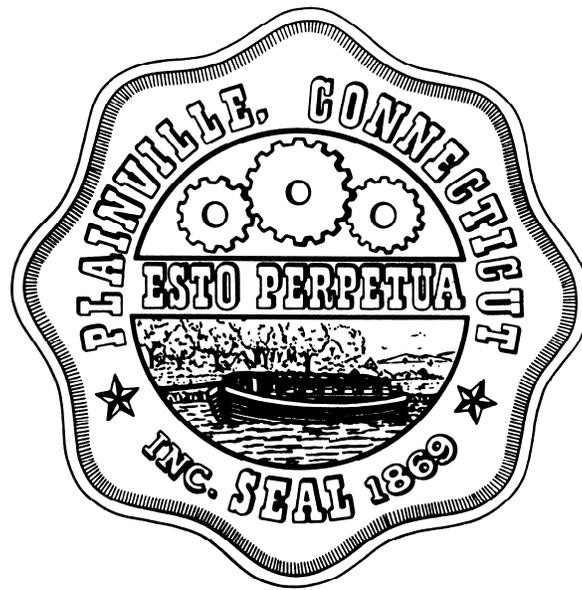


Town of Plainville Connecticut



Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2015

Comprehensive Annual Financial Report

of the

Town of Plainville Connecticut

Fiscal Year Ended June 30, 2015

Prepared by:
Finance Department
Robert W. Buden
Director of Finance

**TOWN OF PLAINVILLE, CONNECTICUT
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
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 JUNE 30, 2015**

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Introductory Section

TOWN OF PLAINVILLE, CONNECTICUT

PRINCIPAL TOWN OFFICIALS

AS OF JUNE 30, 2015

TOWN COUNCIL

Katherine Pugliese, Chairperson
Scott Saunders, Vice-Chairman
Danny Carrier
Quinn Christopher
Patrick Kilby
Deborah Tompkins
Christopher Wazorko

ADMINISTRATION

Robert E. Lee, Town Manager

Assistant Town Manager

Town Attorney

Town Clerk

Director of Finance

Assessor

Collector of Revenue

Treasurer

Chief of Police

Police Captain

Police Lieutenant

Fire Chief

Fire Marshal

Director of Health

Building Inspector

Director of Technical Services

Superintendent of Water Pollution Control

Superintendent of Buildings & Grounds

Superintendent of Roadways

Director of Physical Services

Recreation Director

Town Planner

Senior Citizens Director

Youth Services Coordinator

Librarian

Shirley Osle

Michael Mastrianni

Carol Skultety

Robert Buden

Jane Dickman-Buden

Ana LeGassey

Duncan May

Matthew Catania

Vacant

Eric Peterson

Kevin Toner

Larry Sutherland

Stephen Zebrowski

Foster Zucchi

John Bossi

Joseph Alosso

Dave Emery

Dominick Moschini

Carmen Matteo

Colin Regan

Mark DeVoe

Shawn Cohen

Roberta Brown

Peter Chase

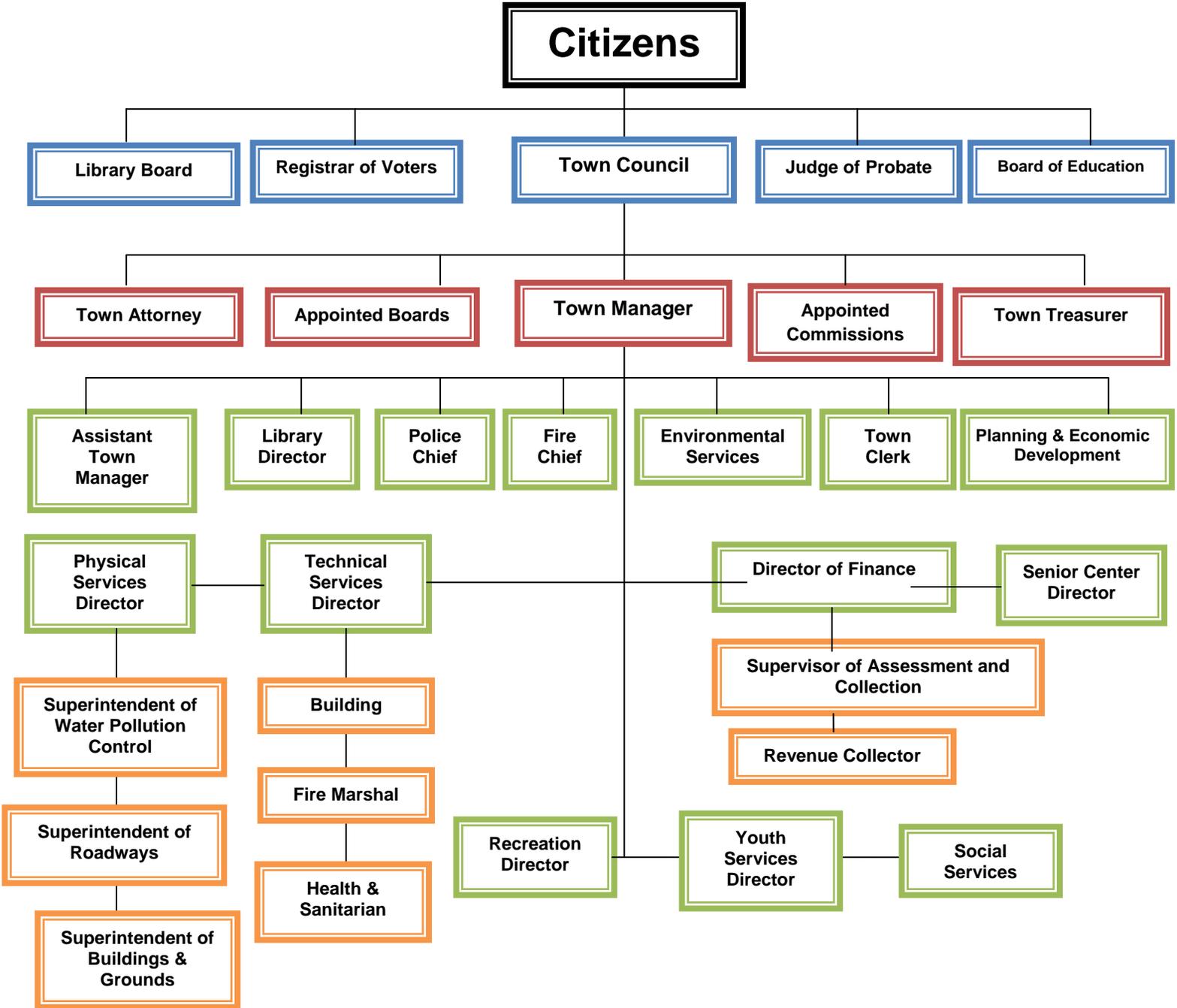
BOARD OF EDUCATION

Andrea Saunders, Chairperson
Deborah Hardy, Vice Chairperson
Brent Davenport
Michael Giuliano
Laurie Peterson
Cheryl Provost
Becky Tyrell
Foster White
Barbara Willard

Superintendent of Schools
Director of Business and Operations

Jeffrey Kitching
Edward Hoyt

TOWN OF PLAINVILLE ORGANIZATIONAL CHART





**Town of Plainville, CT
Finance Department
One Central Square
Plainville, CT 06062-1955
Phone: 860-793-0221 x 233
Fax: 860-793-2285
Rob Buden – Director of
Finance
rbuden@plainville-ct.gov
www.plainvillect.com**

December 28, 2015

To the Members of the Town Council,
Town Manager and Citizens of the Town of Plainville:

State law requires that every general-purpose local government publish within six months of the close of each fiscal year a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended June 30, 2015.

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

Blum, Shapiro & Company, P.C., have issued an unmodified (clean) opinion on the Town of Plainville's financial statements for the year ended June 30, 2015. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A letter complement this letter of transmittal and should be read in conjunction with it.

Profile of the Government

The Town of Plainville, incorporated in 1869, is located 14 miles southwest of Hartford, the state's capital, and is on a major interstate Highway I-84. The Town also has a privately owned airport within its boundaries that can service small planes. The Town has a land area of 9.6 square miles and a population of 17,820. The Town is empowered to levy a property tax on both real and personal property located within its boundaries. This includes motor vehicles that are garaged or registered as being in the Town.

The Town has operated under the Council-Manager form of government since 1959. Policymaking and legislative authority are vested in the seven-member Town Council. The Council is elected biennially to serve a two-year term. The Council is responsible, among other things, for passing ordinances, proposing a budget to the annual Town Meeting, appointing committees, appointing the Town's attorney and treasurer, and hiring the Town's manager. The Town Manager as Chief Executive Official of the Town is responsible for carrying out the policies and ordinances of the Council, for overseeing the day-to-day operations of the Town, and for appointing the heads of the Town's departments. For the seven council positions, each political party may nominate five nominees, which assures no more than five members of the Council are from the same political party.

The Town provides a full range of services, which include: general government services such as finance, personnel, town clerk, revenue collection, assessment; public safety, which includes fire and police protection; physical services for the management, care and maintenance of all public buildings, public roadways, Town vehicles, and various construction activities; environmental services, which includes the collection of solid waste and recyclable by a contract vendor; water pollution control for the collection and treatment of wastewater; and education, which is under the control of the elected Board of Education, and operates a high school, middle school and three (3) elementary schools.

The Council is required to fix the tax rate in mills within ten days after the annual budget meeting. The annual budget serves as the foundation for the Town of Plainville's financial planning and control. The budget is prepared by fund, function (e.g., public safety), and department (e.g., police). Department heads may transfer resources within their own department, with the Town Manager's approval, throughout the fiscal year. Transfers between departments, however, need special approval from the Town Council during the fourth quarter only.

Local Economy

Major industries located within the government's boundaries or in close proximity include manufacturers of electrical components and equipment, electrical controls, spring manufacturing aerospace parts and supply, and a number of medium and large sized construction firms. In addition, a substantial commercial economic presence includes a number of national retail facilities.

The Town's geographical location and access to major highways and railroads has helped with its growth. The Town's purchase of Robertson Airport, a general aviation facility that serves private, corporate, and charter aircraft, has resulted in the certainty that the airport will continue to serve the needs of the local aviation community indefinitely. The Town entered into an agreement with a Fixed-Based Operator, Interstate Aviation, for day-to-day management of the facility. A Federal FAA grant has allowed for a recent re-construction and modernization of the runway. Hopes are this state of the art runway will attract additional airplane operators to call Robertson Airport their home. Pan Am Railways continues to provide freight rail service to the community.

Employment data for Plainville reflects a labor force of 10,560 as of June 2015. The unemployment rate in Plainville decreased to 4.9% from 5.8% from June 2014 to June 2015 while the Hartford region went from 6.5% to 5.6% for the same period. Given the nature of the national and State economy, unemployment is expected to fluctuate in the near term however; the Town's commercial and industrial tax base, while not growing at a fast pace, remains solid.

The Town enjoys a diverse economic base, which includes small, mid-size, and large manufacturers consisting of General Electric, Carlingswitch (an electrical component maker), Gems Sensors and Controls, Mott Corporation, an industrial air filter manufacturer, Forestville Tool, Roma Tool, Cad Cam, LDM Manufacturing, ELKA Precision and many others. Plainville is home to a number of medium and large sized construction firms including Manafort Brothers, Walker Rigging, Tilcon CT, Inc. and Aiudi & Sons, LLC.

Efforts to revitalize the downtown business district received a boost as streetscape improvements have revitalized certain sections of the district, and those benefits will now be realized along the route 372 corridor as it transects the downtown area.

BRE DDR Connecticut Commons LLC, the largest taxpayer in the community, had an assessment of \$46,947,210. The managers of this retail facility have been rallying to fill all of the empty space within the plaza, which had a vacancy rate approaching 10% earlier in 2013. At the close of 2015, the plaza is at 100% occupancy. Recent development in the immediate area of Connecticut Commons includes a retail bakery, banking, and other miscellaneous retail space. Over 22 acres are available for development directly across from Connecticut Commons. This land is now undergoing environmental remediation to remove contaminants, clearing of buildings, and grading in an effort to improve marketability. In addition, an approved pad site with a 20,000-square-foot retail facility is awaiting a tenant. Lowes Theaters recently became an AMC Theater and renovated the interior of all theaters. Successful area restaurants such as J. Timothy's Tavern, Applebee's, The First and Last Tavern and others continue to add a dimension of entertainment to the area. The renovated Fairfield Inn (a Marriott product) is flourishing and recently finished adding an Irish theme pub, Waxy O'Connors.

Perhaps most exciting is the ongoing construction of a 145,000 square-foot medical office building and cancer center on the Plainville–New Britain town line (Plainville will house the medical office complex). This project represents a major step forward for cancer treatment in Central Connecticut. It is worth noting that besides the 145,000 square feet mentioned above, the developer has retained ample land to construct as much as 40,000 additional square feet of support facilities for the cancer center. Thirty-eight additional acres of Technology Park-zoned land remains available and, with recent tax credits enacted by the General Assembly for bioscience development within this area, the potential for future development is high. Ancillary economic benefits are sure to be realized once the project is completed and the site occupied. The Center opened in the spring of 2015.

Limestone Business Park continues to grow with its latest approval for 14,700 square feet still under construction. Connecticut Tool and Manufacturing on Corporate Avenue recently purchased adjacent property and constructed a 16,000-square-foot addition to its manufacturing facility.

Approval was granted and construction was completed for a 19,000 addition at Walker Crane and Rigging Farmington Valley Drive. The plan includes a 4,000-square-foot operation building and while not large in the scheme of things, it does indicate the viability of this industrial area to support a variety of uses. GEMS Sensors and Controls on Cowles Road put the finishing touches on a 20,000-square-foot expansion it received approval for in 2012. General Electric-Industrial Solutions remains one of the Town's largest employers. Recently, GE has begun developing relationships with local manufacturers, such as LDM Manufacturing, LLC to assist in GE's R&D efforts. Synergistic relationships like this not only improve the bottom line for the companies involved, they encourage a community approach to manufacturing that benefits the local economy.

Plainville understands the linkage between these efforts and the overall health of the local economy. The past upward trends in job growth in the manufacturing sector were a welcome surprise that the Town has attempted to capitalize upon by improving governmental development services. While growth has slowed, there have been no major layoffs so employment numbers in this sector have held steady through December of 2015. Principal employers located in Town can be viewed on Table 13.

The Town of Plainville approved an Enterprise Zone in February 1999 that consists of 200 acres. The Enterprise Zone allows for special tax incentives for manufacturing businesses within its boundaries. All but approximately 50 acres have been developed. In the Enterprise Zone, recent construction includes Allstate Fire Protection, Inc., Network Interiors, LLC, and Roma Tool, LLC. A recent vacancy created by a failed business has been sold and there remain no vacancies in this entire area.

Plainville's Economic Development Director continues to market vacant properties. The Department of Planning and Economic Development, in conjunction with the Town Managers' Office, continues to work with the development community as well as realtors, environmental professionals, and the legal profession to advance interest in existing underutilized properties.

The Town has been very active in providing tax abatements to business that locate within the community or want to expand their operations. This program has been very helpful in attracting new industry and keeping existing businesses. In addition, the Economic Development Agency administers a Small Business Loan Program that has provided nearly \$160,000.00 in secured loans to our business community over the past year. Loans are used for a variety of approved activities including facilities improvements, equipment purchases, marketing, and implementation of new business plans resulting in new hires.

Residential activity still remains slow this year. Plainville's reputation as a desirable location to live leaves few existing homes on the market. The result has been a slow, but steady rate of sales for new residential units. The 116 units under construction at Samuel's Crossing continue to sell at a reasonable pace. Single-family homes built on speculation by local developers continue to sell before completion. While little new development of rental multi-family has occurred (zero units approved), Plainville maintains close to 38% of its housing stock as multi-family and condominium. Demand continues to increase for rental housing as the current economy is not as favorable to homeownership opportunities and foreclosure rates continue to fluctuate at higher levels.

Long-Term Financial Planning

Unassigned fund balance in the General Fund (18.64% of total general fund revenues) is above the policy guidelines set by the Council for budgetary and planning purposes (i.e., a minimum level must be no less than 5% general fund revenues). Following a review of the Town of Plainville's Capital Improvement Program, the Council has established a Debt Management Fund, which will be funded through budget appropriations or operational surpluses. It may be used to reduce the amount that will be borrowed for future construction or to supplement debt retirement payments. This fund was rolled back into the General Fund during the preparation of the 2011 CAFR due to Governmental Accounting Standards Boards (GASB) Statement No. 54 and has had little activity other than investment earnings since 2010.

Relevant Financial Policies

The State budget for FY 2011 extended the conveyance tax rate on real estate sales paid to municipalities. After much debate, the rate of \$2.50 per \$1,000 of the real estate sales was made permanent and there was an expansion of the current optional conveyance tax to all municipalities bringing the total municipal rate from 0.11% to 0.5%. During the current year, the Town received \$126,597 in conveyance tax.

