
Wages - full-time	262,444	262,444	261,631	813
Office supplies	30,000	25,889	25,889	-
Training and dues	1,494	1,494	1,383	111
Contractual services	15,630	14,089	12,939	1,150
Employee related insurance	47,659	37,234	37,234	-
Pension	74,639	78,269	76,270	1,999
Data processing	9,080	9,016	8,983	33
Technology use charges	1,970	1,994	1,993	1
Equipment maintenance	4,150	4,150	528	3,622
Printing/reproduction	21,100	21,100	18,461	2,639
Total revenue collection	<u>468,166</u>	<u>455,679</u>	<u>445,311</u>	<u>10,368</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, 2018**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Administrative Services, continued				
Town Clerk:				
Wages - full-time	\$ 277,117	\$ 284,989	\$ 284,988	\$ 1
Wages - part-time	1,205	1,210	1,210	-
Office supplies	8,900	8,900	7,031	1,869
Training and dues	3,208	3,208	3,208	-
Contractual services	5,000	5,000	5,000	-
Employee related insurance	56,423	51,457	51,457	-
Pension	88,735	93,051	91,993	1,058
Data processing	53,640	51,416	51,415	1
Technology use charges	2,410	2,410	2,293	117
Equipment maintenance	7,220	7,220	6,140	1,080
Printing/reproduction	4,500	4,500	4,500	-
Professional services	7,000	6,995	6,954	41
Office equipment and furniture	4,400	3,718	2,894	824
Total town clerk	<u>519,758</u>	<u>524,074</u>	<u>519,083</u>	<u>4,991</u>
Voter Registration:				
Wages - part-time	92,500	68,436	68,436	-
Wages - other	24,500	10,294	10,294	-
Office supplies	10,950	11,139	11,138	1
Training and dues	3,988	3,719	2,409	1,310
Pensions	7,131	7,478	5,122	2,356
Technology use charges	940	1,020	1,020	-
Equipment maintenance	8,500	8,500	6,406	2,094
Printing/reproduction	8,000	6,600	4,339	2,261
Office equipment and furniture	-	10,547	8,825	1,722
Total voter registration	<u>156,509</u>	<u>127,733</u>	<u>117,989</u>	<u>9,744</u>
Legal Services:				
Contractual services	15,000	45,534	45,534	-
Prof. Town Attorney - prior	25,000	15,879	15,878	1
Prof. Town Attorney - prior (alternate)	-	16,806	16,805	1
Prof. Town Attorney - primary	199,500	319,454	319,453	1
Prof. Town Attorney - labor	40,500	29,942	29,942	-
Total legal services	<u>280,000</u>	<u>427,615</u>	<u>427,612</u>	<u>3</u>
Probate Court:				
Office supplies	14,000	14,000	11,129	2,871
Operating supplies	7,600	794	794	-
Data processing	3,700	3,700	3,238	462
Equipment maintenance	500	500	227	273
Total probate court	<u>25,800</u>	<u>18,994</u>	<u>15,388</u>	<u>3,606</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, 2018**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Administrative Services, continued				
Insurance and Pensions:				
Training and dues	\$ 1,863	\$ 1,863	\$ -	\$ 1,863
Casualty insurance	537,190	514,756	514,756	-
Employee related insurance	1,076,774	1,143,900	1,143,900	-
Pensions	17,930	26,406	26,405	1
Claims, service, retroactive charges	60,000	84,273	72,069	12,204
Professional services	51,125	53,749	53,748	1
Programs	6,500	-	-	-
Total insurance and pensions	<u>1,751,382</u>	<u>1,824,947</u>	<u>1,810,878</u>	<u>14,069</u>
Total administrative services	<u>5,579,754</u>	<u>5,816,928</u>	<u>5,707,607</u>	<u>109,321</u>
Public Safety				
Police:				
Wages - full-time	6,551,725	6,546,769	6,546,768	1
Wages - part-time	103,660	50,004	50,003	1
Wages - other	485,000	685,654	685,654	-
Office supplies	14,370	12,529	12,076	453
Operating supplies	62,000	62,000	49,683	12,317
Training and dues	35,148	35,148	33,633	1,515
Contractual services	23,280	23,280	22,767	513
Employee related insurance	1,185,961	1,110,908	1,103,473	7,435
Pensions	2,822,393	2,959,656	2,905,325	54,331
Data processing	70,265	70,265	57,873	12,392
Technology use charges	25,613	25,613	25,077	536
Vehicle maintenance	144,550	144,550	129,825	14,725
Equipment maintenance	111,925	123,686	113,873	9,813
Facilities maintenance	40,145	40,145	35,658	4,487
Printing/reproduction	5,680	5,680	5,085	595
Uniforms	71,125	72,548	72,548	-
Utilities/communication	120,410	120,410	103,758	16,652
Office equipment/furniture	54,900	187,938	83,764	104,174
Vehicles and trucks	145,150	192,112	189,111	3,001
Machinery & equipment	13,600	173,128	149,309	23,819
Improvements land and buildings	11,600	12,018	12,018	-
Total police	<u>12,098,500</u>	<u>12,654,041</u>	<u>12,387,281</u>	<u>266,760</u>
Volunteer Ambulance:				
Facilities maintenance	7,210	7,210	5,984	1,226
Utilities/communication	12,800	12,800	11,679	1,121
Total volunteer ambulance	<u>20,010</u>	<u>20,010</u>	<u>17,663</u>	<u>2,347</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, 2018**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Public Safety, continued				
Fire:				
Wages - full-time	\$ 58,559	\$ 58,908	\$ 58,907	\$ 1
Wages - part-time	231,308	231,308	225,967	5,341
Wages - units	210,000	200,475	196,809	3,666
Wages - other	1,560	1,560	495	1,065
Office supplies	3,550	3,550	2,598	952
Operating supplies	67,274	67,707	67,057	650
Training and dues	10,867	10,867	9,845	1,022
Contractual services	25,800	25,800	25,800	-
Contractual - fire watch	5,320	1,773	1,220	553
Employee related insurance	16,819	16,819	8,473	8,346
Pensions	52,526	57,074	57,073	1
Data processing	12,137	9,251	4,399	4,852
Technology use charges	879	879	809	70
Vehicle maintenance	73,131	73,131	50,700	22,431
Equipment maintenance	43,876	46,762	46,762	-
Facilities maintenance	41,155	54,605	53,718	887
Printing/reproduction	250	250	149	101
Uniforms	5,500	5,500	5,331	169
Utilities/communication	189,550	189,550	189,136	414
Vehicles & trucks	-	126,000	63,888	62,112
Machinery and equipment	110,000	110,000	109,853	147
Improvements-land and buildings	17,000	21,775	21,453	322
Total fire	<u>1,177,061</u>	<u>1,313,544</u>	<u>1,200,442</u>	<u>113,102</u>
Civil Preparedness:				
Wages - part-time	21,000	21,000	21,000	-
Office supplies	265	265	14	251
Pensions	1,607	1,685	1,607	78
Technology use charges	810	810	810	-
Vehicle maintenance	1,126	1,126	467	659
Programs	1,300	1,300	1,078	222
Utilities/communication	3,960	3,960	3,865	95
Office equipment and furniture	1,600	1,600	-	1,600
Total civil preparedness	<u>31,668</u>	<u>31,746</u>	<u>28,841</u>	<u>2,905</u>
Total public safety	<u>13,327,239</u>	<u>14,019,341</u>	<u>13,634,227</u>	<u>385,114</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, 2018**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Physical Services				
Engineering:				
Wages - full-time	\$ 911,410	\$ 884,297	\$ 884,297	\$ -
Wages - part-time	35,000	35,000	34,201	799
Wages - other	7,000	7,882	7,882	-
Office supplies	5,000	5,000	4,625	375
Operating supplies	4,500	4,500	4,309	191
Training and dues	6,210	6,210	5,139	1,071
Employee related insurance	162,660	163,201	163,201	-
Pensions	255,531	259,121	259,121	-
Data processing	48,500	48,500	45,863	2,637
Technology use charges	2,796	2,796	2,796	-
Vehicle maintenance	6,718	6,718	6,041	677
Equipment maintenance	11,200	9,694	8,900	794
Printing/reproduction	700	783	782	1
Professional services	17,000	1,582	1,582	-
Uniforms	1,200	1,200	1,189	11
Office equipment and furniture	18,300	13,054	13,053	1
Machinery and equipment	7,500	7,500	7,049	451
Total engineering	<u>1,501,225</u>	<u>1,457,038</u>	<u>1,450,030</u>	<u>7,008</u>
Highway:				
Wages - full-time	1,493,193	1,551,351	1,551,351	-
Wages - part-time	30,800	28,856	28,855	1
Wages - other	200,000	354,388	354,388	-
Drainage materials	54,700	40,814	40,814	-
Grounds/roadside material	29,000	4,628	4,628	-
Highway materials	160,000	125,916	125,916	-
Office supplies	2,690	2,243	2,242	1
Operating supplies	19,020	12,611	12,611	-
Snow and ice materials	310,000	464,187	464,187	-
Traffic control supplies	40,000	37,448	37,448	-
Training and dues	4,140	2,823	2,822	1
Contractual service	231,000	217,536	217,535	1
Employee related insurance	337,834	333,132	333,131	1
Pensions	491,919	534,810	534,809	1
Technology use charges	1,452	1,452	1,452	-
Vehicle maintenance	229,600	270,575	270,574	1
Equipment maintenance	3,200	864	864	-
Printing/reproduction	750	-	-	-
Uniforms	11,400	10,984	10,983	1
Utilities/communication	177,500	172,724	172,724	-
Vehicles and trucks	178,000	177,922	177,921	1
Data processing	450	-	-	-
Machinery and equipment	18,500	16,352	16,352	-
Total highway	<u>4,025,148</u>	<u>4,361,616</u>	<u>4,361,607</u>	<u>9</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, 2018**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Physical Services, continued				
Fleet Maintenance:				
Wages - full-time	\$ 445,290	\$ 445,524	\$ 445,524	\$ -
Wages - part-time	95,500	82,600	82,599	1
Wages - other	22,000	35,141	35,141	-
Office supplies	1,460	835	781	54
Operating supplies	7,225	5,630	5,629	1
Training and dues	3,433	251	251	-
Contractual services	225,675	184,317	184,316	1
Employee related insurance	90,496	91,984	91,983	1
Pensions	179,439	185,622	185,622	-
Data processing	5,700	4,603	4,603	-
Technology use charges	1,000	1,000	978	22
Vehicle maintenance	9,898	22,371	22,371	-
Equipment maintenance	9,000	9,000	8,676	324
Facilities maintenance	18,685	15,912	15,912	-
Printing/reproduction	500	500	474	26
Uniforms	6,700	5,109	5,108	1
Utilities/communication	43,000	42,399	41,507	892
Vehicles and trucks	-	30,000	-	30,000
Total fleet maintenance	1,165,001	1,162,798	1,131,475	31,323
Total physical services	6,691,374	6,981,452	6,943,112	38,340
Sanitation				
Refuse Disposal:				
Wages - full-time	148,537	152,102	152,101	1
Wages - part-time	166,765	163,200	156,277	6,923
Wages - other	12,000	12,000	7,445	4,555
Office supplies	1,580	1,580	1,488	92
Operating supplies	1,800	1,800	915	885
Repair and maintenance supplies	700	700	228	472
Training and dues	2,194	2,194	465	1,729
Contractual services	264,460	264,460	236,597	27,863
Employee related insurance	41,148	41,148	36,781	4,367
Pension	70,034	73,440	71,615	1,825
Data processing	2,000	2,000	113	1,887
Technology use charges	675	675	675	-
Vehicle maintenance	42,700	44,300	37,702	6,598
Equipment maintenance	6,000	6,000	5,136	864
Facilities maintenance	4,420	4,420	3,264	1,156
Printing/reproduction	2,500	2,500	2,408	92
Uniforms	4,600	4,600	3,415	1,185
Utilities/communication	8,800	8,800	7,504	1,296
Machinery and equipment	-	3,700	-	3,700
Office equipment and furniture	-	2,300	1,479	821
Improvements-land and building	-	11,000	2	10,998
Total refuse disposal	780,913	802,919	725,610	77,309
Total sanitation	780,913	802,919	725,610	77,309