Major Initiatives

In October 2011, the Town paid down \$4.975 million on a \$6 million BAN for the Toffolon School project and rolled over \$1.025 million at an interest rate of 0.96%. Then in December 2011, the Town paid off the BAN by permanently financing \$500,000, paying down \$525,000, and refunded \$12.060 million in older debt at a lower interest rate without extending the life of the debt. These transactions will reduce future debt service payments over the next twelve years by approximately \$787,355 and represents an economic gain of \$714,844 (difference between present values of the debt service payments on the old and new debt). The Town's debt portfolio has been rated Aa3 by Moody's Investor Services. This rate was affirmed in December 2011. The Town also received a rating increase from Standard & Poor's in July 2014 from A+ to AA+. This significant three-step increase will have a significant impact on the Town's future borrowing costs. This became evident in September 2015 when the Town refunded \$5.5 million of general obligation bonds at much lower interest rates without extending the life of the debt. The refunding will result in \$348,283 in budgetary savings through 2027 and represents an economic gain of \$325,127. The present value savings as a percentage of bonds refunded was 6.50% (GFOA benchmark is 2.00%), and the interest rate on the refunded bonds is 2.02% versus the old rate of 4.14%.

Effective July 1, 2012, the Town and Board of Education combined financial operations. This consolidation resulted in physical relocation of all staff members to the same area for purposes of streamlining operations. The consolidation plan has multiple steps designed in it but has begun with results already being seen in areas of cross-training, back-up, and economies of scale. Greater buying power has allowed the Town to purchase cooperatively saving much needed tax dollars.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Plainville for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2014. This was the twenty-seventh consecutive year that the government has received this prestigious award. In order to be awarded a Certificate of Achievement, the government had to publish an easily readable and efficiently organized CAFR that satisfied both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

In addition, the government also received the GFOA's Distinguished Budget Presentation Award for its annual budget document dated July 1, 2014, or Fiscal Year 2015. This was the fourteenth consecutive year that the government has received this prestigious award. In order to qualify for the Distinguished Budget Presentation Award, the government's budget document had to be judged proficient as a policy document, a financial plan, an operations guide, and a communication device.

The preparation of this report would not have been possible without the efficient and dedicated service of the entire staff of the finance department. We wish to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit also must be given to the Town Manager and especially to the Town Council for their unfailing support for maintaining the highest standards of professionalism in the management of the Town of Plainville's finances.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'R. Buden', written in a cursive style.

Robert W. Buden
Director of Finance



Government Finance Officers Association

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

Presented to

**Town of Plainville
Connecticut**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2014

Executive Director/CEO

Financial Section

BlumShapiro

Accounting | Tax | Business Consulting

Independent Auditors' Report

To the Board of Finance
Town of Plainville, 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 Plainville, Connecticut, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Town of Plainville, Connecticut's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Plainville, Connecticut, as of June 30, 2015 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 14 to the financial statements, during the fiscal year ended June 30, 2015, the Town adopted new accounting guidance, GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. The net position of the Town has been restated to recognize the net pension liability required in implementing GASB 68. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 11, the budgetary comparison information on pages 55 through 59, and the pension schedules on pages 60 through 66 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 Plainville, Connecticut's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the Town of Plainville, Connecticut, as of and for the year ended June 30, 2014 (not presented herein), and have issued our report thereon dated December 29, 2014, which contained unmodified opinions on the respective financial statements of the governmental activities, each major fund and the aggregate remaining fund information. The accompanying balance sheet for the General Fund and statements of net position; revenues, expenses and changes in net position; and cash flows for the Internal Service Funds as of and for the year ended June 30, 2014 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the 2014 financial statements. The accompanying balance sheet for the General Fund and statements of net position; revenues, expenses and changes in net position; and cash flows for the Internal Service Funds have been subjected to the auditing procedures applied in the audit of the 2014 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 balance sheet for the General Fund and statements of net position; revenues, expenses and changes in net position; and cash flows for the Internal Service Funds are fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2014.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 28, 2015 on our consideration of the Town of Plainville, Connecticut's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Plainville, Connecticut's internal control over financial reporting and compliance.

Blum, Shapiro & Company, P.C.

West Hartford, Connecticut
December 28, 2015

TOWN OF PLAINVILLE, CONNECTICUT

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2015

This discussion and analysis of the Town of Plainville, Connecticut's (the Town) financial performance is provided by management to provide an overview of the Town's financial activities for the fiscal year ended June 30, 2015. Please read this MD&A in conjunction with the transmittal letter and the Town's financial statements, Exhibits I to IX.

Financial Highlights

- Net position of our governmental activities decreased by \$5.7 million, or 5.62% (Table 1).
- During the year, the Town had expenses that were \$1.7 million more than the \$69.2 million generated in tax and other revenues for governmental programs, down from \$73.0 million last year (Table 2).
- Total cost of all of the Town's programs was \$70.8 million, up from \$68.0 million last year (Table 2).
- The General Fund reported a fund balance this year of \$11.06 million, down from \$12.03 million last year (Exhibit III).
- The resources actually available for appropriation were \$640 thousand more than budgeted for the General Fund (RSI-1), primarily due to unbudgeted miscellaneous revenue coming in during the year. Expenditures were kept within spending limits and came in under budget by just over \$350 thousand (RSI-2). Overall, FY 2015 came in very close to budget.

Overview of the Financial Statements

This annual report consists of a series of financial statements. The statement of net position and the statement of activities (Exhibits I and II, respectively) provide information about the activities of the Town as a whole and present a longer-term view of the Town's finances. Fund financial statements are presented in Exhibits III to IX. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Town's operations in more detail than the government-wide statements by providing information about the Town's most significant funds. The remaining statements provide financial information about activities for which the Town acts solely as a trustee or agent for the benefit of those outside of the government.

Government-Wide Financial Statements

The analysis of the Town as a whole begins on Exhibits I and II. The statement of net position and the statement of activities report information about the Town as a whole and about its activities for the current period. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Town's net position and changes in them. The Town's net position, the difference between assets and liabilities, is one way to measure the Town's financial health, or financial position. Over time, increases or decreases in the Town's net position are one indicator of whether its financial health is improving or deteriorating. The reader needs to consider other nonfinancial factors, however, such as changes in the Town's property tax base and the condition of the Town's capital assets, to assess the overall health of the Town.

In the statement of net position and the statement of activities, the Town reports its activities as follows:

- *Governmental Activities* - The Town's basic services are reported here, including education, public safety, public works, human services, culture and recreation, and general administration. Property taxes, charges for services, and state and federal grants finance most of these activities.

Fund Financial Statements

The fund financial statements begin with Exhibit III and provide detailed information about the most significant funds - not the Town as a whole. Some funds are required to be established by Charter. However, the Town Council establishes many other funds to help control and manage financial activities for particular purposes or to show that it is meeting legal responsibilities for using grants and other money (like grants received from the State Department of Education and the Federal Housing and Urban Development Departments). The Town's funds are divided into three categories: governmental, proprietary and fiduciary.

- *Governmental Funds (Exhibits III and IV)* - Most of the Town's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Town's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Town's programs. The relationship (or differences) between governmental activities (reported in the statement of net position and the statement of activities) and governmental funds is described in a reconciliation included with the fund financial statements.
- *Proprietary Funds (Exhibits V, VI and VII)* - When the Town charges customers for the services it provides, whether to outside customers or to other units of the Town, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the statement of net position and the statement of activities. Internal service funds (the component of proprietary funds) are used to report activities that provide supplies and service for the Town's other programs and activities - such as the Town's Health Insurance and Self Insurance Reserve Internal Service Funds.
- *Fiduciary Funds (Exhibits VIII and IX)* - The Town is the trustee, or fiduciary, for its employees' pension plans. It is also responsible for other assets that, because of a trust arrangement, can be used only for the trust beneficiaries. All of the Town's fiduciary activities are reported in separate statements of fiduciary net position and changes in fiduciary net position. These activities are excluded from the Town's other financial statements because the Town cannot use these assets to finance its operations. The Town is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

Government-Wide Financial Analysis

The Town's governmental net position were decreased by 5.62% from a year ago decreasing from \$101.4 million to \$95.7 million. The analysis below focuses on the net position (Table 1) and changes in net position (Table 2) of the Town's governmental activities.

**TABLE 1
NET POSITION**

	Governmental Activities	
	2015	2014
Current assets	\$ 27,905,449	\$ 27,366,992
Capital assets, net of accumulated depreciation	136,668,352	140,706,377
Total assets	<u>164,573,801</u>	<u>168,073,369</u>
Deferred outflow of resources	<u>1,851,989</u>	<u>659,383</u>
Long-term liabilities outstanding	67,362,107	64,842,082
Other liabilities	3,080,112	2,190,610
Total liabilities	<u>70,442,219</u>	<u>67,032,692</u>
Deferred inflow of resources	<u>312,507</u>	<u>334,325</u>
Net Position:		
Net investment in capital assets	87,665,294	87,685,962
Restricted	1,291,311	1,209,635
Unrestricted	<u>6,714,459</u>	<u>12,470,138</u>
Total Net Position	<u>\$ 95,671,064</u>	<u>\$ 101,365,735</u>

Unrestricted net position - the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements - decreased by \$5.76 million from \$12.47 million at June 30, 2014 to \$6.71 million at June 30, 2015.

Table 1 includes a 2015 restatement that pertains to a new Governmental Accounting Standards Board (GASB) 68 pension requirement essentially removing the 2014 asset cost and showing it as a liability. The Town has elected not to restate the 2014 amounts. This does skew comparability but going forward, comparability will be maintained.

**TABLE 2
CHANGE IN NET POSITION**

	Governmental Activities	
	2015	2014
Revenues:		
Program revenues:		
Charges for services	\$ 5,260,855	\$ 4,625,575
Operating grants and contributions	19,517,816	23,154,159
Capital grants and contributions	-	2,084,441
General revenues:		
Property taxes	43,311,991	42,130,419
Grants and contributions not restricted to specific programs	553,660	570,762
Unrestricted investment earnings	58,634	125,674
Other general revenues	452,634	335,154
Total revenues	<u>69,155,590</u>	<u>73,026,184</u>
Expenses:		
General government	3,280,622	2,743,925
Public safety	7,262,484	6,270,835
Public works	8,559,743	8,933,326
Human services	1,919,435	1,929,427
Culture and recreation	1,388,081	1,363,921
Education	46,898,961	45,152,972
Interest on long-term debt	1,545,996	1,691,040
Total expenses	<u>70,855,322</u>	<u>68,085,446</u>
Change in Net Position	<u>\$ (1,699,732)</u>	<u>\$ 4,940,738</u>

The Town's total revenues for 2015 were \$69.2 million. The total cost of all programs and services was \$70.9 million. Our analysis below separately considers the operations of governmental activities.

Governmental Activities

Revenues decreased, from the prior year with decreases in operating grants, capital grant and contributions offset by increases in property taxes and program revenues. This decrease is also more of a reflection of the prior year being out of the ordinary. Taxes increased primarily due to the Town becoming more self-sufficient in not budgeting the use of fund balance as a revenue item while maintaining the current level of services. Simply a shift in where our revenue comes from.

Education expenses increased \$1.7 million, Public Safety expenses increased \$992 thousand, General Government expenses increased \$537 thousand, but offsets in other categories netted the overall expense increase to \$2.8 million. Table 3 presents the cost of each of the Town's six largest programs - education, public works, public safety, general government, interest on long-term debt, and a generic all others - as well as each program's net cost (total cost less revenues generated by the activities). The net cost shows the financial burden that was placed on the Town's taxpayers by each of these functions.

**TABLE 3
GOVERNMENTAL ACTIVITIES**

	Total Cost of Services		Net Cost of Services	
	2015	2014	2015	2014
Education	\$ 46,898,961	\$ 45,152,972	\$ 28,271,393	\$ 24,183,573
Public works	8,559,743	8,933,326	4,698,288	4,997,866
Public safety	7,262,484	6,270,835	6,746,946	5,827,696
General government	3,280,622	2,743,925	2,139,604	(1,325,863)
Interest on long-term debt	1,545,996	1,691,040	1,545,996	1,691,040
All others	3,307,516	3,293,348	2,674,424	2,846,959
Total	\$ 70,855,322	\$ 68,085,446	\$ 46,076,651	\$ 38,221,271

Town Funds Financial Analysis

Governmental Funds

As the Town completed the year, its governmental funds (as presented in the balance sheet - Exhibit III) reported a combined fund balance of \$18.8 million, which is a decrease from last year's total of \$19.9 million. The primary reason for the decrease is the Town's additional appropriations and subsequent transfers out to fund one-time capital improvement projects, maintaining the economic development loan program, funding our self-insurance health fund, and to purchase a property. These items accounted for \$978 thousand of the overall \$1.1 million decrease. Significant changes by fund type are listed below.

General Fund:

1. For the 2015 budget, \$200,000 was budgeted as a revenue source from the fund balance but not used.
2. \$1,561,499 of additional appropriations was approved during FY 2015. This comes directly out of fund balance and is the primary reason for the General Fund loss in FY 2015.
3. Building permits revenue came in higher than budgeted, back tax interest and lien fees continue to come in higher through aggressive collection efforts, State of CT revenue came in as budgeted, and miscellaneous revenues came in higher than budgeted.
4. Expenditures are kept close to budget with some savings seen in the Fire, Buildings & Grounds, and Solid Waste Departments. We also continue to lower our Municipal Building maintenance costs through conservation measures.

Sewer Operating Fund:

1. The Sewer Operating fund showed a gain of \$25 thousand as budgeted during FY 2015. Rate increases put in place to offset and/or minimize operating losses and known future expense increases are the primary reason for the gain. Rates will continue to increase slightly each year with the hopes of increasing fund balance to help with known future expense increases for phosphorus removal.

Capital Projects Fund:

1. The Capital Projects fund showed a gain of \$265 thousand. This was due primarily to the Town entering into a capital lease for Police Dispatch Communication equipment for \$740 thousand.

Proprietary Funds

The internal service funds unrestricted net position increased by 21.4% to \$1,067,517 due to a transfer in from the General Fund of \$500,000. Claims were higher and operating revenue were lower than the prior year. The funds would have shown a loss for the year without the transfer in.

General Fund Expenditure Budget Highlights

General Government - there was an overall positive variance of \$48,053 after year-end transfers.

Public Safety - this was the first year in many years no additional appropriation or transfers were needed for Police Overtime. This was caused by properly budgeting anticipated OT costs.

Public Works - there was a positive variance of \$134,094 primarily due to better overtime management, lower fuel costs, and better utility cost budgeting as a whole.

Human Services - there was a positive variance of \$101,142 all due to a reduction in solid waste disposal costs.

Education - finished the year returning \$5,332 of their budget to the General Fund.

The Town's General Fund balance of \$11.0 million reported on Exhibit III differs from the General Fund's budgetary fund balance reported in the budgetary comparison in the required supplementary information. This is principally because budgetary fund balance includes \$445 thousand of outstanding encumbrances at year-end, which are reported as expenditures for budgetary purposes.

Capital Asset and Debt Administration

Capital Assets

At June 30, 2015, the Town had \$137.0 million invested in a broad range of capital assets, including land, buildings, park facilities, vehicles and equipment, roads, bridges, and water and sewer lines – Table 4. This amount represents a net decrease (including additions and deductions) of \$4.04 million, or 2.87%, less than last year.

**TABLE 4
CAPITAL ASSETS (Net of Depreciation)**

	Governmental Activities	
	2015	2014
Land	\$ 5,446,275	\$ 5,418,307
Buildings	114,351,799	119,075,701
Improvements other than buildings	26,973	59,380
Furniture and equipment	3,391,943	2,444,216
Infrastructure	13,330,358	11,641,053
Construction in progress	121,004	2,067,720
Total	<u>\$ 136,668,352</u>	<u>\$ 140,706,377</u>

This year's major additions included:

The Town completed the Stillwell Drive Bridge project. This project is deemed complete resulting in a transfer of assets from construction in progress to infrastructure. The Town also purchased a \$495,000 property for the Public Works department. Depreciation on fixed assets, primarily buildings, led to the overall decrease in capital assets.

The Town's fiscal year 2015 - 2016 capital budget calls for it to spend \$4.03 million for public safety and public works equipment, educational technology and school improvements. Included in this amount is a school demolition project partially fully funded by a State of CT grant for \$1.543 million.

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

Long-Term Debt

At June 30, 2015, the Town had \$31.5 million in bonds and notes outstanding versus \$35.0 million last year - a decrease of 10.01% - as shown in Table 5.

**TABLE 5
OUTSTANDING DEBT, AT YEAR-END**

	Governmental Activities	
	2015	2014
General Obligation Bonds (Backed by the Town)	\$ <u>31,500,000</u>	\$ <u>35,005,000</u>

The Town's general obligation bond rating carries the Aa3 rating by Moody's Investment Service. This rate was reaffirmed in December 2011. The Town has been rated by Moody's since 1972. The Town also received a rating increase from Standard & Poor's in July 2014 from A+ to AA+. This significant three-step increase will have a significant financial impact on the Town's future borrowing costs. The Town took advantage of this rating increase in September 2015 by refunding \$5.5M of general obligation bonds at much lower interest rates. The State limits the amount of general obligation debt that cities can issue based on formula determined under State Statutes based on type of debt and tax base. The Town's outstanding general obligation debt is significantly below this \$298.9 million state-imposed limit.

Other obligations include accrued vacation pay and sick leave. More detailed information about the Town's long-term liabilities is presented in Note 7 to the financial statements.

Economic Factors and Next Year's Budgets and Rates

The Towns elected and appointed officials considered many factors when setting the fiscal year 2016 budget and tax rate. One of those factors is the economy and the community's ability to pay for municipal services. The Town's labor force stood at 10,560 for June 2015. Unemployment decreased to 4.9% compared to 5.8% for June 2014. These rates continue to decrease significantly from the June 2013 numbers of 7.7% for Plainville. Unemployment is expected to fluctuate in the near term however; the Town's commercial and industrial tax based remains solid.

The consumer price index for June 2015 was 0.1% compared to 2.1% for June 2014 and 1.8% for June 2013. The Town has been active in dealing with a downtown improvement program, tax abatement program, an Enterprise Zone program, and a loan/grant program. These programs have helped bring new business into the community and retained existing businesses.

These are just some of the indicators taken into account when adopting the current General Fund Budget for 2015 - 2016. Amounts available for appropriations in the General Fund are \$56,504,681, an increase of 1.95% over the adopted 2015 budget of \$55,424,977. These increases will be used to maintain current levels of services, keep the existing labor force intact, and provide for needed capital improvements. Budgeted expenditures equal budgeted revenues in order to have a balanced budget. The Town did budget a nominal amount of fund balance of \$200,000 use for the 2015 - 2016 budget. This was done due to the known large school construction projects money coming back to the General Fund during FY 2014. The use of fund balance in combination with the large general fund gain for FY 2014 has put the General Fund unassigned fund balance at an 18.64% level. Even with the loss of the year, this percentage has increased slightly due to lower overall revenue in FY 2015. The Town is committed to increasing and maintaining a healthy fund balance level. This will only help the Town maintain and improve its services to residents.

Contacting the Town's Financial Management

This financial report is designed to provide citizens, taxpayers, customers, investors and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Finance Department, Town of Plainville, One Central Square, Plainville, Connecticut 06062-1955.

Basic Financial Statements

**TOWN OF PLAINVILLE, CONNECTICUT
STATEMENT OF NET POSITION
JUNE 30, 2015**

	Governmental Activities
Assets:	
Cash and cash equivalents	\$ 15,657,120
Investments	4,394,275
Receivables, net	7,755,307
Inventory	21,698
Other assets	77,049
Capital assets:	
Assets not being depreciated	5,567,279
Assets being depreciated, net	<u>131,101,073</u>
Total assets	<u>164,573,801</u>
Deferred Outflows of Resources:	
Deferred charge on refunding	470,902
Deferred outflows related to changes in assumptions	453,754
Deferred outflows related to changes in projected investment earnings	<u>927,333</u>
Total deferred outflows of resources	<u>1,851,989</u>
Liabilities:	
Accounts and other payables	2,491,827
Unearned revenue	588,285
Noncurrent liabilities:	
Due within one year	5,600,517
Due in more than one year	<u>61,761,590</u>
Total liabilities	<u>70,442,219</u>
Deferred Inflows of Resources:	
Advance property tax collections	61,581
Deferred inflows related to pension actuarial experience	<u>250,926</u>
Total deferred inflows of resources	<u>312,507</u>
Net Position:	
Net investment in capital assets	87,665,294
Restricted for:	
Trust purposes:	
Expendable	1,291,311
Unrestricted	<u>6,714,459</u>
Total Net Position	<u>\$ 95,671,064</u>

The accompanying notes are an integral part of the financial statements

**TOWN OF PLAINVILLE, CONNECTICUT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Net (Expense) Revenue and Changes in Net Position</u>
					<u>Governmental Activities</u>
Governmental Activities:					
General government	\$ 3,280,622	\$ 607,120	\$ 533,898	\$	\$ (2,139,604)
Public safety	7,262,484	504,280	11,258	\$	(6,746,946)
Public works	8,559,743	3,539,448	322,007	\$	(4,698,288)
Human services	1,919,435	36,005	362,567	\$	(1,520,863)
Culture and recreation	1,388,081	128,249	106,271	\$	(1,153,561)
Education	46,898,961	445,753	18,181,815	\$	(28,271,393)
Debt service	1,545,996			\$	(1,545,996)
Total	\$ 70,855,322	\$ 5,260,855	\$ 19,517,816	\$ -	(46,076,651)
General revenues:					
Property taxes					43,311,991
Grants and contributions not restricted to specific programs					553,660
Unrestricted investment earnings					58,634
Miscellaneous					452,634
Total general revenues					<u>44,376,919</u>
Change in net position					(1,699,732)
Net Position at Beginning of Year, as Restated					<u>97,370,796</u>
Net Position at End of Year					<u>\$ 95,671,064</u>

The accompanying notes are an integral part of the financial statements

TOWN OF PLAINVILLE, CONNECTICUT
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2015

	<u>General</u>	<u>Sewer Operating</u>	<u>Housing Rehabilitation</u>	<u>Airport Operations</u>	<u>Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS							
Assets:							
Cash and cash equivalents	\$ 11,621,258	\$ 211,407	\$ 20,998	\$	\$ 243,770	\$ 1,769,623	\$ 13,867,056
Investments	2,717,495	1,035,235				641,545	4,394,275
Receivables, net	4,032,138	1,396,923	1,607,994	12,035	244,726	461,491	7,755,307
Due from other funds	988,606			250,270	2,535,974	720,463	4,495,313
Inventories						21,698	21,698
Other assets	20,394	2,225			51,776	2,654	77,049
Total assets	<u>\$ 19,379,891</u>	<u>\$ 2,645,790</u>	<u>\$ 1,628,992</u>	<u>\$ 262,305</u>	<u>\$ 3,076,246</u>	<u>\$ 3,617,474</u>	<u>\$ 30,610,698</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities:							
Accounts payable and accrued liabilities	\$ 1,493,154	\$ 90,245	\$	\$ 381	\$ 44,545	\$ 175,944	\$ 1,804,269
Due to other governments	40,844						40,844
Due to other funds	3,506,707	1,119			238,707	425,315	4,171,848
Unearned revenue					441,415	146,870	588,285
Total liabilities	<u>5,040,705</u>	<u>91,364</u>	<u>-</u>	<u>381</u>	<u>724,667</u>	<u>748,129</u>	<u>6,605,246</u>
Deferred inflows of resources:							
Unavailable revenue - property taxes	3,221,262						3,221,262
Unavailable revenue - special assessments		358,146					358,146
Unavailable revenue - loans receivables			1,607,994				1,607,994
Advance property tax collections	61,581						61,581
Total deferred inflows of resources	<u>3,282,843</u>	<u>358,146</u>	<u>1,607,994</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,248,983</u>
Fund balances:							
Nonspendable	20,394	2,225			51,776	24,352	98,747
Restricted			20,998			2,204,373	2,225,371
Committed	147,710	2,194,055		261,924	2,302,253	640,620	5,546,562
Assigned	445,166						445,166
Unassigned	10,443,073				(2,450)		10,440,623
Total fund balances	<u>11,056,343</u>	<u>2,196,280</u>	<u>20,998</u>	<u>261,924</u>	<u>2,351,579</u>	<u>2,869,345</u>	<u>18,756,469</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 19,379,891</u>	<u>\$ 2,645,790</u>	<u>\$ 1,628,992</u>	<u>\$ 262,305</u>	<u>\$ 3,076,246</u>	<u>\$ 3,617,474</u>	<u>\$ 30,610,698</u>

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TOWN OF PLAINVILLE, CONNECTICUT
BALANCE SHEET - GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2015

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)	\$ 18,756,469
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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	\$ 275,493,734	
Less accumulated depreciation	<u>(138,825,382)</u>	
Net capital assets		136,668,352

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 receivables greater than 60 days	2,074,511
Interest receivable on property taxes	1,146,751
Assessments receivable	358,146
Housing loans	1,607,994
Deferred outflows related to changes in assumptions	453,754
Deferred outflows related to changes in projected investments earnings	927,333

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.

1,067,517

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

Bonds and notes payable	(47,539,832)
Interest payable on bonds and notes	(247,632)
Compensated absences	(3,080,542)
Capital lease	(889,521)
Net OPEB obligation	(9,808,002)
Bond premium	(1,044,607)
Deferred charges on refunding	470,902
Deferred inflows related to pension actuarial experience	(250,926)
Net pension liability	<u>(4,999,603)</u>

Net Position of Governmental Activities (Exhibit I)

\$ 95,671,064

The accompanying notes are an integral part of the financial statements

TOWN OF PLAINVILLE, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	<u>General</u>	<u>Sewer Operating</u>	<u>Housing Rehabilitation</u>	<u>Airport Operations</u>	<u>Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:							
Property taxes	\$ 42,676,572	\$	\$	\$	\$	\$	\$ 42,676,572
Assessments including interest and liens		173,401					173,401
Charges for services	841,622	3,148,090		183,262	9,762	583,094	4,765,830
Intergovernmental	15,660,130				19,208	4,256,125	19,935,463
Income on investments	32,887	7,633			489	16,705	57,714
Miscellaneous	366,993	8,835	156		58,585	198,777	633,346
Total revenues	<u>59,578,204</u>	<u>3,337,959</u>	<u>156</u>	<u>183,262</u>	<u>88,044</u>	<u>5,054,701</u>	<u>68,242,326</u>
Expenditures:							
Current:							
General government	2,598,998			87,782			2,686,780
Public safety	4,136,929					17,126	4,154,055
Public works	4,026,473	1,513,841				650,330	6,190,644
Human services	1,645,637					90,956	1,736,593
Culture and recreation	143,945					1,009,359	1,153,304
Education	37,599,680					4,384,199	41,983,879
Other expenditures	3,208,470		105,574			129,399	3,443,443
Capital outlay					2,139,149		2,139,149
Debt service	4,680,984	1,418,539					6,099,523
Total expenditures	<u>58,041,116</u>	<u>2,932,380</u>	<u>105,574</u>	<u>87,782</u>	<u>2,139,149</u>	<u>6,281,369</u>	<u>69,587,370</u>
Excess (Deficiency) of Revenues over Expenditures	<u>1,537,088</u>	<u>405,579</u>	<u>(105,418)</u>	<u>95,480</u>	<u>(2,051,105)</u>	<u>(1,226,668)</u>	<u>(1,345,044)</u>
Other Financing Sources (Uses):							
Transfers in	305,670				1,575,751	841,160	2,722,581
Transfers out	(2,820,911)	(380,670)				(21,000)	(3,222,581)
Capital lease issuance					740,348		740,348
Total other financing sources (uses)	<u>(2,515,241)</u>	<u>(380,670)</u>	<u>-</u>	<u>-</u>	<u>2,316,099</u>	<u>820,160</u>	<u>240,348</u>
Net Change in Fund Balances	(978,153)	24,909	(105,418)	95,480	264,994	(406,508)	(1,104,696)
Fund Balances, Beginning of Year	<u>12,034,496</u>	<u>2,171,371</u>	<u>126,416</u>	<u>166,444</u>	<u>2,086,585</u>	<u>3,275,853</u>	<u>19,861,165</u>
Fund Balances, End of Year	<u>\$ 11,056,343</u>	<u>\$ 2,196,280</u>	<u>\$ 20,998</u>	<u>\$ 261,924</u>	<u>\$ 2,351,579</u>	<u>\$ 2,869,345</u>	<u>\$ 18,756,469</u>

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**TOWN OF PLAINVILLE, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2015**

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:

Net change in fund balances - total governmental funds (Exhibit IV)	\$ (1,104,696)
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Governmental funds report capital outlays as expenditures. In the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:

Capital outlay	2,338,659
Depreciation expense	(6,376,514)
Loss on disposal of capital asset	(170)

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

Property tax receivable - accrual basis change	179,305
Property tax interest and lien revenue - accrual basis change	282,713
Sewer assessment receivable - accrual basis change	356,440
Housing loans receivable - accrual basis change	94,042
Change in deferred inflows related to changes in projected investments earnings	927,333
Change in deferred outflows related to changes in assumptions	453,754

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

Issuance of capital lease	(740,348)
Bond and notes principal payments	4,485,902
Amortization of deferred charges in refunding	(188,481)
Amortization of premium	217,149
Capital lease payments	243,135

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

Compensated absences	(365,292)
Accrued interest	38,957
Net OPEB expense	(1,360,968)
Change in deferred outflows related to pension actuarial experience	(250,926)
Change in net pension liability	(1,117,962)

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

188,236

Change in Net Position of Governmental Activities (Exhibit II)	<u>\$ (1,699,732)</u>
--	-----------------------

The accompanying notes are an integral part of the financial statements

**TOWN OF PLAINVILLE, CONNECTICUT
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
 FOR THE YEAR ENDED JUNE 30, 2015**

	Governmental Activities
	Internal Service Fund
Operating Revenues:	
Licenses, fees and charges for goods and services	\$ <u>5,857,604</u>
Operating Expenses:	
Insurance claims, premiums and fees	6,034,575
Administration	<u>135,557</u>
Total operating expenses	<u>6,170,132</u>
Operating Loss	(312,528)
Nonoperating Revenues:	
Revenues from use of money	<u>764</u>
Loss before transfers	(311,764)
Transfers in	<u>500,000</u>
Change in Net Position	188,236
Total Net Position, Beginning of Year	<u>879,281</u>
Total Net Position, End of Year	\$ <u><u>1,067,517</u></u>

The accompanying notes are an integral part of the financial statements

**TOWN OF PLAINVILLE, CONNECTICUT
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED JUNE 30, 2015**

	Governmental Activities
	Internal Service Fund
Cash Flows from Operating Activities:	
Cash received from charges for services and contributions	\$ 5,857,604
Cash received from interfund services provided	312,528
Cash paid for claims, premiums and fees	(6,163,132)
Cash received from interfund services provided	603,376
Net cash provided by operating activities	<u>610,376</u>
Cash Flows from Noncapital Financing Activities:	
Transfers from other funds	<u>500,000</u>
Cash Flows from Investing Activities:	
Income on investments	<u>764</u>
Net Increase in Cash and Cash Equivalents	1,111,140
Cash and Cash Equivalents, Beginning of Year	<u>678,924</u>
Cash and Cash Equivalents, End of Year	<u>\$ 1,790,064</u>
Reconciliation of Operating Loss to Net Cash Provided by Operating Activities:	
Operating loss	\$ <u>(312,528)</u>
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Change in assets and liabilities:	
Decrease in due from other funds	287,443
Decrease in accounts receivable	1,000
Increase in accounts payable	7,674
Increase in due to other funds	626,787
Total adjustments	<u>922,904</u>
Net Cash Provided by Operating Activities	<u>\$ 610,376</u>

The accompanying notes are an integral part of the financial statements

**TOWN OF PLAINVILLE, CONNECTICUT
FIDUCIARY FUNDS
STATEMENT OF NET POSITION
JUNE 30, 2015**

	Pension Trust Funds	Agency Funds
	<u> </u>	<u> </u>
Assets:		
Cash and cash equivalents	\$	\$ 539,650
Investments at fair value:		
Certificates of deposit		361,052
Open-end mutual funds	<u>26,547,978</u>	
Total assets	<u>26,547,978</u>	<u>\$ 900,814</u>
Liabilities:		
Due to employees and others		\$ 883,591
Accounts payable		<u>17,223</u>
Total liabilities	<u>-</u>	<u>\$ 900,814</u>
Net Position:		
Held in trust for pension plan benefits	<u>\$ 26,547,978</u>	

The accompanying notes are an integral part of the financial statements

**TOWN OF PLAINVILLE, CONNECTICUT
 FIDUCIARY FUNDS
 STATEMENT OF CHANGES IN NET POSITION
 PENSION TRUST FUNDS
 FOR THE YEAR ENDED JUNE 30, 2015**

		Pension Trust Funds
		<u> </u>
Additions:		
Contributions:		
Employer		\$ 925,364
Employee		<u>260,831</u>
Total contributions		1,186,195
Investment income:		
Net appreciation in fair value of investments	\$ 462,193	
Interest and dividends	<u>462,591</u>	
Net investment income		<u>924,784</u>
Total additions		2,110,979
Deductions:		
Benefits	1,911,222	
Administration	<u>111,184</u>	
Total deductions		<u>2,022,406</u>
Change in Net Position		88,573
Net Position, Beginning of Year		<u>26,459,405</u>
Net Position, End of Year		<u><u>\$ 26,547,978</u></u>

The accompanying notes are an integral part of the financial statements

**TOWN OF PLAINVILLE, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The Town operates in accordance with the provisions of its Charter, which was originally adopted in 1959 under Connecticut's Home Rule Act. The Charter has been amended over the years with the most recent changes approved in 2012.

Plainville has a Council - Manager form of government. The Town Council is comprised of seven members and is elected biennially. The Town Manager is the Chief Executive Officer and is appointed by the Town Council. Services provided by the Town include police and fire protection, recreation programs, senior citizen programs, street repairs, health inspections, building inspections, sewage disposal, general administrative services and education. Refuse collection is contracted out by the Town to a private hauler.

The Town Council is the legislative body and is responsible for preparing the annual budget and setting the tax rate. The budget process involves specific provisions for public hearings and requires Town Meeting approval. There is a Treasurer, appointed by the Council, who is responsible for the receiving and safekeeping of municipal funds. Additionally, there is a Department of Finance consisting of the Director of Finance, Revenue (Tax) Collector and Assessor. It is the responsibility of the Department of Finance to maintain and operate the accounting system for the Town. An elected Board of Education is responsible for the operation of the public school system.