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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, 2018**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Human Services				
Contributory grants	\$ 32,577	\$ 32,577	\$ 21,409	\$ 11,168
Youth and Family Services:				
Wages - full-time	824,819	824,819	740,433	84,386
Wages - part-time	90,000	87,400	73,223	14,177
Office supplies	9,500	9,500	6,251	3,249
Operating supplies	750	750	503	247
Training and dues	6,555	5,533	5,338	195
Employee related insurance	134,123	135,145	135,145	-
Pensions	226,737	237,764	221,812	15,952
Technology use charges	4,418	4,418	4,384	34
Vehicle maintenance	2,172	2,172	652	1,520
Equipment maintenance	1,400	1,400	39	1,361
Facilities maintenance	7,790	9,290	6,912	2,378
Printing/reproduction	1,500	1,500	538	962
Professional services	13,200	13,200	9,200	4,000
Programs	49,000	50,891	44,113	6,778
Utilities/communications	16,450	16,450	13,839	2,611
Office equipment and furniture	3,000	15,687	3,540	12,147
Improvements - land and building	5,000	21,000	20,134	866
Total youth and family services	<u>1,396,414</u>	<u>1,436,919</u>	<u>1,286,056</u>	<u>150,863</u>
Senior and Community Services:				
Wages - full-time	497,525	510,184	510,184	-
Wages - part-time	340,000	320,538	320,538	-
Wages - other	4,000	406	405	1
Office supplies	17,000	17,000	16,052	948
Training and dues	7,176	7,507	7,506	1
Employee related insurance	119,064	124,676	124,675	1
Pensions	182,182	191,042	186,460	4,582
Data processing	1,000	669	480	189
Technology use charges	5,140	5,140	5,052	88
Vehicle maintenance	34,000	44,066	44,065	1
Equipment maintenance	12,000	12,000	6,406	5,594
Facilities maintenance	24,235	24,235	21,463	2,772
Printing/reproduction	2,800	2,800	1,889	911
Programs	110,000	116,473	110,562	5,911
Vehicles & trucks	34,300	38,300	38,102	198
Machinery & equipment	-	10,000	6,892	3,108
Utilities/communication	91,350	79,596	79,596	-
Total senior and community services	<u>1,481,772</u>	<u>1,504,632</u>	<u>1,480,327</u>	<u>24,305</u>
Total human services	<u>2,910,763</u>	<u>2,974,128</u>	<u>2,787,792</u>	<u>186,336</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, 2018**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Leisure/Culture				
Parks and Recreation:				
Wages - full-time	\$ 1,559,546	\$ 1,594,611	\$ 1,594,611	\$ -
Wages - part-time	446,962	435,951	435,951	-
Wages - other	85,000	72,809	72,808	1
Grounds/roadside materials	92,000	92,000	90,077	1,923
Office supplies	11,200	11,200	10,808	392
Operating supplies	850	852	852	-
Repair and maintenance supplies	46,000	42,487	38,980	3,507
Training and dues	3,864	3,864	2,869	995
Contractual services	143,300	143,300	136,171	7,129
Employee related insurance	285,246	291,708	291,708	-
Pensions	512,679	537,612	526,529	11,083
Data processing	14,700	14,700	8,184	6,516
Technology use charges	6,201	6,094	5,999	95
Vehicle maintenance	105,550	105,550	94,407	11,143
Equipment maintenance	500	500	39	461
Facilities maintenance	7,900	8,005	8,005	-
Legal and advertising	15,000	188	187	1
Printing/reproduction	1,200	1,200	506	694
Programs	31,678	32,016	29,435	2,581
Uniforms	13,730	13,730	9,557	4,173
Utilities/communication	155,850	155,850	147,423	8,427
Office equipment and furniture	-	660	660	-
Vehicles and trucks	-	58,351	56,320	2,031
Machinery and equipment	87,099	87,099	23,146	63,953
Improvements - land and buildings	33,900	85,998	41,754	44,244
Total parks and recreation	<u>3,659,955</u>	<u>3,796,335</u>	<u>3,626,986</u>	<u>169,349</u>
Welles-Turner Library:				
Wages - full-time	654,499	654,499	611,852	42,647
Wages - part-time	248,000	247,000	216,049	30,951
Wages - other	1,000	1,000	-	1,000
Office supplies	12,000	13,000	12,753	247
Operating supplies	6,500	6,500	6,417	83
Training and dues	3,450	3,450	2,448	1,002
Books/media	270,000	270,000	266,163	3,837
Employee related insurance	134,829	134,829	113,442	21,387
Pensions	180,117	188,877	175,780	13,097
Data processing	63,097	63,097	63,048	49
Technology use charges	10,261	10,261	10,019	242
Equipment maintenance	2,900	2,900	117	2,783
Facilities maintenance	21,660	21,660	20,225	1,435
Printing/reproduction	2,500	3,550	3,442	108
Programs	10,000	8,950	7,369	1,581
Utilities/communication	78,650	78,650	76,744	1,906
Improvements-land and building	-	12,020	12,019	1
Total Welles-Turner Library	<u>1,699,463</u>	<u>1,720,243</u>	<u>1,597,887</u>	<u>122,356</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, 2018**

	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	5,374,418	5,531,578	5,239,873	291,705
Debt Service				
General Town	3,330,985	3,330,985	3,330,979	6
Education	5,314,695	5,314,695	5,314,683	12
Sewers	175,000	-	-	-
Temporary notes	100,000	15,000	8,993	6,007
Administrative costs	54,320	9,320	7,881	1,439
Total debt service	8,975,000	8,670,000	8,662,536	7,464
Board of Education				
Instruction:				
Art	1,186,870	1,196,592	1,210,174	(13,582)
Basic Education	14,717,726	14,749,340	14,653,574	95,766
Language Arts	4,186,779	4,215,859	4,145,763	70,096
Mathematics	2,573,303	2,541,694	2,525,173	16,521
Science	3,429,648	3,360,872	3,373,323	(12,451)
History/Social Science	2,197,148	2,152,360	2,143,572	8,788
Career/Vocational Education	1,499,868	1,563,423	1,554,017	9,406
P.A.C.E.	651,722	624,621	618,681	5,940
Foreign Languages & ELL	4,191,460	4,104,572	4,085,230	19,342
Health/physical education	1,954,886	1,931,888	1,937,844	(5,956)
Music	1,646,646	1,696,012	1,757,011	(60,999)
Special Education	12,643,221	14,254,085	14,155,022	99,063
Agriscience & Technology	250,096	274,965	264,689	10,276
Total instruction	51,129,373	52,666,283	52,424,073	242,210
Special Services/Instruction:				
School Counseling	2,949,447	2,951,184	2,938,725	12,459
Health Services	790,594	793,506	749,613	43,893
Libraries/Media Centers	1,278,881	1,311,523	1,305,466	6,057
Program and Staff Development	706,900	836,900	586,952	249,948
Athletics and Clubs	1,741,138	1,767,367	1,749,372	17,995
Elementary Administration	2,867,483	2,487,567	2,489,501	(1,934)
Secondary Administration	2,346,529	2,782,518	2,741,222	41,296
Systemwide Support Services	2,705,474	2,854,936	3,050,414	(195,478)
Technology Support Services	3,157,244	3,800,092	3,962,772	(162,680)
Total special services/instruction	18,543,690	19,585,593	19,574,037	11,556

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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, 2018**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Board of Education, continued				
Support Services/Operations:				
Operations/Maintenance	\$ 6,145,298	\$ 6,729,034	\$ 7,578,921	\$ (849,887)
Utilities	1,926,342	2,076,342	2,070,618	5,724
Pupil Transportation	3,367,057	3,650,139	3,644,692	5,447
Total support services/operations	<u>11,438,697</u>	<u>12,455,515</u>	<u>13,294,231</u>	<u>(838,716)</u>
Community Services:				
Community Services	<u>356,886</u>	<u>391,290</u>	<u>361,937</u>	<u>29,353</u>
Fringe Benefits	<u>19,426,321</u>	<u>19,376,321</u>	<u>19,257,392</u>	<u>118,929</u>
Unexpended education fund	<u>-</u>	<u>436,668</u>	<u>-</u>	<u>436,668</u>
Total Board of Education	<u>100,894,967</u>	<u>104,911,670</u>	<u>104,911,670</u>	<u>-</u>
Total expenditures	<u>149,528,429</u>	<u>154,784,869</u>	<u>153,509,325</u>	<u>1,275,544</u>
Other Financing Uses				
Transfers out:				
Capital reserve fund	5,000,000	5,213,600	5,213,600	-
Dog fund	45,000	45,000	45,000	-
Land acquisition fund	-	2,000,000	2,000,000	-
OPEB trust fund	687,804	687,804	687,804	-
Sewer operating fund	-	175,000	175,000	-
Total operating transfers out	<u>5,732,804</u>	<u>8,121,404</u>	<u>8,121,404</u>	<u>-</u>
Total Expenditures and Other Financing Uses	<u>\$ 155,261,233</u>	<u>\$ 162,906,273</u>	161,630,729	<u>\$ 1,275,544</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>20,613,490</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>\$ 182,244,219</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.

### **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.

### **Magnet School**

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.

TOWN OF GLASTONBURY, CONNECTICUT  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 JUNE 30, 2018

	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
<b>ASSETS</b>								
Cash and cash equivalents	\$ 2,065,353	\$ 34,190	\$ 9,843	\$ 242,541	\$ 260,807	\$ 63,231	\$ 531,880	\$ 90,844
Receivables	58,893	-	-	-	-	-	102,699	-
Inventory	-	-	-	-	-	-	22,915	-
Investments	562,808	9,316	2,682	-	70,920	17,230	-	-
Other	-	-	5,700	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 2,687,054</b>	<b>\$ 43,506</b>	<b>\$ 18,225</b>	<b>\$ 242,541</b>	<b>\$ 331,727</b>	<b>\$ 80,461</b>	<b>\$ 657,494</b>	<b>\$ 90,844</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>								
<b>Liabilities:</b>								
Accounts and other payables	\$ 76,615	\$ 14,758	\$ 1,658	\$ -	\$ 8,766	\$ -	\$ -	\$ 14,747
Unearned revenue	-	-	-	-	-	-	-	76,097
<b>Total liabilities</b>	<b>76,615</b>	<b>14,758</b>	<b>1,658</b>	<b>-</b>	<b>8,766</b>	<b>-</b>	<b>-</b>	<b>90,844</b>
<b>Deferred Inflows of Resources:</b>								
Unavailable revenue - special assessments	24,939	-	-	-	-	-	-	-
Unavailable revenue - other	-	-	-	-	-	-	-	-
<b>Total deferred inflows of resources</b>	<b>24,939</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances:</b>								
Nonspendable	-	-	-	-	-	-	22,915	-
Restricted	-	28,748	16,567	242,541	322,961	80,461	634,579	-
Committed	2,585,500	-	-	-	-	-	-	-
<b>Total fund balances</b>	<b>2,585,500</b>	<b>28,748</b>	<b>16,567</b>	<b>242,541</b>	<b>322,961</b>	<b>80,461</b>	<b>657,494</b>	<b>-</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 2,687,054</b>	<b>\$ 43,506</b>	<b>\$ 18,225</b>	<b>\$ 242,541</b>	<b>\$ 331,727</b>	<b>\$ 80,461</b>	<b>\$ 657,494</b>	<b>\$ 90,844</b>

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**TOWN OF GLASTONBURY, CONNECTICUT  
COMBINING BALANCE SHEET (CONTINUED)  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2018**

	<b>Special Revenue Funds</b>							
	<u>Library Funds</u>	<u>Connecticard</u>	<u>Police Private Duty</u>	<u>Camp Sunrise</u>	<u>Recreation Activities</u>	<u>Insurance Reserve Fund</u>	<u>Riverfront Park Operations Fund</u>	<u>Planetarium Fund</u>
<b>ASSETS</b>								
Cash and cash equivalents	\$ 95,846	\$ 11,466	\$ 327,818	\$ 24,980	\$ 867,905	\$ 328,692	\$ 228,960	\$ 51,973
Receivables	-	-	122,759	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	-
Investments	26,118	3,125	89,330	6,780	236,504	89,568	62,391	-
Other	-	-	-	86	5,080	-	-	-
<b>Total Assets</b>	<b>\$ 121,964</b>	<b>\$ 14,591</b>	<b>\$ 539,907</b>	<b>\$ 31,846</b>	<b>\$ 1,109,489</b>	<b>\$ 418,260</b>	<b>\$ 291,351</b>	<b>\$ 51,973</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>								
<b>Liabilities:</b>								
Accounts and other payables	\$ 844	\$ -	\$ 8,072	\$ 10,486	\$ 91,910	\$ -	\$ 53,051	\$ -
Unearned revenue	-	-	-	-	-	-	-	-
<b>Total liabilities</b>	<b>844</b>	<b>-</b>	<b>8,072</b>	<b>10,486</b>	<b>91,910</b>	<b>-</b>	<b>53,051</b>	<b>-</b>
<b>Deferred Inflows of Resources:</b>								
Unavailable revenue - special assessments	-	-	-	-	-	-	-	-
Unavailable revenue - other	-	-	3,093	-	-	-	-	-
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>3,093</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances:</b>								
Nonspendable	8,527	-	-	86	5,080	-	-	-
Restricted	112,593	14,591	-	-	-	-	-	-
Committed	-	-	528,742	21,274	1,012,499	418,260	238,300	51,973
<b>Total fund balances</b>	<b>121,120</b>	<b>14,591</b>	<b>528,742</b>	<b>21,360</b>	<b>1,017,579</b>	<b>418,260</b>	<b>238,300</b>	<b>51,973</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 121,964</b>	<b>\$ 14,591</b>	<b>\$ 539,907</b>	<b>\$ 31,846</b>	<b>\$ 1,109,489</b>	<b>\$ 418,260</b>	<b>\$ 291,351</b>	<b>\$ 51,973</b>

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**TOWN OF GLASTONBURY, CONNECTICUT  
COMBINING BALANCE SHEET (CONTINUED)  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2018**

	Capital Projects							Totals
	Minnechaug Golf Fund	Town Aid	Sewer Sinking Projects	Gateway Project	Riverfront Park	Magnet School	Eliminations	
<b>ASSETS</b>								
Cash and cash equivalents	\$ 146,093	\$ 625,571	\$ 328,263	\$ 36,975	\$ 69,656	\$ -	\$ -	\$ 6,442,887
Receivables	2,981	-	-	-	-	-	-	287,332
Inventory	-	-	-	-	-	-	-	22,915
Investments	39,810	170,468	89,451	10,076	18,981	-	-	1,505,558
Other	-	-	-	-	-	-	-	10,866
<b>Total Assets</b>	<b>\$ 188,884</b>	<b>\$ 796,039</b>	<b>\$ 417,714</b>	<b>\$ 47,051</b>	<b>\$ 88,637</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 8,269,558</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>								
<b>Liabilities:</b>								
Accounts and other payables	\$ 1,011	\$ 661,634	\$ 34,601	\$ -	\$ 13,061	\$ -	\$ -	\$ 991,214
Unearned revenue	1,000	-	-	-	-	-	-	77,097
<b>Total liabilities</b>	<b>2,011</b>	<b>661,634</b>	<b>34,601</b>	<b>-</b>	<b>13,061</b>	<b>-</b>	<b>-</b>	<b>1,068,311</b>
<b>Deferred Inflows of Resources:</b>								
Unavailable revenue - special assessments	-	-	-	-	-	-	-	24,939
Unavailable revenue - other	-	-	-	-	-	-	-	3,093
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>28,032</b>
<b>Fund Balances:</b>								
Nonspendable	-	-	-	-	-	-	-	36,608
Restricted	-	134,405	-	-	75,576	-	-	1,663,022
Committed	186,873	-	383,113	47,051	-	-	-	5,473,585
<b>Total fund balances</b>	<b>186,873</b>	<b>134,405</b>	<b>383,113</b>	<b>47,051</b>	<b>75,576</b>	<b>-</b>	<b>-</b>	<b>7,173,215</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 188,884</b>	<b>\$ 796,039</b>	<b>\$ 417,714</b>	<b>\$ 47,051</b>	<b>\$ 88,637</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 8,269,558</b>

**TOWN OF GLASTONBURY, CONNECTICUT  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2018**

	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	\$ 7,009	\$ -	\$ 41,979	\$ -	\$ -	\$ -	\$ 628,508	\$ 2,019,960
Charges for services	2,765,989	21,327	-	-	-	15,714	1,422,954	-
Investment income	32,697	635	-	-	-	-	-	-
Other revenues	13,924	-	2,626	17,662	120,474	-	56,639	-
Total revenues	<u>2,819,619</u>	<u>21,962</u>	<u>44,605</u>	<u>17,662</u>	<u>120,474</u>	<u>15,714</u>	<u>2,108,101</u>	<u>2,019,960</u>
Expenditures:								
Administrative services	-	-	-	-	148,360	19,385	-	-
Public safety	-	63,427	46,668	38,406	-	-	-	-
Sanitation	1,737,476	-	-	-	-	-	-	-
Leisure/culture	-	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	1,930,582	2,019,960
Debt service	1,148,679	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total expenditures	<u>2,886,155</u>	<u>63,427</u>	<u>46,668</u>	<u>38,406</u>	<u>148,360</u>	<u>19,385</u>	<u>1,930,582</u>	<u>2,019,960</u>
Revenues over (under) Expenditures	<u>(66,536)</u>	<u>(41,465)</u>	<u>(2,063)</u>	<u>(20,744)</u>	<u>(27,886)</u>	<u>(3,671)</u>	<u>177,519</u>	<u>-</u>
Other Financing Sources (Uses):								
Transfers in	410,796	45,000	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>410,796</u>	<u>45,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	344,260	3,535	(2,063)	(20,744)	(27,886)	(3,671)	177,519	-
Fund Balance at Beginning of Year	<u>2,241,240</u>	<u>25,213</u>	<u>18,630</u>	<u>263,285</u>	<u>350,847</u>	<u>84,132</u>	<u>479,975</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 2,585,500</u>	<u>\$ 28,748</u>	<u>\$ 16,567</u>	<u>\$ 242,541</u>	<u>\$ 322,961</u>	<u>\$ 80,461</u>	<u>\$ 657,494</u>	<u>\$ -</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, 2018**

	Special Revenue Funds							
	Library Funds	Connecticard	Police Private Duty	Camp Sunrise	Recreation Activities	Insurance Reserve Fund	Riverfront Park Operations Fund	Planetarium Fund
Revenues:								
Intergovernmental	\$ -	\$ 8,602	\$ -	\$ 21,000	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	612,584	40,109	1,290,827	-	224,156	18,205
Investment income	1,688	287	-	250	-	5,969	3,176	-
Other revenues	-	-	-	2,533	-	124,445	-	-
Total revenues	<u>1,688</u>	<u>8,889</u>	<u>612,584</u>	<u>63,892</u>	<u>1,290,827</u>	<u>130,414</u>	<u>227,332</u>	<u>18,205</u>
Expenditures:								
Administrative services	-	-	-	-	-	77,992	-	-
Public safety	-	-	594,856	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-	-
Leisure/culture	11,436	46,671	-	68,615	1,197,681	-	188,003	-
Education	-	-	-	-	-	-	-	100
Debt service	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total expenditures	<u>11,436</u>	<u>46,671</u>	<u>594,856</u>	<u>68,615</u>	<u>1,197,681</u>	<u>77,992</u>	<u>188,003</u>	<u>100</u>
Revenues over (under) Expenditures	<u>(9,748)</u>	<u>(37,782)</u>	<u>17,728</u>	<u>(4,723)</u>	<u>93,146</u>	<u>52,422</u>	<u>39,329</u>	<u>18,105</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	<u>(9,748)</u>	<u>(37,782)</u>	<u>17,728</u>	<u>(4,723)</u>	<u>93,146</u>	<u>52,422</u>	<u>39,329</u>	<u>18,105</u>
Fund Balance at Beginning of Year	<u>130,868</u>	<u>52,373</u>	<u>511,014</u>	<u>26,083</u>	<u>924,433</u>	<u>365,838</u>	<u>198,971</u>	<u>33,868</u>
Fund Balance at End of Year	<u>\$ 121,120</u>	<u>\$ 14,591</u>	<u>\$ 528,742</u>	<u>\$ 21,360</u>	<u>\$ 1,017,579</u>	<u>\$ 418,260</u>	<u>\$ 238,300</u>	<u>\$ 51,973</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, 2018**

	<u>Capital Projects</u>							
	<u>Minnechaug Golf Fund</u>	<u>Town Aid</u>	<u>Sewer Sinking Projects</u>	<u>Gateway Project</u>	<u>Riverfront Park</u>	<u>Magnet School</u>	<u>Eliminations</u>	<u>Totals</u>
Revenues:								
Intergovernmental	\$ -	\$ 460,843	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,187,901
Charges for services	20,550	-	-	-	-	-	-	6,432,415
Investment income	2,325	8,304	-	615	1,123	-	-	57,069
Other revenues	-	-	-	-	-	679,559	-	1,017,862
Total revenues	<u>22,875</u>	<u>469,147</u>	<u>-</u>	<u>615</u>	<u>1,123</u>	<u>679,559</u>	<u>-</u>	<u>10,695,247</u>
Expenditures:								
Administrative services	-	-	-	-	-	-	-	245,737
Public safety	-	-	-	-	-	-	-	743,357
Sanitation	-	-	-	-	-	-	-	1,737,476
Leisure/culture	-	-	-	-	-	-	-	1,512,406
Education	-	-	-	-	-	-	-	3,950,642
Debt service	-	-	-	-	-	-	-	1,148,679
Capital outlay	9,899	929,136	221,449	-	185,988	-	-	1,346,472
Total expenditures	<u>9,899</u>	<u>929,136</u>	<u>221,449</u>	<u>-</u>	<u>185,988</u>	<u>-</u>	<u>-</u>	<u>10,684,769</u>
Revenues over (under) Expenditures	<u>12,976</u>	<u>(459,989)</u>	<u>(221,449)</u>	<u>615</u>	<u>(184,865)</u>	<u>679,559</u>	<u>-</u>	<u>10,478</u>
Other Financing Sources (Uses):								
Transfers in	-	-	202,500	-	60,000	-	-	718,296
Transfers out	-	-	(200,000)	-	-	(679,559)	-	(879,559)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>2,500</u>	<u>-</u>	<u>60,000</u>	<u>(679,559)</u>	<u>-</u>	<u>(161,263)</u>
Net Change in Fund Balances	12,976	(459,989)	(218,949)	615	(124,865)	-	-	(150,785)
Fund Balance at Beginning of Year	<u>173,897</u>	<u>594,394</u>	<u>602,062</u>	<u>46,436</u>	<u>200,441</u>	<u>-</u>	<u>-</u>	<u>7,324,000</u>
Fund Balance at End of Year	<u>\$ 186,873</u>	<u>\$ 134,405</u>	<u>\$ 383,113</u>	<u>\$ 47,051</u>	<u>\$ 75,576</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,173,215</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, 2018**