The Town has the power to incur indebtedness by issuing bonds or notes as provided by the Connecticut General Statutes. No ordinance or resolution authorizing the issuance of bonds in excess of \$500,000 or making a special appropriation in excess of \$500,000 can become effective until approved by referendum.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Town. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment 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.

**TOWN OF PLAINVILLE, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

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

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

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

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

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

The Town reports the following major governmental funds:

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

The Sewer Operating Fund is used to account for the activity of the Sewer Treatment Plant and other pollution control activities. The major sources of revenue for this fund are initial sewer assessment and user fees.

The Housing Rehabilitation Fund is used to account for the activity of the Housing grant and rehabilitation loans to property owners. The major sources of revenue for this fund federal grants.

The Airport Operations Fund is used to fund general operations of Robertson Airport. The major sources of revenue for this fund federal grants and fees.

The Capital Projects Fund is used to account for the acquisition or construction of major capital facilities, improvements and/or equipment. Capital projects of greater than one year's duration have been accounted for in the Capital Projects Fund. Most of the capital outlays are financed by the issuance of general obligation bonds. Other sources include capital grants, current tax revenues and low-interest state loans.

**TOWN OF PLAINVILLE, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

Additionally, the Town reports the following fund types:

The Internal Service Fund accounts for the self-insurance activities related to health benefits and deductibles on commercial insurance policies.

The Pension Trust Fund accounts for the activities of the Town's pension plans, which accumulate resources for pension benefit payments to qualified Town employees.

The Agency Funds account for assets held by the Town in an agent capacity for individuals, private organizations or other governments. The funds are custodial in nature (assets equal liabilities) and do not involve measurement of result of operations. These Agency Funds include Student Activity, Senior Citizen, Solid Waste and Deposit Fund.

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

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

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

D. Deposits and Investments

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

Investments for the Town are reported at fair value.

E. Receivables and Payables

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

Property taxes are assessed as of October 1. They are levied and due the following July 1. The lien date is July 1. Assessments for real and personal property, including motor vehicles, are computed at 70% of the market value. Taxes not paid within 30 days of the due date are subject to an interest charge of 1½% per month.

**TOWN OF PLAINVILLE, CONNECTICUT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2015**

In the fund financial statements, property taxes are recorded as receivable on the due date and are recognized as revenues to the extent collected during the fiscal year or collected soon enough thereafter (within 60 days) to be used to pay liabilities of the current period. Property taxes receivable not expected to be collected during the available period are reflected as deferred revenue.

Assessments are made against properties for sewer and water connections. These amounts are shown as receivable and deferred revenue in the governmental fund financial statements.

F. Inventories and Prepaid Items

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Prepayments of governmental funds are recorded as expenditures when consumed rather than when purchased.

G. Capital Assets

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

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

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

<u>Assets</u>	<u>Years</u>
Buildings and improvements	25
Furniture	5-20
Vehicles	10-20
Equipment	7-20

H. Deferred Outflows/Inflows of Resources

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

**TOWN OF PLAINVILLE, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

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

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period or periods and so will not be recognized as an inflow of resources (revenue) until that time. In the government-wide statement of net position, and in the governmental funds balance sheet, the Town reports advance property tax collections. In the government wide statement of net position the Town Reports deferred inflows of resources related to pensions. Advance 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 results from differences between expected and actual experience, changes in assumptions or other inputs. These amounts are deferred and included in pension expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan (active employees and inactive employees). Also, for governmental funds, the Town reports unavailable revenue, which arises only under the modified accrual basis of accounting. The governmental funds report unavailable revenues from several sources: property taxes, special assessments and long-term loans. These amounts are deferred and recognized as an inflow of resources (revenue) in the period in which the amounts become available.

I. Compensated Absences

Municipal

Vacation earned can be accumulated up to 25 days by individual employees; upon request and approval by the Town Manager individual employees can accumulate vacation above the 25 days. In addition, municipal employees, other than police, may accumulate 150 days of sick leave until termination of their employment.

Upon termination, employees are compensated for their accumulated sick time at the rate of one day for every three days earned.

Police officers may accumulate up to 230 days of sick time and are compensated for a portion of this sick time only at retirement, disability retirement or death. Officers hired prior to July 1, 1978 are compensated up to a maximum of 120 sick days and all other officers are compensated at the rate of one day for every three days earned up to a maximum of 60 days.

Board of Education

Vacation cannot be accumulated. It is lost if it is not used. Sick time may be accumulated to the following maximums:

Secretaries and Custodians	150 days
Paraprofessionals	120 days
Nurses	150 days
Teachers	187 days
Administrators	225 days

**TOWN OF PLAINVILLE, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

Teachers and administrators are compensated at the rate of 33% of accumulated sick time only upon retirement, disability retirement or death. Secretaries are compensated up to a maximum of 125 accumulated sick days. Custodians hired before July 1, 1987 are compensated up to a maximum of 120 accumulated sick days while all others are compensated up to a maximum of 75 accumulated sick days. Nurses are compensated 33% of up to 120 accumulated sick days. Paraprofessionals are compensated 50% of accumulated sick time up to a maximum of 50 days.

The Town values all compensated absences at salary rates in effect at balance sheet date.

J. 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.

K. Net OPEB Obligation

The net OPEB obligation represents the cumulative difference between the annual OPEB cost and the Town's contributions to the plan. The amount is calculated on an actuarial basis and is recorded as a noncurrent liability in the government-wide financial statements.

L. Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net position. Bond premiums 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, are reported as debt service expenditures.

M. Fund Equity

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

Net Investment in Capital Assets

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

**TOWN OF PLAINVILLE, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

Restricted Net Position

Restrictions are externally imposed by creditors (such as through debt covenants), grantors, contributors or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position

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

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

Nonspendable Fund Balance

This represents amounts that cannot be spent due to form (e.g., inventories and prepaid amounts).

Restricted Fund Balance

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

Committed Fund Balance

This represents amounts constrained for a specific purpose by a government using its highest level of decision-making authority (Town Council). Amounts remain committed until action is taken by the Town Council (resolution) to remove or revise the limitations.

Assigned Fund Balance

This represents amounts constrained for the intent to be used for a specific purpose by Town Council which has been delegated authority to assign amounts by the Town Charter.

Unassigned Fund Balance

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

N. Fund Balance Flow Assumptions

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

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

The Town adopts an annual operating budget for the General Fund only. The following details the procedures relating to the General Fund budgetary data reflected in the financial statements.

**TOWN OF PLAINVILLE, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

Not later than the 15th day of February, each department, office, board, commission and agency of the Town, including the Board of Education, submits their estimates of revenues and expenditures to the Town Manager. Each such unit is entitled to a hearing by the Town Manager. The Board of Education furnishes the Town Manager with a budget for the operation of the schools containing a detailed estimate of expenditures.

No later than the second Monday in March, the Town Manager presents a budget to the Town Council consisting of (a) a budget message outlining the financial policy of the Town, (b) estimates of revenues for the General Fund, (c) estimates of expenditures for each department, office, commission, board, agency and activity for the General Fund, (d) a program previously acted upon by the Town Planning and Zoning Commission concerning municipal improvement for the ensuing fiscal year and for the next three fiscal years. This last segment contains cost estimates and the methods of financing. The Chairman of the Board of Education does the same for the Board of Education budget.

The Town Council holds one or more public hearings not later than 30 days before the annual budget meeting. Following receipt of the proposals from the Town Manager and the Chairman of the Board of Education and the public hearings, the Town Council prepares a budget to present to the annual budget meeting of the Town.

The annual budget meeting for the General Fund is held on the third Tuesday in April. The General Fund budget is adopted by majority vote of those voting. If the budget is not adopted, the meeting is adjourned to the first Tuesday in May and hence to the third Tuesday in May thereafter until final approval is given. The budget, if rejected shall be reconsidered by the Council in conjunction with the Town Manager. If the budget remains unaccepted after the third meeting and in no case later than 30 days after the first Tuesday in May, the budget presented at the third meeting shall be deemed adopted.

Budget control is established at the department, office, commission, board, agency or activity level. Transfers of unencumbered appropriations between these units (except the Board of Education) may be done by the Council in the last three months of the fiscal year provided that the total level of appropriations remains the same. Management may make changes in line items within a department without approval of the Town Council. Additional appropriations of \$1,561,499 were made during the year from available unassigned fund balance.

Unencumbered appropriations lapse at the end of the fiscal year except for capital project appropriations. Capital project appropriations lapse when the budgeted item is acquired or construction completed or if no expenditure or encumbrance has been made for three consecutive fiscal years.

Budgetary accounting uses encumbrance accounting. Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in all budgeted governmental type funds. Encumbrances outstanding at year end are reported in the GAAP financial statements as either restricted, committed or assigned fund balance since they do not constitute expenditures or liabilities.

The differences between the budgetary and GAAP basis of accounting are as follows:

- Encumbrances are recognized as valid and proper charges against budget appropriations in the year in which the purchase order is issued, and, accordingly, encumbrances outstanding at year end are reflected in budgetary reports as expenditures in the current year but are shown as assignments of fund balance on a GAAP basis.

**TOWN OF PLAINVILLE, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

- In accordance with GASB Statement No. 24, *Accounting and Financial Reporting for Certain Grants and Other Financial Assistance*, the Town reports on-behalf contributions made by the State of Connecticut Teachers' Retirement System as revenue and expenditures for GAAP purposes only.
- State Excess Cost - Student Based grant is credited against the Board of Education's operating budget.
- Activities of Debt Management Fund are not budgeted with General Fund, but reported on a GAAP basis with General Fund in accordance with GASB Statement No. 54.

B. Excess of Expenditures over Appropriations

For the year ended June 30, 2015, expenditures exceeded appropriations in the following categories:

Elections	\$	933
Roadways		23,178
Transfers to Other Funds		31,290

3. CASH, CASH EQUIVALENTS AND INVESTMENTS

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

The Connecticut General Statutes (Section 7-400) permit municipalities to invest in: 1) obligations of the United States and its agencies; 2) highly rated obligations of any state of the United States or of any political subdivision, authority or agency thereof; and 3) shares or other interests in custodial arrangements or pools maintaining constant net asset values and in highly rated no-load open end money market and mutual funds (with constant or fluctuating net asset values) whose portfolios are limited to obligations of the United States and its agencies, and repurchase agreements fully collateralized by such obligations. Other provisions of the Statutes cover specific municipal funds with particular investment authority. The provisions of the Statutes regarding the investment of municipal pension funds do not specify permitted investments. Therefore, investment of such funds is generally controlled by the laws applicable to fiduciaries and the provisions of the applicable plan.

A. Deposits

Deposit Custodial Credit Risk

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

**TOWN OF PLAINVILLE, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, \$15,821,916 of the Town's bank balance of \$17,071,916 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 14,139,725
Uninsured and collateral held by the pledging bank's trust department, not in the Town's name	<u>1,682,192</u>
Total Amount Subject to Custodial Credit Risk	<u>\$ 15,821,916</u>

Cash Equivalents

Cash equivalents are short-term, highly liquid investments that are both readily convertible to known amounts of cash and purchased within 90 days of maturity. At June 30, 2015, the Town's cash equivalents amounted to \$4,191,194. The following table provides a summary of the Town's cash equivalents (excluding U.S. government guaranteed obligations) as rated by nationally recognized statistical rating organizations.

	<u>Standard & Poor's</u>
RBC Wealth Management	AA-
Pershing (YHB Investment Advisors)	A
Bank of America N.A. Cash Management Assets	A

*Fund not rated

B. Investments

Investments as of June 30, 2015 in all funds are as follows:

<u>Investment Type</u>	<u>Credit Rating</u>	<u>Fair Value</u>	<u>Investment Maturities (Years)</u>		
			<u>Less Than 1</u>	<u>1 - 10</u>	<u>More Than 10</u>
Interest-bearing investments:					
Corporate bonds	A	\$ 35,594	\$ 15,058	\$ 20,536	\$ -
Corporate bonds	AA	10,754		10,754	
Corporate bonds	BBB	36,739	25,850	10,889	
Corporate bonds	N/A	20,069		20,069	
Certificates of deposit	*	<u>4,113,777</u>	<u>861,229</u>	<u>3,252,548</u>	
Total		4,216,933	<u>\$ 902,137</u>	<u>\$ 3,314,796</u>	<u>\$ -</u>
Other investments:					
Mutual funds		<u>27,086,372</u>			
Total Investments		<u>\$ 31,303,305</u>			

* Subject to coverage by federal depository insurance and collateralization

**TOWN OF PLAINVILLE, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

Interest Rate Risk

The Town does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk - Investments

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.

Concentration of Credit Risk

The Town does not have a formal investment policy that limits investments in any one issuer that is in excess of 5% of the Town's total investments.

Custodial Credit Risk

Custodial credit risk for an investment is the risk that, in the event of the failure of the counterparty (the institution that pledges collateral or repurchase agreement securities to the Town or that sells investments to or buys them for the Town), the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Town does not have a policy for custodial credit risk. At June 30, 2015, the Town did not have any uninsured and unregistered securities held by the counterparty or by its trust department or agent that were not in the Town's name.

4. RECEIVABLES

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

	<u>General</u>	<u>Sewer Operating</u>	<u>Housing Rehabilitation</u>	<u>Airport Operations</u>	<u>Capital Projects</u>	<u>Nonmajor and Other Funds</u>	<u>Total</u>
Receivables:							
Interest	\$ 1,146,751	\$	\$	\$	\$	\$	\$ 1,146,751
Taxes	2,339,088						2,339,088
Accounts	307,567	1,396,923				115,489	1,819,979
Loans receivable			1,597,494				1,597,494
Intergovernmental	313,732		10,500	12,035	244,726	346,002	926,995
Gross receivables	<u>4,107,138</u>	<u>1,396,923</u>	<u>1,607,994</u>	<u>12,035</u>	<u>244,726</u>	<u>461,491</u>	<u>7,830,307</u>
Less allowance for uncollectibles	<u>(75,000)</u>						<u>(75,000)</u>
Net Total Receivables	<u>\$ 4,032,138</u>	<u>\$ 1,396,923</u>	<u>\$ 1,607,994</u>	<u>\$ 12,035</u>	<u>\$ 244,726</u>	<u>\$ 461,491</u>	<u>\$ 7,755,307</u>

**TOWN OF PLAINVILLE, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

5. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2015 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	\$ 5,418,307	\$ 27,968	\$	\$ 5,446,275
Construction in progress	<u>2,067,720</u>	<u>162,210</u>	<u>(2,108,926)</u>	<u>121,004</u>
Total capital assets not being depreciated	<u>7,486,027</u>	<u>190,178</u>	<u>(2,108,926)</u>	<u>5,567,279</u>
Capital assets being depreciated:				
Buildings and improvements	172,465,098	723,803		173,188,901
Improvements other than buildings	237,619			237,619
Furniture, vehicles and equipment	10,421,820	1,435,549	(103,356)	11,754,013
Infrastructure	<u>82,658,493</u>	<u>2,098,055</u>	<u>(10,626)</u>	<u>84,745,922</u>
Total capital assets being depreciated	<u>265,783,030</u>	<u>4,257,407</u>	<u>(113,982)</u>	<u>269,926,455</u>
Less accumulated depreciation for:				
Buildings and improvements	(53,389,397)	(5,447,705)		(58,837,102)
Improvements other than buildings	(178,239)	(32,407)		(210,646)
Furniture, vehicles and equipment	(7,977,604)	(487,652)	103,186	(8,362,070)
Infrastructure	<u>(71,017,440)</u>	<u>(408,750)</u>	<u>10,626</u>	<u>(71,415,564)</u>
Total accumulated depreciation	<u>(132,562,680)</u>	<u>(6,376,514)</u>	<u>113,812</u>	<u>(138,825,382)</u>
Total capital assets being depreciated, net	<u>133,220,350</u>	<u>(2,119,107)</u>	<u>(170)</u>	<u>131,101,073</u>
Governmental Activities Capital Assets, Net	<u>\$ 140,706,377</u>	<u>\$ (1,928,929)</u>	<u>\$ (2,109,096)</u>	<u>\$ 136,668,352</u>

Depreciation expense was charged to functions/programs as follows:

Governmental activities:	
General government	\$ 105,570
Public safety	290,545
Public works	1,869,786
Human services	5,223
Culture and recreation	215,413
Education	<u>3,889,977</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 6,376,514</u>

**TOWN OF PLAINVILLE, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

Construction Commitments

The Town has several active construction projects as of June 30, 2015. The following is a summary of capital projects as of June 30, 2015.

	<u>Appropriation</u>	<u>Expenditures and Encumbrances</u>	<u>Unexpended Balance</u>
Capital and nonrecurring expenditures	\$ 9,705,410	\$ 7,524,686	\$ 2,180,724
Board of Education Capital	1,450,856	1,351,589	99,267
Sewer Capital	1,467,312	842,683	624,629
Downtown Beautification	1,008,337	1,008,337	
Landfill Expansion	92,565	90,625	1,940
Tomlinson Avenue Bridge	116,378	97,498	18,880
Stillwell Drive Bridge	1,836,086	1,670,239	165,847
FEMA Property Acquisition Project	<u>2,755,907</u>	<u>2,747,574</u>	<u>8,333</u>
Total	<u>\$ 18,432,851</u>	<u>\$ 15,333,231</u>	<u>\$ 3,099,620</u>

6. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

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, 2015 is presented below:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Sewer Operating Fund	\$ 1,119
	Capital Projects Fund	238,707
	Nonmajor Governmental Funds	425,315
	Internal Service Fund	323,465
Capital Projects Fund	General Fund	2,535,974
Airport Operations Fund	General Fund	250,270
Nonmajor Governmental Funds	General Fund	<u>720,463</u>
Total		<u>\$ 4,495,313</u>

Interfund receivables and payables generally represent temporary balances arising from reimbursement type transactions.