	<u>Pension Trust Fund</u>	<u>OPEB Trust Fund</u>	<u>Total Trust Funds</u>
Assets:			
Cash and cash equivalents	\$ 1,006,326	\$ 8,890	\$ 1,015,216
Investments, at fair value:			
Mutual funds	137,282,085	4,764,182	142,046,267
Limited partnerships	<u>8,556,693</u>	<u>-</u>	<u>8,556,693</u>
Total assets	<u>146,845,104</u>	<u>4,773,072</u>	<u>151,618,176</u>
Net Position:			
Restricted for Pension and OPEB Benefits	<u>\$ 146,845,104</u>	<u>\$ 4,773,072</u>	<u>\$ 151,618,176</u>

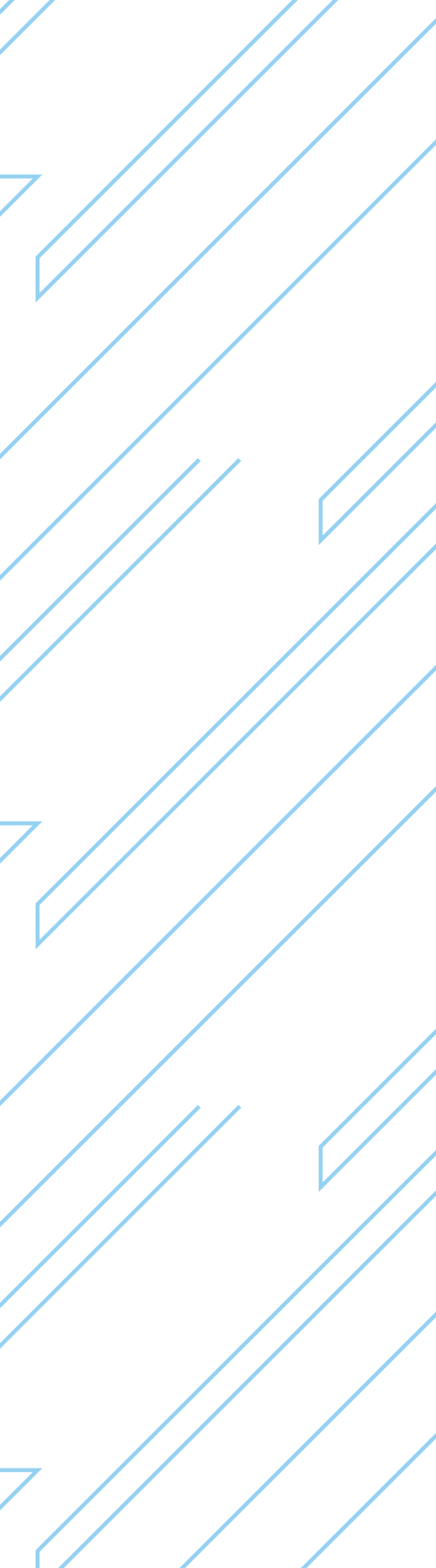


**TOWN OF GLASTONBURY, CONNECTICUT  
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - TRUST FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2018**

	<b>Pension Trust Fund</b>	<b>OPEB Trust Fund</b>	<b>Total Trust Funds</b>
Additions:			
Contributions:			
Employer	\$ 7,137,123	\$ 1,392,915	\$ 8,530,038
Employee	1,861,582	-	1,861,582
Total contributions	<u>8,998,705</u>	<u>1,392,915</u>	<u>10,391,620</u>
Investment income:			
Net change in fair value of investments	7,504,458	167,337	7,671,795
Interest and dividends	3,028,092	106,937	3,135,029
	<u>10,532,550</u>	<u>274,274</u>	<u>10,806,824</u>
Less investment expenses:			
Investment management fees	62,832	-	62,832
Net investment income	<u>10,469,718</u>	<u>274,274</u>	<u>10,743,992</u>
Total additions	<u>19,468,423</u>	<u>1,667,189</u>	<u>21,135,612</u>
Deductions:			
Benefit payments	8,604,504	698,550	9,303,054
Administration fees	97,854	11,157	109,011
Total deductions	<u>8,702,358</u>	<u>709,707</u>	<u>9,412,065</u>
Change in Net Position	10,766,065	957,482	11,723,547
Net Position at Beginning of Year	<u>136,079,039</u>	<u>3,815,590</u>	<u>139,894,629</u>
Net Position at End of Year	<u>\$ 146,845,104</u>	<u>\$ 4,773,072</u>	<u>\$ 151,618,176</u>

**TOWN OF GLASTONBURY, CONNECTICUT  
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - AGENCY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2018**

	<u>Balance July 1, 2017</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2018</u>
<b>Student Activity Fund</b>				
Assets:				
Cash and cash equivalents	\$ 1,053,045	\$ 1,620,885	\$ 1,470,348	\$ 1,203,582
Liabilities:				
Due to student groups	\$ 1,053,045	\$ 1,620,885	\$ 1,470,348	\$ 1,203,582
<b>Education Dependent Care Fund</b>				
Assets:				
Cash and cash equivalents	\$ 44,449	\$ 104,610	\$ 98,810	\$ 50,249
Liabilities:				
Due to others	\$ 44,449	\$ 104,610	\$ 98,810	\$ 50,249
<b>Total Agency Funds</b>				
Assets:				
Cash and cash equivalents	\$ 1,097,494	\$ 1,725,495	\$ 1,569,158	\$ 1,253,831
Liabilities:				
Due to student groups	\$ 1,053,045	\$ 1,620,885	\$ 1,470,348	\$ 1,203,582
Due to others	44,449	104,610	98,810	50,249
Total Liabilities	\$ 1,097,494	\$ 1,725,495	\$ 1,569,158	\$ 1,253,831



## **Other Schedules**

**TOWN OF GLASTONBURY, CONNECTICUT  
SCHEDULE OF REPORT OF TAX COLLECTOR  
FOR THE YEAR ENDED JUNE 30, 2018**

Grand List	Due Date	Uncollected Taxes July 1, 2017	Lawful Corrections		Transfers to Suspense	Adjusted Uncollected Taxes Receivable	Collections				Uncollected Taxes June 30, 2018
			Additions	Deductions			Taxes Paid	Interest	Lien Fees	Total	
10/1/16	7/1/17	\$ 147,505,957	\$ 191,427	\$ 397,946	\$ -	\$ 147,299,438	\$ 146,537,634	\$ 229,193	\$ 2,813	\$ 146,769,640	\$ 761,804
10/1/15	7/1/16	784,341	20,578	30,970	155,543	618,406	478,587	87,976	1,992	568,555	139,819
10/1/14	7/1/15	97,000	26,745	54	-	123,691	58,416	21,672	144	80,232	65,275
10/1/13	7/1/14	54,068	9,486	-	-	63,554	14,794	6,096	24	20,914	48,760
10/1/12	7/1/13	47,716	3,672	-	-	51,388	3,672	2,796	-	6,468	47,716
10/1/11	7/1/12	50,430	1,434	194	-	51,670	1,239	1,383	-	2,622	50,431
10/1/10	7/1/11	40,421	443	-	-	40,864	443	486	-	929	40,421
10/1/09	7/1/10	22,675	6	-	-	22,681	6	8	-	14	22,675
10/1/08	7/1/09	9,112	105	-	-	9,217	105	156	-	261	9,112
10/1/07	7/1/08	8,869	253	-	-	9,122	253	424	-	677	8,869
10/1/06	7/1/07	-	439	-	-	439	439	826	-	1,265	-
10/1/05	7/1/06	-	779	-	-	779	779	1,303	-	2,082	-
10/1/04	7/1/05	-	277	-	-	277	277	586	-	863	-
10/1/03	7/1/04	-	-	-	-	-	-	3	-	3	-
TOTAL		\$ 148,620,589	\$ 255,644	\$ 429,164	\$ 155,543	\$ 148,291,526	\$ 147,096,644	\$ 352,908	\$ 4,973	\$ 147,454,525	\$ 1,194,882

**TOWN OF GLASTONBURY, CONNECTICUT  
 SCHEDULE OF SEWER CONNECTION CHARGES COLLECTIBLE  
 FOR THE YEAR ENDED JUNE 30, 2018**

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<u>Collectible July 1, 2017</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, 2018</u>
\$ <u>529,282</u>	\$ <u>157,916</u>	\$ <u>687,198</u>	\$ <u>151,292</u>	\$ <u>33,713</u>	\$ <u>96</u>	\$ <u>185,101</u>	\$ <u>535,906</u>

**TOWN OF GLASTONBURY, CONNECTICUT  
SCHEDULE OF EXPENDITURES AND ENCUMBRANCES  
COMPARED WITH APPROPRIATIONS  
CAPITAL PROJECTS FUNDS  
FOR THE YEAR ENDED JUNE 30, 2018**

	<u>Appropriations</u>	<u>Current Appropriations</u>	<u>Transfers and Closed Projects</u>	<u>Adjusted Appropriations June 30, 2018</u>
<b>Reserve Fund:</b>				
General Government:				
Academy Reuse	\$ 2,221,238	\$ -	\$ -	2,221,238
Town Buildings Security	230,000	175,000	-	405,000
Disaster Preparation/Recovery Resources	850,000	30,000	-	880,000
Public Safety Communications	-	460,000	-	460,000
Multi-Town Dispatch Center	717,810	-	-	717,810
Police Lockers	150,000	115,000	-	265,000
Police Building Windows	-	127,500	-	127,500
Fiber Optic Network	1,117,000	-	-	1,117,000
Fire Apparatus - Engine	-	575,000	-	575,000
Land Acquisition Fund	1,253,639	-	-	1,253,639
Town Facilities Shop/Storage	1,045,000	-	-	1,045,000
Property Revaluation	1,274,000	187,500	-	1,461,500
Townwide Boiler/HVAC Replacement	223,323	325,000	9,000	557,323
Youth and Family Building Improvements	125,000	-	-	125,000
Document Management System	225,000	100,000	-	325,000
Telephone System	-	175,000	-	175,000
Town Hall Improvements	1,655,283	12,000	50,000	1,717,283
Townwide Roof Replacement	625,000	-	(50,000)	575,000
Clean Renewable Energy	1,266,044	30,000	(9,000)	1,287,044
<b>Total</b>	<u>12,978,337</u>	<u>2,312,000</u>	<u>-</u>	<u>15,290,337</u>
Physical Services:				
Dam Maintenance/Replacement	185,000	550,000	(60,000)	675,000
Bridge Replacement/Rehabilitation	2,650,000	400,000	-	3,050,000
Hebron Avenue Trail Fencing	35,000	-	-	35,000
Griswold/House Street Realignment	1,475,000	-	-	1,475,000
Parking/Access Drive Improvement	200,000	200,000	-	400,000
Hebron Avenue Resurfacing	-	1,250,000	-	1,250,000
Sidewalk Construction	223,751	-	-	223,751
Road Overlay	1,217	900,000	-	901,217
Main Street Paving	848,610	-	-	848,610
Heavy Equipment	253,000	200,000	-	453,000
Renovation and Site Restoration	1,559,720	-	-	1,559,720
Town Center Traffic/Street Improvements	2,125,000	-	-	2,125,000
Main Street Traffic Signals	2,836,000	-	-	2,836,000
Hebron Avenue/House Street Improvements	275,000	1,700,000	-	1,975,000
<b>Total</b>	<u>12,667,298</u>	<u>5,200,000</u>	<u>(60,000)</u>	<u>17,807,298</u>
Parks and Recreation:				
Outdoor Pool/Park Development	75,000	-	-	75,000
Bikeways/Bikepaths	955,000	-	-	955,000
Minnechaug Golf Improvements	387,500	125,000	-	512,500
Multi-Use Trail	-	850,000	-	850,000
Parks Facility Renovation/Expansion	642,500	275,000	-	917,500
Riverfront Park Extension	803,973	-	-	803,973
Library Upgrade/Redesign	100,000	150,000	-	250,000
Library Windows	165,000	-	-	165,000
Salmon Brook Park Study	15,000	-	-	15,000
Cider Mill	80,000	-	-	80,000
Open Space Access	500,000	-	-	500,000
Winter Hill	100,000	-	-	100,000
Library Space Planning	50,000	-	-	50,000
<b>Total</b>	<u>3,873,973</u>	<u>1,400,000</u>	<u>-</u>	<u>5,273,973</u>