**TOWN OF PLAINVILLE, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

Interfund transfers:

	Transfer In				Total Transfer Out
	General	Capital Projects	Internal Service Funds	Nonmajor and Other Funds	
Transfer out:					
General Fund	\$	\$ 1,479,751	\$ 500,000	\$ 841,160	\$ 2,820,911
Sewer Operating Fund	305,670	75,000			380,670
Nonmajor		21,000			21,000
Total Transfers In	\$ 305,670	\$ 1,575,751	\$ 500,000	\$ 841,160	\$ 3,222,581

Transfers are used to 1) move unrestricted general fund revenues to finance various programs that the Town must account for in other funds in accordance with budgetary authorizations, including amounts provided as subsidies or matching funds for various grant programs and 2) move revenues from the Sewer Fund to General Fund and Sewer Capital Project Fund and other operational transfers between the funds.

7. LONG-TERM DEBT

General Obligation Bonds

All general long-term bonds are secured by the general revenue raising powers of the Town, and payment is provided by General Fund and Sewer Fund revenues. No sinking funds have been established as of June 30, 2015.

Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2015 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Bonds payable:					
General obligation bonds	\$ 35,005,000	\$	\$ 3,505,000	\$ 31,500,000	\$ 3,550,000
Unamortized bond premiums	1,261,756		217,149	1,044,607	194,086
Total bonds payable	36,266,756	-	3,722,149	32,544,607	3,744,086
Long-term note payable	17,020,734		980,902	16,039,832	1,000,701
Capital leases	392,308	740,348	243,135	889,521	240,318
Net OPEB obligation	8,447,034	1,360,968		9,808,002	
Compensated absences	2,715,250	779,960	414,668	3,080,542	615,412
Net pension liability	3,881,641	1,117,962		4,999,603	
Total Governmental Activities Long-Term Liabilities	\$ 68,723,723	\$ 3,999,238	\$ 5,360,854	\$ 67,362,107	\$ 5,600,517

Compensated absences are generally liquidated by the General Fund. Net OPEB obligation is generally liquidated by the internal service fund. Net pension liability is generally liquidated by the pension trust funds.

**TOWN OF PLAINVILLE, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

A schedule of bonds at June 30, 2015 is presented below:

<u>Description</u>	<u>Principal Amount</u>
\$6,855,000 - Refunding Bonds issued May 25, 2007 and maturing April 1, 2021; various interest rates from 3.65% to 4%	\$ 3,995,000
\$9,250,000 - High School and WPCA and collection system improvements issued June 1, 2007 and maturing April 15, 2027; various interest rates from 3.75% to 5%	5,990,000
\$3,515,000 - Refunding Bonds issued October 28, 2010 and maturing July 15, 2017; various interest rates from 1.5% to 4%	1,525,000
\$12,000,000 - Plainville High School and Toffolon Elementary School issued October 28, 2010 and maturing July 15, 2030; various interest rates from 1.5% to 4%	9,600,000
\$12,535,000 - Refunding Bonds issued December 20, 2011 and maturing August 15, 2023; various interest rates from 3.0% to 4.0%.	<u>10,390,000</u>
Total Bond Indebtedness	<u>\$ 31,500,000</u>

The following is a schedule of future debt service requirements as of June 30, 2015:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 3,550,000	\$ 1,149,625	\$ 4,699,625
2017	3,645,000	1,018,175	4,663,175
2018	3,635,000	890,475	4,525,475
2019	3,180,000	764,625	3,944,625
2020	3,240,000	637,725	3,877,725
2021-2025	9,650,000	1,692,750	11,342,750
2026-2030	4,000,000	477,338	4,477,338
2031	<u>600,000</u>	<u>12,000</u>	<u>612,000</u>
Total	<u>\$ 31,500,000</u>	<u>\$ 6,642,713</u>	<u>\$ 38,142,713</u>

General Obligation Bonds Refunding

In prior years, the government defeased general obligation public improvement bonds by placing the proceeds of the new bonds in an irrevocable trust account to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the government's financial statements. The defeased debt was called during the year, and as such the balance in escrow and the outstanding balance of defeased bonds as of June 30, 2015 is \$-0-.

**TOWN OF PLAINVILLE, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

Long-Term Note Payable

The Town has three State of Connecticut Clean Water serial notes outstanding. These loans were issued to finance improvements of the sewer plant and pump station. The interest rate on the notes is 2% and is payable through October 1, 2030. The principal and interest payments are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 1,000,701	\$ 311,656	\$ 1,312,357
2017	1,020,900	291,457	1,312,357
2018	1,041,506	270,851	1,312,357
2019	1,062,529	249,830	1,312,359
2020	1,083,974	228,383	1,312,357
2021-2025	5,757,029	804,760	6,561,789
2026-2030	<u>5,073,193</u>	<u>217,307</u>	<u>5,290,500</u>
Total	<u>\$ 16,039,832</u>	<u>\$ 2,374,244</u>	<u>\$ 18,414,076</u>

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>Net Indebtedness</u>	<u>Balance</u>
General purpose	\$ 96,026,787	\$ 6,470,000	\$ 89,556,787
Schools	192,053,574	24,940,000	167,113,574
Sewers	160,044,645	17,079,831	142,964,814
Urban renewal	138,705,359		138,705,359
Pension deficit	128,038,716		128,035,716

The total overall statutory debt limit for the Town is equal to seven times annual receipts from taxation or \$298,750,004.

The definition of indebtedness above includes bonds and notes outstanding in addition to the amount of bonds authorized and unissued against which debt is issued and outstanding. The Town has \$950,000 of authorized but unissued bonds at June 30, 2015.

Capital Lease

During 2013, the Town entered into a lease agreement as lessee for financing the acquisition of equipment for the Fire Department valued at \$764,466. During 2015, the Town entered into a lease agreement as a lessee for financing the acquisition of equipment for the Police Department valued at \$740,348. This year, \$240,318 was included in depreciation expense. These lease agreements qualify as a capital lease for accounting purpose and, therefore, have been recorded at the present value of future minimum lease payments as of the inception date.

**TOWN OF PLAINVILLE, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2015 were as follows:

<u>Year Ending June 30,</u>	<u>Governmental Activities</u>
2016	\$ 258,746
2017	258,746
2018	258,745
2019	<u>155,329</u>
Total minimum lease payments	931,566
Less amount representing interest	<u>(42,045)</u>
Present value of minimum lease payments	<u>\$ 889,521</u>

8. FUND BALANCE

The components of fund balance for the governmental funds at June 30, 2015 are as follows:

	<u>General Fund</u>	<u>Sewer Operating</u>	<u>Housing Rehabilitation</u>	<u>Airport Operations</u>	<u>Capital Projects Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Fund balances:							
Nonspendable:							
Inventory	\$	\$	\$	\$	\$	21,698	\$ 21,698
Prepays	20,394	2,225			51,776	2,654	77,049
Restricted for:							
Grants			20,998			914,816	935,814
Endowments and trusts						1,289,557	1,289,557
Committed to:							
Land acquisition						19,544	19,544
Debt management	147,710						147,710
Sewer		2,194,055			1,406,645		3,600,700
Education					328,675	292,775	621,450
Landfill expansion					1,940		1,940
Capital and nonrecurring projects					556,660		556,660
FEMA Acquisition Grant Fund					8,333		8,333
Recreation						83,857	83,857
Social Services Emergency						18,550	18,550
Berner pool						159,002	159,002
Water operating						63,311	63,311
Police forfeiture						3,581	3,581
Airport operations				261,924			261,924
Assigned to:							
Education encumbrances	387,622						387,622
General government encumbrances	53,664						53,664
Other encumbrances	3,880						3,880
Unassigned	<u>10,443,073</u>				<u>(2,450)</u>		<u>10,440,623</u>
Total Fund Balances	<u>\$ 11,056,343</u>	<u>\$ 2,196,280</u>	<u>\$ 20,998</u>	<u>\$ 261,924</u>	<u>\$ 2,351,579</u>	<u>\$ 2,869,345</u>	<u>\$ 18,756,469</u>

**TOWN OF PLAINVILLE, CONNECTICUT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2015**

9. RISK MANAGEMENT

The Town is exposed to various risks of loss including torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Town generally obtains commercial insurance for these risks, but has chosen to retain the risks for employee health and medical claims. Additionally, the Town retains the risk for deductibles on all other insurance policies and all risk for heart and hypertension claims. There has been no significant reduction in insurance coverage from the prior year for the categories risk insured commercially. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years. Since fiscal year 1993, the Health Insurance and Self Insurance Reserve Internal Service Funds have been utilized to report the self-insurance activity.

Under the Health Insurance Fund, Anthem Blue Cross/Blue Shield administers the plan, for which the Town pays a fee. The Town, Board of Education and Cafeteria Fund contribute based on Anthem Blue Cross/Blue Shield estimates made using the Town’s historical data. The Town covers all claims up to \$100,000 for hospitalization per year with a stop-loss policy covering amounts exceeding this limit. In addition, the Town has an agreement with Anthem Blue Cross/Blue Shield that claims exceeding 110% of the total estimated claims for the plan year will be paid after the plan year in 24 monthly installments with no interest.

The Self Insurance Reserve Fund provides coverage for all deductibles on commercial insurance policies and all heart and hypertension claims. The Town additionally pays all retroactive commercial insurance policy adjustments from this fund. Commercial insurance policy deductibles are set at \$25,000. The Town purchases commercial insurance for claims in excess of coverage provided by the fund and for all other risks of loss.

All funds of the Town participate in the Internal Service Funds and make payments based on actuarial estimates of the amounts needed to pay prior and current year claims and to establish and provide for catastrophe losses. Additionally, the GASB Statement No. 10 requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the funds’ claims liability were as follows:

	<u>Liability July 1,</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>Liability June 30,</u>
2013-2014	\$ 425,000	\$ 5,745,990	\$ 5,779,582	\$ 391,408
2014-2015	391,408	6,034,575	6,026,901	399,082

10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS

A. Plan Descriptions and Benefits Provided

The Town of Plainville is the administrator of two single-employer Public Employee Retirement Systems (PERS) established and administered by the Town to provide pension benefits for its employees. The PERS are considered to be part of the Town of Plainville’s financial reporting entity and are included in the Town’s financial reports as Pension Trust Funds. These plans were established by the authority of the Town Council.

**TOWN OF PLAINVILLE, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

Management of the plans rests with the management team consisting of the Town Manager, the Assistant Town Manager and the Director of Finance. One union member per union is invited to participate and sit in on all meetings.

Combining Schedule of Net Position

	Municipal Employees Pension Trust Fund	Police Pension Trust Fund	Total
Assets:			
Investments	\$ 12,643,255	\$ 13,904,723	\$ 26,547,978
Net Position:			
Held in Trust for Pension Plan Benefits	\$ 12,643,255	\$ 13,904,723	\$ 26,547,978

Combining Schedule of Changes in Net Position

	Municipal Employees Pension Trust Fund	Police Pension Trust Fund	Total
Additions:			
Contributions:			
Employer	\$ 414,054	\$ 511,310	\$ 925,364
Employee	115,312	145,519	260,831
Total contributions	529,366	656,829	1,186,195
Investment income:			
Net appreciation in fair value of investments	222,046	240,147	462,193
Interest and dividends	222,236	240,355	462,591
Net investment income	444,282	480,502	924,784
Total additions	973,648	1,137,331	2,110,979
Deductions:			
Benefit payments	943,501	967,721	1,911,222
Administration	64,958	46,226	111,184
Total deductions	1,008,459	1,013,947	2,022,406
Change in net position	(34,811)	123,384	88,573
Net Position, Beginning of Year	12,678,066	13,781,339	26,459,405
Net Position, End of Year	\$ 12,643,255	\$ 13,904,723	\$ 26,547,978

**TOWN OF PLAINVILLE, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

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

For the year ended June 30, 2015, the Town recognized pension revenue of \$913,165. At June 30, 2015, the Town reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Employees' Pension Plan	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$	\$ 33,620
Changes of assumptions	123,423	
Net difference between projected and actual earning on pension plan investments	<u>440,936</u>	
Total	<u>\$ 564,359</u>	<u>\$ 33,620</u>

	Police Retirement Plan	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$	\$ 217,306
Changes of assumptions	330,331	
Net difference between projected and actual earning on pension plan investments	<u>486,397</u>	
Total	<u>\$ 816,728</u>	<u>\$ 217,306</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,

2016	\$	320,025
2017		281,540
2018		255,881
2019		255,882
2020		16,833

**TOWN OF PLAINVILLE, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
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At July 1, 2014, PERS membership consisted of:

	<u>Municipal</u>	<u>Police</u>
Retirees and beneficiaries currently receiving benefits	82	36
Terminated employees entitled to benefits but not yet receiving them	10	
Current employees	<u>32</u>	<u>34</u>
Total	<u>124</u>	<u>70</u>

Effective 12/31/1998, the Municipal Employees Pension Plan was closed to new entrants.

The Town of Plainville Municipal Employees Pension System covers all Town employees and noncertified members of the Board of Education. The Town provides all employee retirement benefits through a single employer, contributory defined benefit plan. After December 1998, new employees participate in the Town’s defined contribution plan. Under the plan, all employees having six months of service are eligible. Employees are 100% vested after five years of service. For participants in the plan who retired prior to January 1, 1990, the retirement benefit is 3/4% of final average earnings up to the covered compensation level plus 1-1/2% of final average earnings in excess of the covered compensation level, multiplied by years of service.

For participants in the plan who retire after December 31, 1989, the retirement benefit is 1 3/4% of average annual earnings multiplied by years of credited service. Average annual earnings means the highest average of basic annual rate of compensation received on any three consecutive July firsts prior to termination.

The Town of Plainville Police Pension System covers all police employees. The Town provides retirement, death and disability benefits through a single employer, contributory defined benefit plan. Under the plan, all employees having six months of service are eligible to join. Policemen are 25% vested after five years of service, 50% vested after seven years of service and 100% vested after ten years of service. Police employees who retire at normal retirement (the earlier of age 55 or 25 years of service) receive a retirement benefit of 2.25% of final base average earnings times years of service.

Summary of Significant Accounting Policies and Plan Asset Matters

Basis of Accounting

Both PERS financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as revenues when due which is the period when employee services are performed. Benefit payments and refunds are payable when due and payable in accordance with the terms of the PERS. The PERS does not issue a separate stand-alone financial statement.

Method Used to Value Investments

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

**TOWN OF PLAINVILLE, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

Funding Status and Progress

Employees covered under the Municipal and Police plans are required to contribute 4.5% and 6.0%, respectively, of their earnings to the PERS. If an employee leaves covered employment or dies before meeting the vesting requirements, accumulated employee contributions and interest thereon are refunded. The Town is required to contribute the remaining amounts necessary to finance the benefits for its employees. Benefits and employee contributions are fixed by contract and may be amended by union negotiation. The Town Council is the authoritative body governing all plans. Administrative costs are financed through investment earnings.

Investments

Investment Policy

The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the PERS Board by a majority vote of its members. It is the policy of the PERS Board to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The pension plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. The following was the Board's adopted asset allocation policy as of June 30, 2015:

<u>Asset Class</u>	<u>Municipal Employees Target Allocation</u>	<u>Police Target Allocation</u>
Large Cap Domestic Equity	30%	30%
Mid Cap Domestic Equity	6%	6%
Small Cap Domestic Equity	9%	9%
International Equity	12%	12%
Core Fixed Income	43%	43%
Total Allocation	100%	100%

The plans did not have any concentrations that warranted disclosure.

Rate of Return

For the year ended June 30, 2015, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was as follows:

	<u>Rate of Return</u>
Municipal Employees	3.57%
Police	3.54%

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

**TOWN OF PLAINVILLE, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

Net Pension Liability of the Town

The components of the net pension liability of the Town at June 30, 2015 were as follows:

	Municipal Employees Target Allocation	Police Target Allocation
	<u> </u>	<u> </u>
Total pension liability	\$ 15,459,291	\$ 16,088,290
Plan fiduciary net position	<u>12,643,255</u>	<u>13,904,723</u>
Net Pension Liability	<u>\$ 2,816,036</u>	<u>\$ 2,183,567</u>
 Plan fiduciary net position as a percentage of the total pension liability	 81.78%	 86.43%

Actuarial Assumptions

The total pension liability for Administrative Employees and Police were determined by an actuarial valuation as of June 30, 2015, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5%
Salary increases	4.0%, average, including inflation
Investment rate of return	8.0%, net of pension plan investment management fees

Mortality rates were based on the RP-2000 Healthy Annuitant Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale AA.

The plans have not had a formal actuarial experience study performed.

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 are developed. Best estimates of the real rates of return for each major asset class are included in the pension plan's target asset allocation as of June 30, 2015 (see the discussion of the pension plan's investment policy) are summarized in the following table:

Asset Class	Municipal Employees Long-Term Expected Real Rate of Return	Police Long-Term Expected Real Rate of Return
<u> </u>	<u> </u>	<u> </u>
Large Cap Domestic Equity	6.00 %	6.00 %
Mid Cap Domestic Equity	6.50	6.50
Small Cap Domestic Equity	6.75	6.75
International Equity	5.75	5.75
Core Fixed Income	2.30	2.30

**TOWN OF PLAINVILLE, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

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 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.