(Continued on next page)

	<u>Expended to July 1, 2017</u>	<u>Current Expenditures</u>	<u>Expended to June 30, 2018</u>	<u>Encumbrances June 30, 2018</u>	<u>Designated for Capital Expenditures June 30, 2018</u>
\$	2,219,504	\$ 169	\$ 2,219,673	\$ -	\$ 1,565
	228,730	170,330	399,060	48,021	(42,081)
	666,460	198,288	864,748	508	14,744
	-	327,977	327,977	28,000	104,023
	560,789	157,021	717,810	-	-
	56,316	218,292	274,608	-	(9,608)
	-	4,121	4,121	2,974	120,405
	1,054,307	55,775	1,110,082	-	6,918
	-	213	213	-	574,787
	1,135,950	561	1,136,511	-	117,128
	728,185	30,496	758,681	8,820	277,499
	1,155,662	189,248	1,344,910	-	116,590
	169,261	387,551	556,812	-	511
	125,000	-	125,000	-	-
	33,513	184,721	218,234	91,079	15,687
	-	114,104	114,104	58,003	2,893
	929,847	703,179	1,633,026	32,081	52,176
	503,125	9,417	512,542	-	62,458
	995,314	224,164	1,219,478	3,792	63,774
	<u>10,561,963</u>	<u>2,975,627</u>	<u>13,537,590</u>	<u>273,278</u>	<u>1,479,469</u>
	92,573	498,673	591,246	24,285	59,469
	710,653	1,732,783	2,443,436	129,767	476,797
	-	35,000	35,000	-	-
	1,210,537	55,347	1,265,884	-	209,116
	11,999	149,662	161,661	-	238,339
	-	413,489	413,489	657,622	178,889
	-	207,774	207,774	12,309	3,668
	-	901,217	901,217	-	-
	769,447	-	769,447	-	79,163
	252,018	166,912	418,930	-	34,070
	1,427,019	529	1,427,548	8,363	123,809
	909,547	1,098,250	2,007,797	115,483	1,720
	2,793,279	-	2,793,279	10,826	31,895
	184,681	438,540	623,221	1,066,016	285,763
	<u>8,361,753</u>	<u>5,698,176</u>	<u>14,059,929</u>	<u>2,024,671</u>	<u>1,722,698</u>
	3,600	22,611	26,211	19,389	29,400
	930,184	9,059	939,243	7,949	7,808
	278,770	55,974	334,744	4,125	173,631
	-	-	-	-	850,000
	463,483	117,250	580,733	336,502	265
	775,572	1,450	777,022	-	26,951
	40,322	207,239	247,561	-	2,439
	120,821	32,220	153,041	-	11,959
	-	-	-	-	15,000
	39,651	-	39,651	-	40,349
	337,421	-	337,421	1,000	161,579
	86,510	165	86,675	3,100	10,225
	39,485	-	39,485	-	10,515
	<u>3,115,819</u>	<u>445,968</u>	<u>3,561,787</u>	<u>372,065</u>	<u>1,340,121</u>

**TOWN OF GLASTONBURY, CONNECTICUT  
SCHEDULE OF EXPENDITURES AND ENCUMBRANCES  
COMPARED WITH APPROPRIATIONS (CONTINUED)  
CAPITAL PROJECTS FUNDS  
FOR THE YEAR ENDED JUNE 30, 2018**

	<u>Appropriations</u>	<u>Current Appropriations</u>	<u>Transfers and Closed Projects</u>	<u>Adjusted Appropriations June 30, 2018</u>
<b>Reserve Fund, Continued</b>				
Education:				
HVAC/Boilers K-6	\$ 64,178	\$ -	\$ -	64,178
Energy Audit - All Schools	312,500	-	-	312,500
GHS Pool Upgrades	239,171	-	-	239,171
Carpet Replacement - Schools	571,500	260,000	40,000	871,500
GHS Fieldhouse	35,000	-	-	35,000
Gideon Welles Window Replace	1,743,842	-	(20,000)	1,723,842
Schools Air Conditioning	50,000	2,600,000	-	2,650,000
School Code Compliance	175,000	75,000	(20,000)	230,000
GHS Kitchen Upgrades	50,000	-	-	50,000
Gym Flooring - Hopewell	92,940	-	-	92,940
GHS Football Field Turf Replacement	207,674	375,000	-	582,674
School Communications	-	100,000	-	100,000
GHS Auditorium Acoustics	100,000	-	-	100,000
GHS Practice Football Field	72,326	-	-	72,326
<b>Total</b>	<u>3,714,131</u>	<u>3,410,000</u>	<u>-</u>	<u>7,124,131</u>
<b>Total reserve fund</b>	<u>33,233,739</u>	<u>12,322,000</u>	<u>(60,000)</u>	<u>45,495,739</u>
<b>Sewer Sinking Fund:</b>				
WPC Emergency Power	-	202,500	-	202,500
WPC Energy Conservation Program	315,000	-	-	315,000
Nutmeg Pump Station	805,000	-	-	805,000
Master Sewer Study	140,000	-	-	140,000
Cider Mill Pump Station	55,000	-	-	55,000
Sewer Forced Main Evaluation	-	-	-	-
<b>Total sinking fund</b>	<u>1,315,000</u>	<u>202,500</u>	<u>-</u>	<u>1,517,500</u>
<b>Complex Funding/Grants</b>				
Gateway Corporate Park	888,541	-	-	888,541
Land Acquisition:				
Land/Site Costs 2009	2,233,000	-	-	2,233,000
Land/Site Costs 2012	4,700,000	-	-	4,700,000
Land/Site Costs 2016	3,000,000	-	-	3,000,000
Land/Site Costs 2017	-	3,000,000	-	3,000,000
Magnet School	36,724,250	-	-	36,724,250
Riverfront Park	19,800,000	-	60,000	19,860,000
Town Aid:				
Town Aid Improved	514,735	448,563	-	963,298
Town Aid Unimproved	73,522	12,325	-	85,847
<b>Total complex funding/grants</b>	<u>67,934,048</u>	<u>3,460,888</u>	<u>60,000</u>	<u>71,454,936</u>
<b>Total</b>	<u>\$ 102,482,787</u>	<u>\$ 15,985,388</u>	<u>\$ -</u>	<u>\$ 118,468,175</u>



	<u>Expended to July 1 2017</u>	<u>Current Expenditures</u>	<u>Expended to June 30, 2018</u>	<u>Encumbrances June 30, 2018</u>	<u>Designated for Capital Expenditures June 30, 2018</u>
\$	10,773	\$ -	\$ 10,773	\$ 17,000	\$ 36,405
	241,203	100	241,303	-	71,197
	239,171	-	239,171	-	-
	561,640	297,270	858,910	3,488	9,102
	30,083	-	30,083	-	4,917
	1,622,939	64,570	1,687,509	30,492	5,841
	45,950	1,337,643	1,383,593	818,923	447,484
	61,285	40,325	101,610	-	128,390
	32,139	1,848	33,987	-	16,013
	92,940	-	92,940	-	-
	-	567,752	567,752	-	14,922
	-	86,150	86,150	1,000	12,850
	15,884	6,647	22,531	34,160	43,309
	72,326	-	72,326	-	-
	<u>3,026,333</u>	<u>2,402,305</u>	<u>5,428,638</u>	<u>905,063</u>	<u>790,430</u>
	<u>25,065,868</u>	<u>11,522,076</u>	<u>36,587,944</u>	<u>3,575,077</u>	<u>5,332,718</u>
	-	140,316	140,316	-	62,184
	47,790	6,478	54,268	-	260,732
	752,442	-	752,442	-	52,558
	112,480	4,819	117,299	-	22,701
	224	69,836	70,060	32,864	(47,924)
	-	-	-	-	-
	<u>912,936</u>	<u>221,449</u>	<u>1,134,385</u>	<u>32,864</u>	<u>350,251</u>
	868,131	-	868,131	-	20,410
	2,227,500	-	2,227,500	5,500	-
	46,129	1,162,485	1,208,614	-	3,491,386
	-	-	-	2,000,000	1,000,000
	-	-	-	3,000,000	-
	36,108,415	-	36,108,415	-	615,835
	19,617,712	185,988	19,803,700	21,014	35,286
	-	915,038	915,038	-	48,260
	-	14,098	14,098	-	71,749
	<u>58,867,887</u>	<u>2,277,609</u>	<u>61,145,496</u>	<u>5,026,514</u>	<u>5,282,926</u>
\$	<u>84,846,691</u>	\$ <u>14,021,134</u>	\$ <u>98,867,825</u>	\$ <u>8,634,455</u>	\$ <u>10,965,895</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)**

	<b>FISCAL YEAR</b>			
	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
Governmental Activities:				
Net investment in capital assets	\$ 167,909,894	\$ 170,298,270	\$ 184,735,191	\$ 205,117,516
Restricted	-	1,991,580	1,985,169	1,890,376
Unrestricted	<u>37,313,643</u>	<u>39,130,713</u>	<u>34,981,661</u>	<u>36,407,601</u>
Total Governmental Activities				
Net Position	<u>\$ 205,223,537</u>	<u>\$ 211,420,563</u>	<u>\$ 221,702,021</u>	<u>\$ 243,415,493</u>

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

\*\* Fiscal Year 2017 was restated for opening OPEB liability for GASB 75.

TABLE 1

<b>FISCAL YEAR</b>					
<b>2013</b>	<b>2014*</b>	<b>2015</b>	<b>2016</b>	<b>2017**</b>	<b>2018</b>
\$ 215,532,264	\$ 220,913,819	\$ 225,203,554	\$ 228,343,977	\$ 229,961,836	\$ 237,663,538
1,771,533	8,527	8,527	8,527	8,527	8,527
<u>40,289,893</u>	<u>15,576,198</u>	<u>17,031,058</u>	<u>13,031,950</u>	<u>1,800,736</u>	<u>(3,742,822)</u>
<u>\$ 257,593,690</u>	<u>\$ 236,498,544</u>	<u>\$ 242,243,139</u>	<u>\$ 241,384,454</u>	<u>\$ 231,771,099</u>	<u>\$ 233,929,243</u>

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

	FISCAL YEAR			
	2009	2010	2011	2012
Expenses:				
Governmental activities:				
General government services	\$ 3,407,468	\$ 2,850,139	\$ 2,761,913	\$ 3,016,304
Community development	1,878,328	1,898,166	1,718,967	1,795,016
Administrative services	5,720,224	4,897,820	4,914,647	4,845,717
Public safety	10,529,537	11,161,476	11,095,871	11,531,769
Physical services	10,220,379	10,725,354	11,795,662	13,689,502
Sanitation	3,871,059	2,001,502	2,479,712	3,436,259
Human services	2,781,794	2,949,719	2,893,617	2,968,749
Leisure/culture	6,073,062	6,587,422	6,340,605	6,811,418
Education	97,415,606	101,986,906	101,682,170	108,177,159
Interest on long-term debt	3,755,506	3,535,834	3,593,388	3,477,580
Total governmental activities expenses	<u>145,652,963</u>	<u>148,594,338</u>	<u>149,276,552</u>	<u>159,749,473</u>
Program Revenues:				
Governmental activities:				
Charges for services:				
Community development	734,501	751,483	607,781	721,745
Administrative services	2,142,999	1,872,512	1,851,704	1,926,586
Public safety	574,486	400,506	444,204	405,770
Physical services	139,243	24,546	52,443	15,591
Sanitation	2,406,040	2,562,231	2,734,348	3,204,166
Human services	170,246	191,292	188,111	185,135
Leisure/culture	1,278,173	1,384,702	1,379,937	1,423,334
Education	2,131,968	2,402,528	2,526,003	2,397,613
Operating grants and contributions	17,694,988	18,687,878	18,579,189	21,258,861
Capital grants and contributions	5,373,474	6,709,085	3,546,352	23,284,200
Total governmental activities program revenues	<u>32,646,118</u>	<u>34,986,763</u>	<u>31,910,072</u>	<u>54,823,001</u>
Net Expenses	<u>(113,006,845)</u>	<u>(113,607,575)</u>	<u>(117,366,480)</u>	<u>(104,926,472)</u>
General Revenues and Other				
Changes in Net Position:				
Governmental activities:				
Property taxes	115,906,389	118,985,878	122,557,674	125,688,970
Grants and contributions not restricted to specific programs	379,688	106,606	144,370	105,650
Unrestricted investment earnings	1,276,871	560,468	420,914	373,024
Gain (loss) on sale of capital assets	1,672,339	-	(66,020)	-
Capital contributions	-	-	4,591,000	472,300
Total governmental activities	<u>119,235,287</u>	<u>119,652,952</u>	<u>127,647,938</u>	<u>126,639,944</u>
Change in Net Position	<u>\$ 6,228,442</u>	<u>\$ 6,045,377</u>	<u>\$ 10,281,458</u>	<u>\$ 21,713,472</u>

TABLE 2

FISCAL YEAR						
2013	2014	2015	2016	2017	2018	
\$ 3,063,739	\$ 2,437,457	\$ 2,773,267	\$ 4,501,967	\$ 4,928,237	\$ 4,906,496	
1,795,599	1,768,601	1,740,867	1,796,427	1,958,525	1,915,888	
5,074,835	6,173,038	6,474,631	6,822,060	7,446,025	6,522,052	
11,615,297	12,915,490	12,669,044	14,053,008	14,356,673	15,275,692	
12,167,088	10,471,157	10,975,918	11,032,856	12,274,493	11,818,642	
3,640,404	3,214,383	3,638,913	4,119,041	3,890,002	3,789,056	
2,968,337	3,021,292	3,034,591	3,261,539	3,030,255	3,093,526	
6,822,187	7,075,241	7,740,493	8,339,722	8,877,849	8,463,475	
108,886,522	113,857,497	116,887,944	122,929,957	130,869,093	135,100,166	
3,201,363	3,268,620	2,900,598	2,585,718	2,379,319	2,080,233	
<u>159,235,371</u>	<u>164,202,776</u>	<u>168,836,266</u>	<u>179,442,295</u>	<u>190,010,471</u>	<u>192,965,226</u>	
899,667	732,127	663,062	1,292,517	1,074,711	1,076,329	
2,217,092	2,003,566	2,046,272	2,381,040	3,695,960	1,881,947	
630,516	772,016	537,679	756,727	593,244	732,571	
22,142	27,517	31,578	33,222	27,275	37,441	
3,470,123	3,481,680	3,575,444	3,919,616	3,496,380	3,525,324	
194,984	214,226	209,169	217,714	222,347	180,479	
1,458,981	1,514,392	1,585,442	1,754,512	1,919,109	1,891,739	
2,502,054	2,408,524	2,159,117	2,110,809	1,954,154	1,880,616	
23,982,010	23,396,762	20,754,777	22,428,207	30,741,544	32,038,968	
5,712,086	9,657,006	4,494,322	2,318,625	4,119,540	3,331,632	
<u>41,089,655</u>	<u>44,207,816</u>	<u>36,056,862</u>	<u>37,212,989</u>	<u>47,844,264</u>	<u>46,577,046</u>	
<u>(118,145,716)</u>	<u>(119,994,960)</u>	<u>(132,779,404)</u>	<u>(142,229,306)</u>	<u>(142,166,207)</u>	<u>(146,388,180)</u>	
128,517,167	134,371,417	136,885,474	140,296,610	142,548,603	147,569,385	
119,354	178,093	204,483	138,808	146,980	120,474	
305,276	469,352	499,031	935,203	423,716	856,465	
2,873,616	1,379,604	(38,297)	-	-	-	
509,500	-	-	-	-	-	
<u>132,324,913</u>	<u>136,398,466</u>	<u>137,550,691</u>	<u>141,370,621</u>	<u>143,119,299</u>	<u>148,546,324</u>	
<u>\$ 14,179,197</u>	<u>\$ 16,403,506</u>	<u>\$ 4,771,287</u>	<u>\$ (858,685)</u>	<u>\$ 953,092</u>	<u>\$ 2,158,144</u>	

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

	FISCAL YEAR			
	2009	2010	2011*	2012
General fund:				
Nondisposable	\$ -	\$ -	\$ 266,034	\$ 256,476
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	3,366,844	2,386,401
Unassigned	-	-	15,958,589	15,890,555
Reserved	274,528	340,646	-	-
Unreserved/undesignated	<u>19,351,109</u>	<u>17,663,217</u>	<u>-</u>	<u>-</u>
<b>Total General Fund</b>	<b>\$ <u>19,625,637</u></b>	<b>\$ <u>18,003,863</u></b>	<b>\$ <u>19,591,467</u></b>	<b>\$ <u>18,533,432</u></b>
All other governmental funds:				
Nondisposable	\$ -	\$ -	\$ 40,855	\$ 51,779
Restricted	-	-	1,985,169	1,881,849
Committed	-	-	19,096,641	20,323,177
Assigned	-	-	83,849	124,452
Unassigned	-	-	(6,888,970)	(989,284)
Reserved	7,819,483	4,147,109	-	-
Unreserved, reported in:				
Special revenue funds	16,526,499	18,119,821	-	-
Capital projects funds	<u>(23,283,881)</u>	<u>(20,973,885)</u>	<u>-</u>	<u>-</u>
<b>Total All Other Governmental Funds</b>	<b>\$ <u>1,062,101</u></b>	<b>\$ <u>1,293,045</u></b>	<b>\$ <u>14,317,544</u></b>	<b>\$ <u>21,391,973</u></b>

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



TABLE 3

FISCAL YEAR						
2013	2014	2015	2016	2017	2018	
\$ 252,167	\$ 223,188	\$ 223,564	\$ 217,267	\$ 218,628	\$ 202,704	
-	-	-	-	-	-	
-	-	-	-	-	-	
2,323,703	1,045,142	1,143,003	1,001,234	2,121,442	1,678,597	
21,881,949	25,648,081	24,339,992	25,843,730	24,315,641	23,876,227	
-	-	-	-	-	-	
-	-	-	-	-	-	
<u>\$ 24,457,819</u>	<u>\$ 26,916,411</u>	<u>\$ 25,706,559</u>	<u>\$ 27,062,231</u>	<u>\$ 26,655,711</u>	<u>\$ 25,757,528</u>	
\$ 38,797	\$ 65,774	\$ 58,498	\$ 37,797	\$ 38,606	\$ 36,608	
1,772,533	5,143,573	3,995,838	2,263,358	2,170,965	1,663,022	
20,045,428	21,130,041	24,751,335	26,488,882	27,252,707	27,840,928	
142,073	-	-	-	-	-	
(3,842,280)	(3,046,633)	(3,132,404)	(3,247,163)	(250,841)	(2,515,257)	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	-	-	-	-	-	
<u>\$ 18,156,551</u>	<u>\$ 23,292,755</u>	<u>\$ 25,673,267</u>	<u>\$ 25,542,874</u>	<u>\$ 29,211,437</u>	<u>\$ 27,025,301</u>	

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

	FISCAL YEAR			
	2009	2010	2011	2012
Revenues:				
Property taxes	\$ 115,923,084	\$ 119,227,409	\$ 123,041,929	\$ 126,040,914
Licenses and permits	888,429	918,526	789,486	884,941
Intergovernmental	17,083,763	18,514,524	15,141,206	35,237,827
Charges for services	6,687,260	6,755,094	7,146,269	7,591,533
Investment income	1,276,871	560,468	420,914	373,024
Unrealized investment income (loss)	-	-	-	-
Other	4,063,994	2,326,548	2,165,241	2,353,983
State payment for teacher's retirement system	6,321,000	6,568,000	6,834,000	9,010,000
Total revenues	<u>152,244,401</u>	<u>154,870,569</u>	<u>155,539,045</u>	<u>181,492,222</u>
Expenditures:				
Current:				
General government	2,551,501	2,694,876	2,711,663	2,713,125
Community development	1,863,995	1,809,662	1,821,437	1,829,362
Administrative services	5,700,454	5,237,657	5,610,331	5,605,900
Public safety	9,930,590	10,147,475	10,706,853	11,021,324
Physical services	5,889,862	6,007,171	6,216,519	8,588,617
Sanitation	2,401,026	2,433,602	2,191,813	2,309,070
Human services	2,576,246	2,629,351	2,700,551	2,726,637
Leisure/culture	5,567,234	5,771,463	5,908,807	6,145,720
Education	87,672,746	91,082,690	93,380,504	95,474,089
State payment for teacher's retirement system	6,321,000	6,568,000	6,834,000	9,010,000
Capital outlay	29,490,912	11,117,292	10,570,574	26,358,103
Debt service:				
Principal	6,960,000	7,225,000	7,430,000	6,702,765
Interest	3,921,655	3,537,160	3,443,890	3,494,755
Total expenditures	<u>170,847,221</u>	<u>156,261,399</u>	<u>159,526,942</u>	<u>181,979,467</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(18,602,820)</u>	<u>(1,390,830)</u>	<u>(3,987,897)</u>	<u>(487,245)</u>
Other Financing Sources (Uses):				
Issuance of bonds	8,000,000	-	-	6,395,000
Issuance of refunding bonds	9,505,000	-	28,550,000	14,545,000
Payment to escrow agent	(9,941,099)	-	(31,174,780)	(16,633,344)
Premiums on bonds issued	578,154	-	2,624,780	2,196,983
Issuance of notes	110,480	-	18,600,000	-
Transfers in	12,562,803	9,523,517	8,589,017	10,692,734
Transfers out	(12,562,803)	(9,523,517)	(8,589,017)	(10,692,734)
Sale of general capital assets	-	-	-	-
Total other financing sources	<u>8,252,535</u>	<u>-</u>	<u>18,600,000</u>	<u>6,503,639</u>
Net Change in Fund Balances	(10,350,285)	(1,390,830)	14,612,103	6,016,394
Fund Balance at Beginning of Year	<u>31,038,023</u>	<u>20,687,738</u>	<u>19,296,908</u>	<u>33,909,011</u>
Fund Balance at End of Year	<u>\$ 20,687,738</u>	<u>\$ 19,296,908</u>	<u>\$ 33,909,011</u>	<u>\$ 39,925,405</u>
Debt Service as a Percentage to Noncapital Expenditures	7.66%	7.41%	7.30%	6.55%