Municipal Employees' Pension Plan

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a)-(b)
Balances as of June 30, 2014	\$ 14,947,422	\$ 12,678,066	\$ 2,269,356
Changes for the year:			
Service cost	132,077		132,077
Interest on total pension liability	1,169,346		1,169,346
Differences between expected and actual experience	(57,635)		(57,635)
Changes in assumptions	211,582		211,582
Employer contributions		414,054	(414,054)
Member contributions		115,312	(115,312)
Net investment income		444,281	(444,281)
Benefit payments, including refund to employee contributions	(943,501)	(943,501)	-
Administrative expenses		(64,957)	64,957
Other changes			-
Net changes	511,869	(34,811)	546,680
Balances as of June 30, 2015	\$ 15,459,291	\$ 12,643,255	\$ 2,816,036

Police Pension Plan

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a)-(b)
Balances as of June 30, 2014	\$ 15,393,624	\$ 13,781,339	\$ 1,612,285
Changes for the year:			
Service cost	307,211		307,211
Interest on total pension liability	1,218,103		1,218,103
Differences between expected and actual experience	(263,541)		(263,541)
Changes in assumptions	400,614		400,614
Employer contributions		511,310	(511,310)
Member contributions		145,519	(145,519)
Net investment income		480,502	(480,502)
Benefit payments, including refund to employee contributions	(967,721)	(967,721)	-
Administrative expenses		(46,226)	46,226
Other changes			-
Net changes	694,666	123,384	571,282
Balances as of June 30, 2015	\$ 16,088,290	\$ 13,904,723	\$ 2,183,567

**TOWN OF PLAINVILLE, CONNECTICUT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2015**

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the Town, calculated using the discount rate of 7.75% for Municipal Employees and Police, as well as what the Town’s net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.75%) or 1 percentage point higher (8.75%) than the current rate:

	1% Decrease	Current	1% Increase
	6.75%	Discount Rate	8.75%
	<u> </u>	<u> </u>	<u> </u>
Municipal Employees Net Pension Liability	\$ 4,224,659	\$ 2,816,036	\$ 1,582,020
Police's Net Pension Liability	3,976,175	2,183,567	679,077

B. Defined Contribution Plan

By local ordinance, the Town authorized a defined contribution plan for its management and nonunion employees as another type of pension plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. As of June 30, 2015, there were 87 members in the plan. All management and nonunion employees must join the defined contribution plan after six months of employment.

The local ordinance requires the employee to contribute 4.5% to 6% of earnings and the Town to contribute 8%. For the fiscal year ended June 30, 2015, the contributions were \$202,674 and \$269,382, respectively. Earnings do not include any overtime wages. For new employees, the Town’s contributions along with the related earnings are fully vested after five years of continuous service. Town contributions for, and interest forfeited by, employees who leave employment before five years of service are used to reduce the Town’s current period contribution requirements.

Pursuant to the administrative service agreement and the plan and trust adoption agreement, the ICMA Retirement Corporation administers the plan.

C. Teachers’ Retirement

Plan Description

All Town of Plainville Board of Education certified employees participate in the State of Connecticut Teachers’ Retirement System under Section 10.183 of the General Statutes of the State of Connecticut. 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.

**TOWN OF PLAINVILLE, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

Benefit Provisions

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

Normal Retirement

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

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.

**TOWN OF PLAINVILLE, CONNECTICUT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2015**

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

At June 30, 2015, 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>45,442,874</u>
Total	<u>\$ 45,442,874</u>

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

For the year ended June 30, 2015, the Town recognized pension expense and revenue of \$3,409,515 in Exhibit II for on-behalf amounts for the benefits provided by the State.

Actuarial Assumptions

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

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

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

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

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

**TOWN OF PLAINVILLE, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Large Cap U.S. equities	21.0%	7.3%
Developed non-U.S. equities	18.0%	7.5%
Emerging markets (non-U.S.)	9.0%	8.6%
Core fixed income	7.0%	1.7%
Inflation linked bond fund	3.0%	1.3%
Emerging market bond	5.0%	4.8%
High yield bonds	5.0%	3.7%
Real estate	7.0%	5.9%
Private equity	11.0%	10.9%
Alternative investments	8.0%	0.7%
Liquidity fund	6.0%	0.0%
Total	<u>100.0%</u>	

Discount Rate

The discount rate used to measure the total pension liability was 8.50%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that State contributions will be made at the actuarially determined contribution rates in the future years. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

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

Other Information

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

11. OTHER POSTEMPLOYMENT BENEFITS

A. Plan Description

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

At July 1, 2014, plan membership consisted of the following:

	Healthcare Plan
Active plan members	482
Retired members	45
Total Participants	<u>527</u>

B. Funding Policy

The Town's funding and payment of postemployment benefits for the year ended June 30, 2015 are accounted for in the Internal Service Fund on a pay-as-you go basis. As of June 30, 2015, the Town has not established a trust fund to irrevocably segregate assets to fund the liability associated with the post employment benefits, which would require the reporting of a trust fund in accordance with GASB guidelines. The contribution requirements of plan members and the Town are also negotiated with the various unions representing the employees.

**TOWN OF PLAINVILLE, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

C. Annual OPEB Cost and Net OPEB Obligations

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

	Retiree Healthcare Plan
Annual required contribution (ARC)	\$ 1,567,313
Interest on net OPEB obligation	337,881
Adjustment to annual required contribution	<u>(469,802)</u>
Annual OPEB cost	1,435,392
Contributions made	<u>(74,424)</u>
Increase in net OPEB obligation	1,360,968
Net OPEB obligation, beginning of year	<u>8,447,034</u>
Net OPEB Obligation, End of Year	<u>\$ 9,808,002</u>

The Town’s annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation (asset) is presented below:

Fiscal Year Ended	Annual OPEB Cost (AOC)	Actual Contribution	Percentage of AOC Contributed	Net OPEB Obligation
6/30/2013	\$ 1,768,594	\$ 336,972	19%	\$ 7,315,585
6/30/2014	1,426,602	295,153	21	8,447,034
6/30/2015	1,435,392	74,424	5	9,808,002

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	(Unfunded) AAL (UAAL) (a-b)	Percentage Funded (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((a-b)/c)
7/01/10	\$ -	\$ 16,375,827	\$ (16,375,827)	0.0%	\$ 28,220,359	(58)%
7/01/12	-	15,503,060	(15,503,060)	0.0	24,578,387	(63)
7/01/14	-	12,117,589	(12,117,589)	0.0	27,804,558	(44)

**TOWN OF PLAINVILLE, CONNECTICUT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2015**

Schedule of Employer Contributions

Year Ended June 30,	Annual Required Contribution	Percentage Contributed
2010	\$ 1,311,187	(3.58)%
2011	1,776,562	(3.05)
2012	1,812,240	(11.51)
2013	1,849,525	(18.22)
2014	1,540,852	(19.16)
2015	1,567,313	(4.75)

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

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

In the July 1, 2014 actuarial valuation, the projected unit credit actuarial cost method was used. The annual required contribution (ARC) reflects a 30-year, level dollar amortization, open of the unfunded actuarial accrued liability (AAL). The actuarial assumptions include a 4.0% interest rate and a 3% inflation rate. The annual healthcare cost trend rate is 10% initially reducing 1% per year with an ultimate rate of 5% for 2015 and later.

12. CONTINGENT LIABILITIES

The Town of Plainville is a defendant in a number of lawsuits. It is the opinion of management that such pending litigation will not be finally determined so as to result in a judgment or judgments against the Town, which would materially affect its financial position.

13. SUBSEQUENT EVENT

In September of 2015, the Town issued \$\$5,470,977 of general obligation refunding bonds and \$1,011,450 of general obligation bond anticipation notes. The refunding bonds were issued with interest rates of 2-4% and call for principal and interest payments through June 30, 2027. The bond anticipation notes were issued with an interest rate of 2% and are due on June 30, 2016.

**TOWN OF PLAINVILLE, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

14. PRIOR PERIOD ADJUSTMENT AND RESTATEMENT

The following restatements were recorded to the beginning of net position of the governmental activities as a result of implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* - an amendment of GASB Statement No. 27:

Net position at June 30, 2014, as previously reported	\$ 101,365,735
Adjustments:	
Eliminate net pension assets reported per GASB No. 27	(113,298)
Record net pension liability per GASB No. 68	<u>(3,881,641)</u>
Net Position at July 1, 2014, as Restated	<u><u>\$ 97,370,796</u></u>

**Required Supplementary
Information**

**TOWN OF PLAINVILLE, CONNECTICUT
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Original</u>	<u>Amended</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Property taxes:				
Revenues from property taxes	\$ 41,775,066	\$ 41,775,066	\$ 41,606,152	\$ (168,914)
Prior years' levy	500,000	500,000	611,664	111,664
Interest and liens fees	280,500	280,500	458,756	178,256
Total property taxes	<u>42,555,566</u>	<u>42,555,566</u>	<u>42,676,572</u>	<u>121,006</u>
Licenses, fees and charges for goods and services:				
Licenses and permits:				
Building	200,200	200,200	413,984	213,784
Police	5,000	5,000	7,555	2,555
Town Clerk	1,350	1,350	2,259	909
Total licenses and permits	<u>206,550</u>	<u>206,550</u>	<u>423,798</u>	<u>217,248</u>
Fines and fees:				
Building	1,200	1,200	809	(391)
Police service charge	32,000	32,000	69,701	37,701
Police fines and impoundment fees	5,500	5,500	6,972	1,472
Town Clerk	95,000	95,000	105,228	10,228
Planning and Zoning fees	5,000	5,000	7,164	2,164
Zoning Board of Appeals	3,000	3,000	2,711	(289)
Tipping and solid waste license	7,750	7,750	12,779	5,029
Senior Center	8,000	8,000	8,793	793
Conveyance tax	135,000	135,000	126,597	(8,403)
Condominium trash	45,000	45,000	49,567	4,567
Miscellaneous	14,000	14,000	27,503	13,503
Total fines and fees	<u>351,450</u>	<u>351,450</u>	<u>417,824</u>	<u>66,374</u>
Total licenses, fees and charges for goods and services	<u>558,000</u>	<u>558,000</u>	<u>841,622</u>	<u>283,622</u>
Intergovernmental revenues:				
State of Connecticut:				
Elderly tax relief:				
Freeze	2,500	2,500	2,000	(500)
Circuit breaker	150,000	150,000	152,604	2,604
Tax relief - disability	3,600	3,600	3,924	324
Tax relief - veterans	22,000	22,000	23,686	1,686
Property tax relief	509,690	509,690	509,690	-

(Continued on next page)

**TOWN OF PLAINVILLE, CONNECTICUT
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Original</u>	<u>Amended</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Intergovernmental revenues: (continued)				
State-owned property	\$ 17,647	\$ 17,647	\$ 17,664	\$ 17
Youth services	30,000	30,000	30,483	483
Tax share telephone access line	55,000	55,000	45,347	(9,653)
Town aid road				-
Local capital improvement program	126,839	126,839	126,839	-
Education:				
Education equalization	10,405,528	10,405,528	10,463,805	58,277
Special Education				-
School transportation	121,854	121,854	161,034	39,180
Special education excess cost				-
Plane registration	8,200	8,200	8,200	-
Mashantucket Pequot Grant	85,501	85,501	85,023	(478)
Miscellaneous grants	30,000	30,000	57,890	27,890
Total intergovernmental revenues	<u>11,568,359</u>	<u>11,568,359</u>	<u>11,688,189</u>	<u>119,830</u>
Miscellaneous revenues:				
Housing Authority	34,496	34,496	40,172	5,676
Revenues from use of money	25,500	25,500	32,849	7,349
Sale of property			4,775	4,775
Other:				
General Government	153,000	153,000	322,046	169,046
Cancelled Prior Year Encumbrances			128,622	128,622
Total miscellaneous revenues	<u>212,996</u>	<u>212,996</u>	<u>528,464</u>	<u>315,468</u>
Other financing sources:				
Use of fund balance	200,000	200,000		(200,000)
Transfers in	330,056	330,056	330,056	-
Total other financing sources	<u>530,056</u>	<u>530,056</u>	<u>330,056</u>	<u>(200,000)</u>
Total Revenues and Other Financing Sources	<u>\$ 55,424,977</u>	<u>\$ 55,424,977</u>	56,064,903	<u>\$ 639,926</u>
Budgetary revenues are different than GAAP revenues because:				
State of Connecticut on-behalf contributions to the Connecticut State Teachers' Retirement System for Town teachers are not budgeted			3,409,515	
Cancellation of prior year encumbrances are recognized as budgetary revenue			(128,622)	
State Excess Cost - Student Based grant			562,426	
Debt Management Fund Revenues			38	
Debt Management Fund Transfers in			(24,386)	
Total Revenues and Other Financing Sources as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds - Exhibit IV			<u>\$ 59,883,874</u>	

TOWN OF PLAINVILLE, CONNECTICUT
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2015

	<u>Original</u>	<u>Amended</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
General government:				
Town Council	\$ 59,999	\$ 62,998	\$ 60,992	\$ 2,006
Planning and Zoning	3,600	3,600	2,751	849
Zoning Board of Appeals	3,200	3,200	2,971	229
Inland Wetlands Commission	1,900	1,900	585	1,315
Board of Tax Review	2,020	2,020	1,190	830
Conservation Commission	2,700	2,700	2,628	72
Veterans Council	4,803	4,803	4,803	-
Probate Court	7,925	7,925	7,920	5
Town Manager	200,025	203,225	202,730	495
Human Resources	83,123	83,123	81,735	1,388
Elections	61,625	61,625	62,558	(933)
Town Counsel	126,100	126,100	124,880	1,220
Town Treasurer	5,420	5,420	5,411	9
Finance	177,860	179,360	159,257	20,103
Assessments	194,265	195,265	191,404	3,861
Revenue collection	118,565	122,065	121,635	430
Town Clerk	185,594	187,594	182,632	4,962
Data processing	183,900	183,900	181,686	2,214
Insurance	551,322	569,322	566,400	2,922
General administration services	79,495	79,495	77,617	1,878
Town Historian	17,375	17,375	13,275	4,100
Economic Development Agency	44,500	539,500	539,439	61
Recycling Committee	750	750	713	37
Total	<u>2,116,066</u>	<u>2,643,265</u>	<u>2,595,212</u>	<u>48,053</u>
Public safety:				
Police	3,712,606	3,712,606	3,699,611	12,995
Fire and Civil Preparedness	361,960	361,960	297,121	64,839
Fire Marshal	66,150	67,750	67,278	472
Canine Control	78,350	82,050	79,468	2,582
Ambulance service	13,451	13,451	13,451	-
Total	<u>4,232,517</u>	<u>4,237,817</u>	<u>4,156,929</u>	<u>80,888</u>

(Continued on next page)

**TOWN OF PLAINVILLE, CONNECTICUT
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Original</u>	<u>Amended</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Public works:				
Physical and technical services				
administration	\$ 256,040	\$ 256,040	\$ 252,990	\$ 3,050
Roadways	841,222	973,222	996,400	(23,178)
Buildings and grounds	952,845	958,845	893,366	65,479
Municipal Building maintenance	1,605,034	1,568,844	1,507,397	61,447
Planning	55,155	55,155	53,178	1,977
Building inspections	80,290	80,290	77,414	2,876
Engineering	71,700	71,700	71,429	271
Motor vehicle and equipment pool	135,260	135,260	133,747	1,513
Transfer station	70,435	70,435	49,776	20,659
Total	<u>4,067,981</u>	<u>4,169,791</u>	<u>4,035,697</u>	<u>134,094</u>
Human services:				
Health and sanitation	120,279	120,279	120,278	1
Senior citizens service	256,510	256,510	255,471	1,039
Social services	25,500	26,500	25,826	674
Solid waste management	1,187,055	1,177,055	1,083,333	93,722
Youth services	111,075	111,075	107,223	3,852
Other health and welfare	51,360	55,360	53,506	1,854
Total	<u>1,751,779</u>	<u>1,746,779</u>	<u>1,645,637</u>	<u>101,142</u>
Culture and recreation:				
Recreation	146,110	146,110	143,945	2,165
Education:				
School budget*	33,460,799	33,460,799 *	33,455,467	5,332
Other:				
Employee benefits	3,166,310	3,166,310	3,163,812	2,498
Unclassified	30,000	65,000	57,878	7,122
Total	<u>3,196,310</u>	<u>3,231,310</u>	<u>3,221,690</u>	<u>9,620</u>
Debt service:				
Interest	1,237,294	1,237,294	1,237,294	-
Principal	3,475,000	3,443,690	3,443,690	-
Total	<u>4,712,294</u>	<u>4,680,984</u>	<u>4,680,984</u>	<u>-</u>

(Continued on next page)