TABLE 4

		FISCAL YEAR									
		2013	2014	2015	2016	2017	2018				
\$	128,472,632	\$	133,909,658	\$	137,088,886	\$	140,255,321	\$	142,041,710	\$	147,560,197
	1,042,305		1,062,965		1,014,893		1,655,217		1,447,584		1,442,652
	20,054,747		20,679,938		15,017,466		14,080,414		15,837,597		14,033,412
	7,893,389		7,980,340		7,843,594		8,774,124		8,362,685		8,126,326
	305,276		463,305		485,238		613,267		749,129		1,231,131
	-		-		-		308,089		(337,400)		(382,690)
	2,716,551		2,402,865		2,504,856		2,417,701		2,218,522		2,459,627
	9,462,000		11,477,065		9,019,032		10,420,522		18,586,525		20,613,490
	<u>169,946,900</u>		<u>177,976,136</u>		<u>172,973,965</u>		<u>178,524,655</u>		<u>188,906,352</u>		<u>195,084,145</u>
	2,763,750		2,843,420		2,934,917		2,952,448		2,943,450		3,038,972
	1,762,554		1,748,810		1,699,054		1,738,682		1,881,332		1,857,926
	5,838,088		6,132,621		6,385,266		6,717,279		7,064,677		6,194,202
	11,119,389		12,253,110		12,033,001		13,061,288		13,305,981		14,377,584
	6,371,239		6,478,656		6,812,516		6,531,451		6,734,016		6,943,112
	2,320,431		2,386,174		2,379,895		2,632,481		2,565,142		2,463,086
	2,867,048		2,791,127		2,785,624		2,971,784		2,800,200		2,787,792
	6,110,748		6,263,893		6,600,388		6,732,036		6,765,075		6,752,279
	96,695,236		99,527,578		102,324,041		104,490,362		105,251,040		109,309,258
	9,462,000		11,477,065		9,019,032		10,420,522		18,586,525		20,613,490
	14,400,310		18,361,870		8,172,844		9,076,654		8,292,903		14,031,033
	7,433,613		7,680,811		7,772,816		7,419,642		7,754,319		7,730,982
	3,161,900		3,268,620		2,900,598		2,585,718		2,379,319		2,080,233
	<u>170,306,306</u>		<u>181,213,755</u>		<u>171,819,992</u>		<u>177,330,347</u>		<u>186,323,979</u>		<u>198,179,949</u>
	(359,406)		(3,237,619)		1,153,973		1,194,308		2,582,373		(3,095,804)
	-		8,950,000		-		-		-		-
	-		9,480,000		-		-		-		-
	-		(9,694,079)		-		-		-		-
	-		380,454		-		-		-		-
	-		135,000		-		-		-		-
	10,195,410		4,653,977		6,915,987		13,186,305		16,103,976		19,769,565
	(10,195,410)		(4,653,977)		(6,915,987)		(13,186,305)		(16,103,976)		(19,769,565)
	3,048,371		1,581,040		16,687		30,971		679,670		11,485
	<u>3,048,371</u>		<u>10,832,415</u>		<u>16,687</u>		<u>30,971</u>		<u>679,670</u>		<u>11,485</u>
	2,688,965		7,594,796		1,170,660		1,225,279		3,262,043		(3,084,319)
	<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>		<u>55,867,148</u>
\$	<u>42,614,370</u>	\$	<u>50,209,166</u>	\$	<u>51,379,826</u>	\$	<u>52,605,105</u>	\$	<u>55,867,148</u>	\$	<u>52,782,829</u>
	6.80%		6.76%		6.49%		5.95%		5.69%		5.33%

**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							
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
2017	2,877,461	600,371	290,299	173,164	25,133	3,916,162	36.40	5,953,139	65.78
2018	2,897,794	606,993	301,855	188,128	25,114	3,969,656	37.45	6,169,975	64.34

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

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

Taxpayer	2018			2009		
	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	\$ 44,052,150	1	1.05%	\$ 27,767,160	1	0.68%
Shops at Somerset Square LLC	28,651,700	2	0.68%	24,704,400	2	0.60%
New London Turnpike Apartments Investors LLC	27,459,700	3	0.66%	18,900,000	3	0.46%
Massachusetts Mutual Life Insurance Co.	18,736,700	4	0.45%			
Glastonbury MZL LLC	18,496,300	5	0.44%			
SHP V Glastonbury LLC	16,839,500	6	0.40%			
Siebar Glastonbury LLC	16,491,000	7	0.39%			
Connecticut Natural Gas Corp	15,985,280	8	0.38%			
Brixmor Residual Shoppes at Fox Run LLC	15,604,700	9	0.37%			
SBU LLC	12,339,400	10	0.29%	10,350,900	9	0.25%
Alecta Real Estate USA LLC				16,522,000	4	0.40%
BCIA 95 Glastonbury Blvd LLC				14,306,200	5	0.35%
Grunberg 628 Hebron LLC				12,470,150	6	0.30%
Mt Frissell Partners LLC				11,478,600	7	0.28%
PRA Suites at Glastonbury LLC				10,765,800	8	0.26%
PRA Glastonbury LLC				10,113,300	10	0.25%
	<u>\$ 214,656,430</u>		<u>5.13%</u>	<u>\$ 157,378,510</u>		<u>3.83%</u>

Source: Town Assessor's office - Grand List Report

1 Net Taxable Grand List October 1, 2017	\$4,183,263,970
2 Net Taxable Grand List October 1, 2008	\$4,105,603,530

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

<b>Fiscal Year</b>	<b>Taxes Levied for the Fiscal Year <sup>(1)</sup></b>	<b>Collected within the Fiscal Year of the Levy</b>		<b>Collections in Subsequent Years <sup>(2)</sup></b>	<b>Total Collections to Date</b>	
		<b>Amount <sup>(1)</sup></b>	<b>Percentage of Levy</b>		<b>Amount</b>	<b>Percentage of Levy</b>
2009	\$ 115,587,894	\$ 114,581,091	99.13 %	\$ 910,313	\$ 115,491,404	99.92 %
2010	118,936,203	117,896,533	99.13	928,002	118,824,535	99.91
2011	122,201,916	121,393,374	99.34	762,209	122,155,583	99.96
2012	125,090,309	124,429,404	99.47	566,419	124,995,823	99.92
2013	128,299,243	127,582,218	99.44	606,905	128,189,123	99.91
2014	133,617,305	132,828,872	99.41	497,377	133,326,249	99.78
2015	136,682,892	135,894,309	99.42	569,421	136,463,730	99.84
2016	139,990,757	139,364,464	99.55	357,566	139,722,030	99.81
2017	142,244,077	141,459,736	99.45	478,587	141,938,323	99.79
2018	147,299,438	146,537,634	99.48	-	146,537,634	99.48

Source:

(1) Town Revenue Collection Office

(2) Town 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 <sup>(4)</sup>	Per Capita <sup>(5)</sup>	Other Governmental Activities Debt (000's)		Total Primary Government (000's)	Debt as a Percentage of Actual Taxable Value of Property <sup>(5)</sup>	Debt Per Capita <sup>(5)</sup>
	General Obligation Bonds <sup>(1)</sup>	Premium on Bonds	Total			Clean Water Fund Notes Payable <sup>(2)</sup>	Term Notes Payable <sup>(3)</sup>			
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
2017	51,735	2,396	54,131	0.91%	1,561	13,580	-	67,711	1.14%	1,953
2018	44,925	1,861	46,786	0.76%	1,353	12,695	-	59,481	0.96%	1,720

<sup>(1)</sup> Town only issues general obligation bonds and has no overlapping debt.

<sup>(2)</sup> 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.

<sup>(3)</sup> Represents relatively short-term notes for the acquisition of various land parcels.

<sup>(4)</sup> See Table 5 for taxable property value data.

<sup>(5)</sup> See Table 11 for population data.

**TOWN OF GLASTONBURY, CONNECTICUT  
SCHEDULE OF DEBT LIMITATION  
FOR THE YEAR ENDED JUNE 30, 2018**

Tax Base:	
Total tax collections (including interest and lien fees)	\$ 141,993,237
Reimbursement of Revenue Loss from Tax Relief for the Elderly	<u>134,895</u>
Total Base	<u>\$ 142,128,132</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	\$ 319,788,297	\$ -	\$ -	-	-
4 1/2 times base	-	639,576,594	-	-	-
3 3/4 times base	-	-	532,980,495	-	-
3 1/4 times base	-	-	-	461,916,429	-
3 times base	-	-	-	-	426,384,396
Total limitations	<u>319,788,297</u>	<u>639,576,594</u>	<u>532,980,495</u>	<u>461,916,429</u>	<u>426,384,396</u>
Indebtedness:					
Bonds outstanding	21,432,000	23,493,000	-	-	-
Authorized and unissued	8,230,000	-	-	-	-
Bond anticipation notes	1,650,000	-	-	-	-
Clean Water Fund notes	-	-	12,695,037	-	-
Construction grants	-	-	-	-	-
Total indebtedness	<u>31,312,000</u>	<u>23,493,000</u>	<u>12,695,037</u>	<u>-</u>	<u>-</u>
Debt Limitation in Excess of Outstanding and Authorized Debt	<u>\$ 288,476,297</u>	<u>\$ 616,083,594</u>	<u>\$ 520,285,458</u>	<u>\$ 461,916,429</u>	<u>\$ 426,384,396</u>

Note: In no event shall total indebtedness exceed seven times the base for debt limitation computation \$ 994,896,924

See Notes to the Financial Statements for further information and explanation on the Town's indebtedness at June 30, 2018.



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

	<b>FISCAL YEAR</b>			
	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
Debt limit	\$ 779,786,049	\$ 807,411,521	\$ 835,494,023	\$ 859,972,099
Total net debt applicable to limit	<u>120,939,376</u>	<u>113,332,765</u>	<u>105,703,742</u>	<u>99,423,346</u>
Legal Debt Margin	<u>\$ 658,846,673</u>	<u>\$ 694,078,756</u>	<u>\$ 729,790,281</u>	<u>\$ 760,548,753</u>
Total net debt applicable to the limit as a percentage of debt limit	15.51%	14.04%	12.65%	11.56%

TABLE 10

<b>FISCAL YEAR</b>						
<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	
\$ 881,587,371	\$ 900,743,193	\$ 938,369,383	\$ 960,676,976	\$ 982,829,946	\$ 994,896,924	
<u>105,349,500</u>	<u>91,986,430</u>	<u>84,275,977</u>	<u>76,922,844</u>	<u>72,195,197</u>	<u>67,500,037</u>	
<u>\$ 776,237,871</u>	<u>\$ 808,756,763</u>	<u>\$ 854,093,406</u>	<u>\$ 883,754,132</u>	<u>\$ 910,634,749</u>	<u>\$ 927,396,887</u>	
11.95%	10.21%	8.98%	8.01%	7.35%	6.78%	

TABLE 11

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

Fiscal Year	Population <sup>(1)</sup>	Median Family Income <sup>(2)</sup>	Per Capita Personal Income <sup>(2)</sup>	Median Age <sup>(2)</sup>	Educational Attainment <sup>(2)</sup>		School Enrollment <sup>(3)</sup>	Unemployment Rate <sup>(4)</sup>
					High School	Bachelors Degree		
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	42.0	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	125,030	52,928	43.6	96.4%	61.0%	6,169	3.8%
2016	34,768	126,188	55,679	43.9	96.2%	61.2%	6,094	3.6%
2017	34,678	129,648	57,709	43.9	96.3%	61.9%	5,923	3.5%
2018	34,584	132,238	58,431	45.1	96.0%	60.2%	5,938	3.1%

## Sources:

<sup>(1)</sup> State of Connecticut Department of Public Health

<sup>(2)</sup> U.S. Census Bureau, American Fact Finder

<sup>(3)</sup> Town of Glastonbury Board of Education

<sup>(4)</sup> State of Connecticut Department of Labor

TABLE 12

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

Name	Nature of Business	2018			2009		
		Employees	Rank	Percentage of Total Town Employment	Employees	Rank	Percentage of Total Town Employment
Healthtrax Inc.	Health Clubs	1000-4999	1	15.47%			
Glastonbury Town Hall	Government Office	250-499	2	1.93%	1,071	1	7.02%
United Financial Bancorp Inc	Financial Services	250-499	3	1.93%			
Glastonbury High School	Schools	250-499	4	1.93%			
Amica Mutual Insurance Co	Insurance	100-249	5	0.90%	122	8	0.80%
Home Depot	Home Centers	100-249	6	0.90%			
Super Stop & Shop	Grocers-Retail	100-249	7	0.90%	293	4	1.92%
Salmon Brook Ctr	Nursing Homes	100-249	8	0.90%	200	5	1.31%
Tca Consulting Group	Employment Contractors	100-249	9	0.90%			
Smith Brothers Insurance LLC	Insurance	100-249	10	0.90%			
Open Solutions	Computer Hardware& Software				459	2	3.01%
IKON/Office Solutions	Office Equipment				300	3	1.97%
CIGNA Insurance company	Insurance				147	6	0.96%
Bank of America Business Capital	Financial Services				130	7	0.85%
Flanagan Industries	Manufacturers				112	9	0.73%
Nabisco/Kraft	Wholesafe Distributor				80	10	0.52%
				<u>26.68%</u>	<u>2,914</u>		<u>19.11%</u>
Total Town Employment			est	<u>19,398</u>		est	<u>15,250</u>

Source: 2018 data - Connecticut Department of Labor and Connecticut Economic Resources Center, Inc.  
2009 data - Glastonbury FY2009 Comprehensive Annual Financial Report

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

	FISCAL YEAR									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>General government</b>										
Town Manager	2.0	2.0	2.0	2.0	2.0	2.0	3.0	3.0	3.0	3.0
Human Resources	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	3.0	3.0
Facilities Maintenance	16.9	16.9	17.2	17.2	17.2	17.2	17.2	18.5	13.0	12.0
<b>Community Development</b>										
Community Development	6.0	5.5	5.5	5.5	5.5	4.5	4.5	4.5	4.5	4.5
Building Inspection	5.0	5.0	4.0	4.5	4.5	4.5	4.5	4.0	4.0	4.0
Fire Marshal	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.0	2.0
Health	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.0	5.0
<b>Administrative Services</b>										
Financial Administration	8.5	8.5	8.5	8.5	8.5	8.5	9.5	8.5	8.0	8.0
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	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Revenue Collection	4.5	4.5	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Town Clerk	4.8	4.0	4.0	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
<b>Public Safety</b>										
Police	77.0	77.0	77.0	77.0	77.0	77.0	77.0	77.0	75.0	78.0
Fire	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
<b>Physical Services</b>										
Engineering	12.0	12.5	12.5	12.5	13.0	13.0	13.0	13.0	12.5	12.5
Highway	23.5	22.5	22.5	22.5	22.5	22.5	22.5	23.0	22.0	22.0
Fleet Maintenance	13.9	8.9	8.9	8.9	8.9	8.2	8.2	8.2	6.0	6.0
<b>Sanitation</b>										
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	6.1	6.1	6.1	6.1	6.1	6.1	2.0	2.0
<b>Human Services</b>										
Youth & Family Services	14.0	14.0	14.0	14.0	14.0	13.1	13.1	13.1	12.0	12.0
Senior & Community Services	16.1	16.1	16.1	16.1	16.1	16.8	16.8	16.8	9.0	7.0
<b>Leisure/Culture</b>										
Parks & Recreation	24.9	24.3	24.3	24.3	24.3	23.8	23.8	23.8	22.0	22.8
Welles-Turner Library	17.7	17.7	17.7	17.7	15.6	15.6	15.6	15.6	10.0	10.0
<b>Education</b>	<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>	<u>801.0</u>	<u>786.0</u>
<b>Total</b>	<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>	<u>1,044.3</u>	<u>1,030.1</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**

	FISCAL YEAR									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Building/Community Development</b>										
Alterations - residential/commercial	699	780	717	972	574	1,575	1,523	1,956	1,990	2,037
Number of subdivisions approved	2	3	-	6	4	-	3	5	4	2
New residential dwellings	36	43	44	47	21	19	15	25	25	27
New commercial buildings	7	4	4	2	2	4	-	8	7	2
<b>Fire Marshal</b>										
Fire investigations completed	123	168	116	130	81	91	63	43	26	46
Assembly occupancy inspections	223	188	202	156	265	278	300	236	467	670
<b>Health</b>										
Routine inspections	592	793	971	1,414	1,100	914	996	967	995	891
Complaint inspections	158	165	220	145	173	113	142	76	223	216
<b>Financial Administration</b>										
Percent of taxes to total revenue	88.60%	89.60%	89.90%	90.60%	90.60%	91.10%	90.80%	91.60%	90.90%	91.52%
<b>Property Assessment</b>										
Grand list accounts	53,029	52,526	52,836	53,027	53,467	53,480	53,690	53,657	53,794	54,102
Adjusted grand list accounts	2,407	2,122	2,368	2,211	2,418	2,342	2,566	3,337	3,153	3,198
<b>Revenue Collection</b>										
Collection rate	99.13%	99.13%	99.34%	99.47%	99.44%	99.41%	99.42%	99.55%	99.45%	99.50%
# of real estate tax bills	13,739	13,782	13,774	13,782	13,844	13,871	13,874	13,945	13,935	13,936
# of motor vehicle tax bills	31,534	31,780	31,877	31,908	31,839	31,756	32,126	31,883	31,661	32,058
# of personal property tax bills	2,144	2,139	2,086	2,120	2,123	2,165	2,190	2,210	2,198	2,228
# of supplemental motor vehicle bills	4,841	4,296	4,551	4,654	4,993	5,157	4,953	5,068	5,466	5,352
<b>Police</b>										
Uniform strength	56	55	57	56	52	57	56	59	55	57
Dispatches for service	20,718	20,459	17,145	19,223	20,030	18,726	18,264	18,162	17,662	16,972
Emergency time response	4:56 min	4:38 min	4:40 min	5:28 min	4:59 min	4:37 min	4:32 min	4:34 mins	4:56 mins	3:59 mins
Average police response time (all calls)	6:14 min	6:18 min	6:30 min	6:36 min	6:08 min	6:14 min	5:56 min	6:13 mins	6:05 mins	6:28 mins
Total crimes / FBI uniform crime index	396	454	437	428	363	385	292	440	592	421
Total medical calls	1,652	1,630	1,663	1,637	1,614	1,707	1,859	2,195	2,293	2,229
Total animal control calls	904	880	860	809	729	699	627	761	646	566
Total motor vehicle accidents	786	762	806	779	932	888	874	766	911	858
Physical arrests	564	467	536	563	596	572	475	429	519	432
Parking violations	171	192	82	152	137	131	96	117	75	33
Traffic violations	1,945	1,816	965	1,414	1,761	2,056	1,601	1,575	1,604	1,399
<b>Fire</b>										
Uniform strength	120	115	111	111	114	111	115	116	120	122
Full time	1	-	1	1	1-2	2	2	2	2	2
Emergency incidents	981	951	1,139	1,295	950	858	851	870	851	817
Structure fires	53	53	17	34	35	25	15	13	8	7
Fire training hours	7,923	5,960	6,870	7,777	7,800	7,379	7,053	6,449	6,946	7,529
<b>Engineering</b>										
Right of way permits	328	234	295	253	209	270	416	296	340	328
Sanitation sewer permits	40	39	38	63	36	31	42	50	59	55
<b>Highway</b>										
Snow routes	21	21	21	21	21	21	21	21	21	21
Road miles plowed	44,256	32,057	45,335	13,766	36,200	50,007	47,812	25,400	32,627	34,470
Lane miles paved/street resurfacing	13	15	11	9	18	12	15	11	14	15
Catch basins cleaned	710	345	273	237	215	250	360	365	357	425
<b>Water Pollution Control</b>										
Average daily treatment flow (gal/day)	2,330,000	2,200,000	2,140,000	2,290,000	2,200,000	2,147,315	2,070,000	2,030,000	1,970,000	1,950,000
Gallons of sludge disposed	3,431,000	3,304,000	3,022,500	2,977,500	2,312,000	2,184,000	2,246,000	2,359,500	2,576,500	2,742,500
<b>Refuse Disposal</b>										
Annual tons of solid waste collected	2,083	1,933	2,024	1,864	2,087	1,622	1,595	1,600	1,574	1,525
Vehicles at hazard waste collection	452	535	441	421	563	457	427	411	442	765
Permits issued	7,377	6,374	6,252	6,475	6,450	6,897	7,135	7,350	7,254	7,474
<b>Senior &amp; Community Services</b>										
Senior center participation	41,059	43,909	44,372	43,759	33,392	30,428	30,210	31,879	34,006	35,084
Outreach clients	1,084	1,337	1,401	1,454	1,467	1,480	1,216	1,245	1,641	1,940
Dial-A-Ride participation	20,888	21,356	20,169	20,243	19,633	24,151	24,688	22,687	18,963	18,287
<b>Youth &amp; Family Services</b>										
Clinical clients	1,285	1,232	1,184	1,076	1,183	1,094	1,085	1,175	1,453	1,444
Youth program participation	9,690	11,972	10,530	10,397	10,748	8,944	1,875	928	914	1,135
<b>Parks &amp; Recreation</b>										
Program participation registrations	91,743	96,683	92,540	92,920	88,668	84,325	79,205	87,405	88,064	76,661
Fields maintained	53	53	53	54	54	54	54	54	54	54
Rounds of golf played	16,392	18,544	16,763	13,594	15,599	13,010	14,229	15,394	11,655	12,387
Hours of athletic field use	38,300	45,714	47,077	46,267	43,596	45,576	43,441	45,389	43,942	41,449
<b>Library</b>										
Library transactions	567,440	560,689	335,729	481,960	470,070	452,381	403,943	382,471	342,785	324,760
Self check library transactions	96,465	38,509	35,898	36,277	28,204	17,433	18,640	305,976	294,985	270,385

Source(s): Various Town Departments

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

	FISCAL YEAR									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Police</b>										
Stations	1	1	1	1	1	1	1	1	1	1
<b>Fire</b>										
Stations	4	4	4	4	4	4	4	4	4	4
Front-line equipment	21	21	21	21	20	20	13	21	21	21
Fire hydrants	708	708	708	709	709	709	711	775	775	775
<b>Highway</b>										
Storm drains	5,647	5,647	5,791	5,808	5,813	5,813	5,838	5,838	5,838	5,842
Street miles - center line	219	219	222	222	222	222	222	222	222	222
Expressways (miles)	13	13	13	13	13	13	13	13	13	13
Residential streets (miles)	169	169	172	172	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	19	19	19	19	19	19	19	19	19	17
Bridges	16	16	16	16	16	16	16	16	16	16
<b>Water Pollution Control</b>										
Number of sanitary sewer miles	101	101	102	102	102	102	102	105	105	105
<b>Senior &amp; Community Services</b>										
Community center	1	1	1	1	1	1	1	1	1	1
Natural gas sedan	1	1	1	1	1	2	3	2	2	2
<b>Dial-A-Ride Buses</b>										
Vans - Diesel	6	6	6	6	2	2	2	1	1	1
CNG	1	1	1	1	4	3	3	5	5	4
<b>Parks &amp; Recreation</b>										
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	54	54	54	54	54	54	54
Swimming pools	3	3	3	3	3	3	3	3	3	3
<b>Welles-Turner Library</b>										
Libraries	3	3	3	3	3	3	3	3	3	3

Source(s): Various Town Departments