**TOWN OF PLAINVILLE, CONNECTICUT
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Original</u>	<u>Amended</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Other financing uses:				
Transfers out:				
Library Trust Fund	\$ 643,803	\$ 643,803	\$ 643,803	\$ -
Education Fund*	156,000	156,000	* 156,000	-
Recreation Fund	88,156	88,156	88,156	-
Capital and Nonrecurring Expenditures Fund	825,000	1,173,500	1,173,500	-
Senior Citizens Transportation Fund	27,662	27,662	27,662	-
Other Funds	500	580,500	611,790	(31,290)
Total	<u>1,741,121</u>	<u>2,669,621</u>	<u>2,700,911</u>	<u>(31,290)</u>
Total Expenditures and Other Financing Uses	<u>\$ 55,424,977</u>	<u>\$ 56,986,476</u>	56,636,472	<u>\$ 350,004</u>
Budgetary expenditures are different than GAAP expenditures because:				
State of Connecticut on-behalf payments to the Connecticut State Teachers' Retirement System for Town teachers are not budgeted			3,409,515	
Encumbrances for purchases and commitments ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the order is received for financial reporting purposes			133,614	
State Excess Cost - Student Based grant			562,426	
Debt Management Fund Transfers in			(24,386)	
Debt Management Fund Transfers out			<u>144,386</u>	
Total Expenditures and Other Financing Uses as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds - Exhibit IV			<u>\$ 60,862,027</u>	

* Board of Education budget encompasses both items

TOWN OF PLAINVILLE, CONNECTICUT
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
MUNICIPAL EMPLOYEES
LAST TWO FISCAL YEARS

	<u>2014</u>	<u>2015</u>
Total pension liability:		
Service cost	\$ 127,611	\$ 132,077
Interest	1,141,910	1,169,346
Differences between expected and actual experience		(57,635)
Changes of assumptions		211,582
Benefit payments, including refunds of member contributions	(919,047)	(943,501)
Net change in total pension liability	<u>350,474</u>	<u>511,869</u>
Total pension liability - beginning	<u>14,596,948</u>	<u>14,947,422</u>
Total pension liability - ending	<u>14,947,422</u>	<u>15,459,291</u>
Plan fiduciary net position:		
Contributions - employer	461,309	414,054
Contributions - member	115,181	115,312
Net investment income	1,750,644	444,282
Benefit payments, including refunds of member contributions	(919,047)	(943,501)
Administrative expense	(52,303)	(64,958)
Net change in plan fiduciary net position	<u>1,355,784</u>	<u>(34,811)</u>
Plan fiduciary net position - beginning	<u>11,322,282</u>	<u>12,678,066</u>
Plan fiduciary net position - ending	<u>12,678,066</u>	<u>12,643,255</u>
Net Pension Liability - Ending	<u>\$ 2,269,356</u>	<u>\$ 2,816,036</u>
Plan fiduciary net position as a percentage of the total pension liability	84.82%	81.78%
Covered-employee payroll	\$ 1,364,785	\$ 1,302,116
Net pension liability as a percentage of covered-employee payroll	166.28%	216.27%

TOWN OF PLAINVILLE, CONNECTICUT
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
POLICE
LAST TWO FISCAL YEARS

	<u>2014</u>	<u>2015</u>
Total pension liability:		
Service cost	\$ 295,395	\$ 307,211
Interest	1,176,313	1,218,103
Differences between expected and actual experience		(263,541)
Changes of assumptions		400,614
Benefit payments, including refunds of member contributions	<u>(954,825)</u>	<u>(967,721)</u>
Net change in total pension liability	516,883	694,666
Total pension liability - beginning	<u>14,876,741</u>	<u>15,393,624</u>
Total pension liability - ending	<u>15,393,624</u>	<u>16,088,290</u>
Plan fiduciary net position:		
Contributions - employer	511,310	511,310
Contributions - member	140,430	145,519
Net investment income	1,872,199	480,502
Benefit payments, including refunds of member contributions	(954,825)	(967,721)
Administrative expense	<u>(43,313)</u>	<u>(46,226)</u>
Net change in plan fiduciary net position	1,525,801	123,384
Plan fiduciary net position - beginning	<u>12,255,538</u>	<u>13,781,339</u>
Plan fiduciary net position - ending	<u>13,781,339</u>	<u>13,904,723</u>
Net Pension Liability - Ending	<u>\$ 1,612,285</u>	<u>\$ 2,183,567</u>
Plan fiduciary net position as a percentage of the total pension liability	89.53%	86.43%
Covered-employee payroll	\$ 1,667,990	\$ 2,134,699
Net pension liability as a percentage of covered-employee payroll	96.66%	102.29%

**TOWN OF PLAINVILLE, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
MUNICIPAL EMPLOYEES
LAST TEN FISCAL YEARS**

	FISCAL YEAR									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Actuarially determined contribution	\$ 197,797	\$ 210,583	\$ 294,177	\$ 316,014	\$ 404,120	\$ 424,803	\$ 488,088	\$ 527,722	\$ 421,309	\$ 379,054
Contributions in relation to the actuarially determined contribution	197,797	210,583	294,177	316,014	404,120	424,803	488,088	527,722	461,309	414,054
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (40,000)	\$ (35,000)
Covered-employee payroll	\$ 2,125,938	\$ 2,235,401	\$ 2,196,507	\$ 2,185,349	\$ 2,099,669	\$ 1,826,777	\$ 1,842,379	\$ 1,699,817	\$ 1,364,785	\$ 1,302,116
Contributions as a percentage of covered-employee payroll	9.30%	9.42%	13.39%	14.46%	19.25%	23.25%	26.49%	31.05%	33.80%	31.80%

Notes to Schedule

Valuation date: July 1, 2014
 Measurement date: June 30, 2015
 Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported

Methods and assumptions used to determine contribution rates:
 Actuarial cost method: Entry age
 Amortization method: Level percentage of payroll, closed
 Remaining amortization period: 25 years
 Asset valuation method: 4-year smoothed market
 Inflation: 2.5%
 Salary increases: 3.5%, average, including inflation
 Investment rate of return: 7.75%, net of pension plan investment expense, including inflation

Previous to the 2014 valuation an 8% investment rate of return and 4% salary increase was utilized.

TOWN OF PLAINVILLE, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
POLICE
LAST TEN FISCAL YEARS

	FISCAL YEAR									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Actuarially determined contribution	\$ 250,907	\$ 236,905	\$ 274,317	\$ 259,160	\$ 374,262	\$ 374,226	\$ 432,284	\$ 464,826	\$ 438,012	\$ 451,397
Contributions in relation to the actuarially determined contribution	<u>250,907</u>	<u>236,905</u>	<u>274,317</u>	<u>259,160</u>	<u>374,262</u>	<u>374,226</u>	<u>432,284</u>	<u>464,826</u>	<u>511,310</u>	<u>511,310</u>
Contribution Deficiency (Excess)	\$ <u>-</u>	\$ <u>(73,298)</u>	\$ <u>(59,913)</u>							
Covered-employee payroll	\$ 1,529,580	\$ 1,511,468	\$ 1,496,398	\$ 1,419,204	\$ 1,711,289	\$ 1,647,271	\$ 1,686,555	\$ 1,617,441	\$ 1,667,990	\$ 2,134,699
Contributions as a percentage of covered-employee payroll	16.40%	15.67%	18.33%	18.26%	21.87%	22.72%	25.63%	28.74%	30.65%	23.95%

Notes to Schedule

Valuation date: July 1, 2014
Measurement date: June 30, 2015
Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported

Methods and assumptions used to determine contribution rates:

Actuarial cost method Entry age
Amortization method Level percentage of payroll, closed
Remaining amortization period 30 years
Asset valuation method 4-year smoothed market
Inflation 2.5%
Salary increases 3.5%, average, including inflation
Investment rate of return 7.75%, net of pension plan investment expense, including inflation

Previous to the 2014 valuation an 8% investment rate of return and 4% salary increase was utilized.

**TOWN OF PLAINVILLE, CONNECTICUT
SCHEDULE OF INVESTMENT RETURNS
MUNICIPAL EMPLOYEES
LAST TWO FISCAL YEARS**

	<u>2014</u>	<u>2015</u>
Annual money-weighted rate of return, net of investment expense	15.75%	3.57%

**TOWN OF PLAINVILLE, CONNECTICUT
SCHEDULE OF INVESTMENT RETURNS
POLICE
LAST TWO FISCAL YEARS**

	<u>2014</u>	<u>2015</u>
Annual money-weighted rate of return, net of investment expense	15.54%	3.54%

**TOWN OF PLAINVILLE, CONNECTICUT
 SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
 TEACHERS RETIREMENT PLAN
 LAST FISCAL YEAR**

	<u>2015</u>
Town's proportion of the net pension liability	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>45,442,874</u>
Total	<u>\$ 45,442,874</u>
Town's covered-employee payroll	\$ 73,878,839
Town's proportionate share of the net pension liability as a percentage of its covered-employee payroll	61.51%

Notes to Schedule

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

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 not included in other specified funds. The General Fund accounts for the normal recurring activities of the Town (i.e., education, police, recreation, public works, general government, etc.). These activities are funded principally by property taxes on individuals and businesses and grants from other governmental units.

**TOWN OF PLAINVILLE, CONNECTICUT
GENERAL FUND
COMPARATIVE BALANCE SHEET
JUNE 30, 2015 AND 2014**

	<u>2015</u>	<u>2014</u>
ASSETS		
Cash and cash equivalents	\$ 11,621,258	\$ 12,604,422
Investments	2,717,495	1,372,471
Accounts receivable, net:		
Property taxes receivable, net of allowance for uncollectible of \$75,000 in 2014 and 2013	2,264,088	2,006,963
Interest receivable	1,146,751	967,446
Accounts receivable	307,567	516,166
Due from other governments	313,732	194,816
Due from other funds	988,606	1,386,033
Other assets	<u>20,394</u>	<u>13,767</u>
Total Assets	<u>\$ 19,379,891</u>	<u>\$ 19,062,084</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE		
Liabilities:		
Accounts payable and accrued liabilities	\$ 1,493,154	\$ 431,631
Due to other governments	40,844	32,370
Due to other funds	<u>3,506,707</u>	<u>3,799,938</u>
Total liabilities	<u>5,040,705</u>	<u>4,263,939</u>
Deferred inflows of resources:		
Unavailable revenue - property taxes	3,221,262	2,759,244
Advance property tax collections	<u>61,581</u>	<u>4,405</u>
Total deferred inflows of resources	<u>3,282,843</u>	<u>2,763,649</u>
Fund balance:		
Nonspendable	20,394	13,767
Committed	147,710	172,058
Assigned:		
Board of Education Encumbrances	387,622	663,965
Town Encumbrances	57,544	43,437
Unassigned	<u>10,443,073</u>	<u>11,141,269</u>
Total fund balance	<u>11,056,343</u>	<u>12,034,496</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 19,379,891</u>	<u>\$ 19,062,084</u>

**TOWN OF PLAINVILLE, CONNECTICUT
BOARD OF EDUCATION SCHEDULE OF EXPENDITURES
AND ENCUMBRANCES COMPARED WITH APPROPRIATIONS
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Original Appropriation</u>	<u>Final Appropriation</u>	<u>Expenditures and Encumbrances</u>	<u>Unexpended Balance</u>
Salaries	\$ 22,434,899	\$ 22,434,899	\$ 23,113,539	\$ (678,640)
Employee benefits	5,419,066	5,419,066	5,073,096	345,970
Instructional program services and curriculum improvement	54,110	49,110	19,252	29,858
Professional operating service	129,800	129,800	236,171	(106,371)
Technical services and data processing	447,122	437,122	99,520	337,602
Utilities	43,000	43,000	47,140	(4,140)
Refuse collection	65,600	65,600	64,562	1,039
Repairs	355,944	348,892	337,422	11,470
Rental/lease	42,950	42,100	43,216	(1,116)
Construction and other property services	94,055	93,479	84,304	9,175
Transportation	1,656,000	1,656,000	1,691,891	(35,891)
Insurance	149,861	149,861	141,077	8,784
Telephone	27,500	27,500	16,028	11,472
Postage	29,624	29,624	21,864	7,760
Advertising	1,000	1,000	512	488
Printing and binding	28,435	28,435	14,667	13,768
Tuition	1,071,948	1,071,948	1,027,193	44,755
Conferences and travel	53,650	53,725	38,964	14,761
Other purchased services	57,900	57,900	66,473	(8,573)
Supplies	761,626	772,936	588,965	183,971
Energy	931,560	931,560	975,329	(43,769)
Books and periodicals	183,478	191,978	159,322	32,656
Capital outlay	78,055	81,754	241,814	(160,060)
Dues and fees	62,042	61,936	71,573	(9,636)
Total	<u>34,179,225</u>	<u>34,179,225</u>	<u>34,173,893</u>	<u>5,332</u>
Less excess cost student based included above	<u>(562,426)</u>	<u>(562,426)</u>	<u>(562,426)</u>	<u>-</u>
Total Reported in RSI-2	<u>\$ 33,616,799</u>	<u>\$ 33,616,799</u>	<u>\$ 33,611,467</u>	<u>\$ 5,332</u>

**Nonmajor
Governmental Funds**

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are designated or legally restricted to expenditures for specific purposes. The nature and purpose of each Special Revenue Fund is as follows:

Fund	Funding Source	Function
Special Education	State and federal grant	School related programs
School Cafeteria	Sale of food and grants	School lunch programs
School Rental	User fees	Rental of school buildings
Police Welfare	State funds	Aid injured police officers
Town Aid Road	State grant	Construction improvement or maintenance of roads
Recreation	User fees	Recreation programs
Social Services Emergency	Donations	Employee assistance
Berner Pool	Estate proceeds	Pool construction and maintenance
Water Operating	User fees	Water supplied by out-of-town water companies and the collections from users of the water
Police Forfeiture	Assets seized by the police in drug enforcement activities	Police enforcement
Recreation Concert	Donations	Used to pay for concerts in the park
Drug Abuse Grant	Grant proceeds	Prevention of youthful drug and alcohol use
Miscellaneous Grants	Grant proceeds and donations	Miscellaneous Town activities
Land Acquisition	Grants and transfers	Land acquisition
Senior Citizens Special	Donations	Transportation of senior citizens
Library Trust	Grants, donations and transfers	Benefit the library
Senior Citizens Transportation	Donations and grants	Transportation for senior citizens
Economic Development	Donations	To support economic development of Town
Miscellaneous Education Grants	Grants and donations	Miscellaneous Education programs

**TOWN OF PLAINVILLE, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2015**

	Special Revenue										
	<u>Special Education</u>	<u>School Cafeteria</u>	<u>School Rental</u>	<u>Police Welfare</u>	<u>Town Aid Road</u>	<u>Recreation</u>	<u>Social Services Emergency</u>	<u>Berner Pool</u>	<u>Water Operating</u>	<u>Police Forfeiture</u>	<u>Recreation Concert</u>
ASSETS											
Cash and cash equivalents	\$ 173,831	\$ 131,034	\$ 98,480	\$ 14,690	\$ 158,560	\$ 85,375	\$ 18,550	\$ 159,002	\$ 58,879	\$ 3,581	\$
Investments											
Accounts and other receivable									5,708		
Due from other governments	85,387	63,261									
Due from other funds					372,140						3,024
Inventory		21,698									
Other assets											900
Total Assets	\$ 259,218	\$ 215,993	\$ 98,480	\$ 14,690	\$ 530,700	\$ 85,375	\$ 18,550	\$ 159,002	\$ 64,587	\$ 3,581	\$ 3,924
LIABILITIES AND FUND BALANCES											
Liabilities:											
Accounts payable and accrued liabilities	\$	\$	\$	\$	2,999	1,518	\$	\$	1,276	\$	\$
Due to other funds	255,205										
Unearned revenue	4,013										
Total liabilities	259,218	-	-	-	2,999	1,518	-	-	1,276	-	-
Fund Balance:											
Nonspendable		21,698									900
Restricted				14,690	527,701						3,024
Committed		194,295	98,480			83,857	18,550	159,002	63,311	3,581	
Total fund balance	-	215,993	98,480	14,690	527,701	83,857	18,550	159,002	63,311	3,581	3,924
Total Liabilities and Fund Balances	\$ 259,218	\$ 215,993	\$ 98,480	\$ 14,690	\$ 530,700	\$ 85,375	\$ 18,550	\$ 159,002	\$ 64,587	\$ 3,581	\$ 3,924

(Continued on next page)

TOWN OF PLAINVILLE, CONNECTICUT
 NONMAJOR GOVERNMENTAL FUNDS
 COMBINING BALANCE SHEET (CONTINUED)
 JUNE 30, 2015

	Special Revenue							Total Nonmajor Governmental Funds	
	Drug Abuse Grant	Miscellaneous Grants	Land Acquisition	Senior Citizens Special	Library Trust	Senior Citizens Transportation	Economic Development		Miscellaneous Education Grant Fund
ASSETS									
Cash and cash equivalents	\$	\$	\$ 31,544	\$ 135,617	\$ 334,472	\$ 50,698	\$ 166,153	\$ 149,157	\$ 1,769,623
Investments					641,545				641,545
Accounts and other receivable		6,672			3,805		99,304		115,489
Due from other governments		197,354							346,002
Due from other funds	17,627	326,633				1,039			720,463
Inventory									21,698
Other assets				360	1,394				2,654
Total Assets	\$ 17,627	\$ 530,659	\$ 31,544	\$ 135,977	\$ 981,216	\$ 51,737	\$ 265,457	\$ 149,157	\$ 3,617,474
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable and accrued liabilities	\$	\$ 15,075	\$ 12,000	\$ 27	\$ 138,517	\$ 4,532	\$	\$	\$ 175,944
Due to other funds		170,110							425,315
Unearned revenue		106,323						36,534	146,870
Total liabilities	-	291,508	12,000	27	138,517	4,532	-	36,534	748,129
Fund Balance:									
Nonspendable				360	1,394				24,352
Restricted	17,627	239,151		135,590	841,305	47,205	265,457	112,623	2,204,373
Committed			19,544						640,620
Total fund balance	17,627	239,151	19,544	135,950	842,699	47,205	265,457	112,623	2,869,345
Total Liabilities and Fund Balances	\$ 17,627	\$ 530,659	\$ 31,544	\$ 135,977	\$ 981,216	\$ 51,737	\$ 265,457	\$ 149,157	\$ 3,617,474

**TOWN OF PLAINVILLE, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2015**

	Special Revenue										
	Special Education	School Cafeteria	School Rental	Police Welfare	Town Aid Road	Recreation	Social Services Emergency	Berner Pool	Water Operating	Police Forfeiture	Recreation Concert
Revenues:											
Licenses, fees and charges for goods and services	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Intergovernmental revenue	3,088,516	404,897	438,216		40,856						
Revenues from use of money		525		24	307,546	118,393		3,139			
Other revenues					267	162	31	272	102	11	
Net depreciation in the fair market value of investments						(2,295)		3		1,500	
Total revenues	<u>3,088,516</u>	<u>843,638</u>	<u>40,856</u>	<u>24</u>	<u>307,813</u>	<u>116,260</u>	<u>31</u>	<u>272</u>	<u>3,244</u>	<u>11</u>	<u>1,500</u>
Expenditures:											
Current:											
Public safety										3,069	
Public works					311,916			3,139			
Human service											
Culture and recreation						214,460	2,492			1,438	
Education	3,088,516	976,371	39,838								
Other expenditures		116,419									
Total expenditures	<u>3,088,516</u>	<u>1,092,790</u>	<u>39,838</u>	<u>-</u>	<u>311,916</u>	<u>214,460</u>	<u>-</u>	<u>2,492</u>	<u>3,139</u>	<u>3,069</u>	<u>1,438</u>
Excess (Deficiency) of Revenues over Expenditures	-	(249,152)	1,018	24	(4,103)	(98,200)	31	(2,220)	105	(3,058)	62
Other Financing Sources:											
Transfers in						88,156	500				
Transfers out						(21,000)					
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>67,156</u>	<u>500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	-	(249,152)	1,018	24	(4,103)	(31,044)	531	(2,220)	105	(3,058)	62
Fund Balance, Beginning of Year	-	465,145	97,462	14,666	531,804	114,901	18,019	161,222	63,206	6,639	3,862
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ 215,993</u>	<u>\$ 98,480</u>	<u>\$ 14,690</u>	<u>\$ 527,701</u>	<u>\$ 83,857</u>	<u>\$ 18,550</u>	<u>\$ 159,002</u>	<u>\$ 63,311</u>	<u>\$ 3,581</u>	<u>\$ 3,924</u>

(Continued on next page)

**TOWN OF PLAINVILLE, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2015**

	Special Revenue							Total Nonmajor Governmental Funds	
	Drug Abuse Grant	Miscellaneous Grants	Land Acquisition	Senior Citizens Special	Library Trust	Senior Citizens Transportation	Economic Development		Miscellaneous Education Grant Fund
Revenues:									
Licenses, fees and charges for goods and services	\$	\$	\$	\$	\$ 12,393	\$ 3,416	\$	\$	\$ 583,094
Intergovernmental revenue		394,470			8,996	18,381			4,256,125
Revenues from use of money			44	230	30,693	73	229		32,663
Other revenues	3,300	74,931		17,417	33,671	9,570	2,377	58,303	198,777
Net depreciation in the fair market value of investments					(15,958)				(15,958)
Total revenues	<u>3,300</u>	<u>469,401</u>	<u>44</u>	<u>17,647</u>	<u>69,795</u>	<u>31,440</u>	<u>2,606</u>	<u>58,303</u>	<u>5,054,701</u>
Expenditures:									
Current:									
Public safety	2,623	11,434							17,126
Public works		335,275							650,330
Human service		20,274		15,776		54,906			90,956
Culture and recreation		69,335			721,634				1,009,359
Education								279,474	4,384,199
Other expenditures		12,980							129,399
Total expenditures	<u>2,623</u>	<u>449,298</u>	<u>-</u>	<u>15,776</u>	<u>721,634</u>	<u>54,906</u>	<u>-</u>	<u>279,474</u>	<u>6,281,369</u>
Excess (Deficiency) of Revenues over Expenditures	<u>677</u>	<u>20,103</u>	<u>44</u>	<u>1,871</u>	<u>(651,839)</u>	<u>(23,466)</u>	<u>2,606</u>	<u>(221,171)</u>	<u>(1,226,668)</u>
Other Financing Sources:									
Transfers in					643,803	28,701	80,000		841,160
Transfers out									(21,000)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>643,803</u>	<u>28,701</u>	<u>80,000</u>	<u>-</u>	<u>820,160</u>
Net Change in Fund Balances	677	20,103	44	1,871	(8,036)	5,235	82,606	(221,171)	(406,508)
Fund Balance, Beginning of Year	<u>16,950</u>	<u>219,048</u>	<u>19,500</u>	<u>134,079</u>	<u>850,735</u>	<u>41,970</u>	<u>182,851</u>	<u>333,794</u>	<u>3,275,853</u>
Fund Balance, End of Year	<u>\$ 17,627</u>	<u>\$ 239,151</u>	<u>\$ 19,544</u>	<u>\$ 135,950</u>	<u>\$ 842,699</u>	<u>\$ 47,205</u>	<u>\$ 265,457</u>	<u>\$ 112,623</u>	<u>\$ 2,869,345</u>

**Capital
Projects Fund**

CAPITAL PROJECTS FUND

The Capital Projects Fund is used to account for financial resources to be used for acquisition or construction of major capital facilities.

**TOWN OF PLAINVILLE, CONNECTICUT
CAPITAL PROJECTS FUND
SCHEDULE OF EXPENDITURES AND ENCUMBRANCES COMPARED WITH APPROPRIATIONS
FOR THE YEAR ENDED JUNE 30, 2015**

Year	Project	Appropriations			Expenditures and Encumbrances	Unexpended Balance June 30, 2015
		Balance July 1, 2014	Changes	Total		
1999-00	Roadways Sand/Salt Storage Building	\$ 136,000	\$ -	\$ 136,000	\$ 136,000	\$ -
2000-01	Assessors Revaluation	598,706	-	598,706	545,018	53,688
2000-01	Data Processing Computer Upgrades	365,000	50,000	415,000	331,741	83,259
2001-02	Buildings & Grounds Municipal Center Improvements	232,489	-	232,489	211,122	21,367
2001-02	Police Communication System	555,026	15,000	570,026	559,946	10,080
2001-02	Technical Services Sidewalk Replacement	265,000	50,000	315,000	263,547	51,453
2001-02	Roadways Storm Drain and Street Repair	265,000	49,759	314,759	256,887	57,872
2002-03	Technical Services Environmental Compliance	120,000	3,816	123,816	122,116	1,700
2003-04	Roadways Street Paving	2,234,911	170,240	2,405,151	2,394,911	10,240
2004-05	Recreation Norton Park Improvements	90,000	41,859	131,859	131,859	-
2005-06	Buildings & Grounds AC Replacements	22,200	(76)	22,124	22,124	-
2006-07	Fire Portable Radios	172,596	5,000	177,596	172,596	5,000
2006-07	Police Vehicles	345,000	89,500	434,500	429,538	4,962
2007-08	Police Equipment	120,500	-	120,500	108,319	12,181
2008-09	Senior Center Dial A Ride Grant Match	63,000	5,000	68,000	53,000	15,000
2009-10	Town Clerk Improvements	71,816	-	71,816	19,799	52,017
2009-10	Fire Regional Training Facility	11,667	(8,438)	3,229	3,229	-
2009-10	Fire Replace Engine #2	85,000	-	85,000	82,233	2,767
2009-10	Buildings & Grounds Firehouse Tank Replacement	5,706	(1,256)	4,450	4,450	-
2009-10	Buildings & Grounds Boiler Replacements	5,000	-	5,000	2,967	2,033
2010-11	Tax/Assessor Software	150,634	40,000	190,634	171,236	19,398
2011-12	Police Computer Replacement	48,000	18,000	66,000	44,142	21,858
2012-13	Police Bullet Proof Vests	42,000	-	42,000	25,075	16,925
2012-13	Fire Replace Rescue Apparatus	203,418	103,418	306,836	306,836	-
2012-13	Roadways Ten Wheel Dump Truck	177,600	(73)	177,527	177,527	-
2012-13	Buildings & Grounds Radio Equipment	27,294	-	27,294	27,294	-
2012-13	Buildings & Grounds 1 Ton, 4WD Truck	65,000	-	65,000	65,000	-
2012-13	Recreation Paderewski Park Improvements	15,000	-	15,000	1,373	13,627
2013-14	Police Communication Dispatch Equipment	116,974	140,000	256,974	143,960	113,014
2013-14	Police Windows 7/Office 2010	15,205	-	15,205	13,368	1,837
2013-14	Police NEXGEN Software	65,000	27,500	92,500	82,296	10,204
2013-14	Police Cruiser Outfitting	10,000	30,500	40,500	38,444	2,056
2013-14	Fire Thermal Imaging Cameras	11,404	13,000	24,404	22,804	1,600
2013-14	Fire SCBA Bottle Replacements	10,000	10,000	20,000	8,183	11,817
2013-14	Fire Personal Protective Equipment	20,000	20,000	40,000	40,530	(530)
2013-14	Fire Hurst Tool (Jaws of Life)	10,000	10,000	20,000	18,324	1,676
2013-14	Roadways Leaf Boxes	8,000	(4,308)	3,692	3,692	-
2013-14	Roadways Loader Tires	12,000	5,000	17,000	-	17,000
2013-14	Roadways Ten Wheel Dump Truck (grant)	180,000	(974)	179,026	179,026	-
2013-14	Buildings & Grounds Municipal Center Façade	10,000	-	10,000	3,690	6,310
2013-14	Buildings & Grounds Norton Park Garage Roof	10,000	-	10,000	10,000	-
2013-14	Buildings & Grounds Linden School Needs	25,000	(611)	24,389	24,513	(124)

(Continued on next page)

**TOWN OF PLAINVILLE, CONNECTICUT
CAPITAL PROJECTS FUND
SCHEDULE OF EXPENDITURES AND ENCUMBRANCES COMPARED WITH APPROPRIATIONS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2015**

Year	Project	Appropriations			Expenditures and Encumbrances	Unexpended Balance June 30, 2015
		Balance July 1, 2014	Additions	Total		
2014-15	Police Cruiser Cameras	\$ -	\$ 16,000	\$ 16,000	\$ 12,670	\$ 3,330
2014-15	Police Ammo	-	12,500	12,500	8,673	3,827
2014-15	Police Cruiser Defibrillators	-	9,600	9,600	7,543	2,057
2014-15	Fire Communication Dispatch Equipment	-	25,000	25,000	25,000	-
2014-15	Roadways Pickup Trucks	-	59,981	59,981	59,981	-
2014-15	Buildings & Grounds Firehouse Door/Window	-	6,801	6,801	6,801	-
2014-15	Buildings & Grounds 4 WD Diesel Tractor	-	42,000	42,000	42,000	-
2014-15	Buildings & Grounds 2 WD 1/2 Ton Pickup	-	36,000	36,000	36,000	-
2014-15	Technical Services Large Format Copier/Scanner	-	10,617	10,617	10,617	-
2014-15	Technical Services Cooke Street Reconstruction	-	1,500,000	1,500,000	-	1,500,000
2014-15	Senior Center Temperature Control System	-	24,982	24,982	-	24,982
2014-15	Recreation Trumbull Park Improvements	-	27,968	27,968	27,968	-
2014-15	Library Clock Tower & Eaves	-	46,000	46,000	28,718	17,282
2014-15	Unclassified	-	8,959	8,959	-	8,959
	Total capital and nonrecurring expenditures	6,997,146	2,708,264	9,705,410	7,524,686	2,180,724
2012-13	Downtown Beautification	978,086	30,251	1,008,337	1,008,337	-
2010-11	Board of Education District Wide EMS Upgrade	20,600	-	20,600	16,557	4,043
2012-13	Board of Education School Security	243,740	(5,178)	238,562	238,562	-
2012-13	Board of Education Technology Improvements	755,916	194,530	950,446	858,222	92,224
2013-14	Board of Education School Construction	50,000	37,600	87,600	84,600	3,000
2013-14	Board of Education District Grounds & Improvements	37,832	(2,365)	35,467	35,467	-
2013-14	Board of Education Service Vehicle	26,168	-	26,168	26,168	-
2014-15	Board of Education PHS Retro Commissioning	-	92,013	92,013	92,013	-
	Landfill Expansion	92,432	133	92,565	90,625	1,940
2006-07	WPCF RDT/Phosphorus Removal	640,836	-	640,836	92,088	548,748
2006-07	WPCF Plant & Collection System Improvements	153,387	84,948	238,335	184,135	54,200
2009-10	WPCF Cronk Road	244,018	(369)	243,649	243,649	-
2009-10	WPCF Vehicles	22,145	(1,282)	20,863	20,863	-
2010-11	WPCF Middle School Pump Station	60,000	(2,675)	57,325	57,325	-
2010-11	WPCF Decant System	140,187	-	140,187	140,187	-
2013-14	Primary Tank Upgrade	100,000	1,117	101,117	101,117	-
2013-14	I & I Manhole Rehabilitation	25,000	-	25,000	3,319	21,681
	Tomlinson Avenue Bridge	116,378	-	116,378	97,498	18,880
	Stillwell Drive Bridge	1,821,625	14,461	1,836,086	1,670,239	165,847
2012-13	FEMA Property Acquisition Project	2,755,907	-	2,755,907	2,747,574	8,333
	Total	\$ 15,281,403	\$ 3,151,448	\$ 18,432,851	\$ 15,333,231	\$ 3,099,620

Internal Service Funds

INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost reimbursement basis.

- **HEALTH INSURANCE FUND** - A fund used to pay health insurance claims and to purchase administrative services and stop loss insurance for the health care plans. Both the Town and the Board of Education pay this fund for health insurance.
- **SELF INSURANCE RESERVE FUND** - The Self Insurance Reserve Fund provides coverage for all deductibles on commercial insurance policies and all heart and hypertension claims.

**TOWN OF PLAINVILLE, CONNECTICUT
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2015 WITH COMPARATIVE TOTALS FOR 2014**

	Health Insurance Fund	Self Insurance Reserve Fund	Totals	
			2015	2014
ASSETS				
Cash and cash equivalents	\$ 1,380,603	\$ 409,461	\$ 1,790,064	\$ 678,924
Accounts and other receivable			-	1,000
Due from other funds		303,322	303,322	590,765
Total Assets	<u>\$ 1,380,603</u>	<u>\$ 712,783</u>	<u>\$ 2,093,386</u>	<u>\$ 1,270,689</u>
LIABILITIES AND NET POSITION				
Liabilities:				
Accounts payable and accrued liabilities	\$ 398,000	\$ 1,082	\$ 399,082	\$ 391,408
Due to other funds	626,787		626,787	
Total liabilities	1,024,787	1,082	1,025,869	391,408
Net position:				
Unrestricted	355,816	711,701	1,067,517	879,281
Total Liabilities and Net Position	<u>\$ 1,380,603</u>	<u>\$ 712,783</u>	<u>\$ 2,093,386</u>	<u>\$ 1,270,689</u>

**TOWN OF PLAINVILLE, CONNECTICUT
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2015
WITH COMPARATIVE TOTALS FOR 2014**

	Health Insurance Fund	Self Insurance Reserve Fund	Totals	
			2015	2014
Operating revenues:				
Licenses, fees and charges for goods and services	\$ 5,856,042	\$ 1,562	\$ 5,857,604	\$ 6,055,355
Operating expenses:				
Insurance claims, premiums and fees	5,989,594	44,981	6,034,575	5,610,433
Administration	135,557		135,557	135,557
Total operating expenses	<u>6,125,151</u>	<u>44,981</u>	<u>6,170,132</u>	<u>5,745,990</u>
Operating income (loss)	(269,109)	(43,419)	(312,528)	309,365
Nonoperating revenues:				
Revenues from use of money	<u>73</u>	<u>691</u>	<u>764</u>	<u>1,043</u>
Income (loss)	(269,036)	(42,728)	(311,764)	310,408
Transfers in	<u>500,000</u>		<u>500,000</u>	<u>-</u>
Change in Net Position	230,964	(42,728)	188,236	310,408
Net Position, Beginning of Year	<u>124,852</u>	<u>754,429</u>	<u>879,281</u>	<u>568,873</u>
Net Position, End of Year	<u>\$ 355,816</u>	<u>\$ 711,701</u>	<u>\$ 1,067,517</u>	<u>\$ 879,281</u>

**TOWN OF PLAINVILLE, CONNECTICUT
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2015
WITH COMPARATIVE TOTALS FOR 2014**

	Health Insurance Fund	Self Insurance Reserve Fund	Totals	
			2015	2014
Cash flows from operating activities:				
Cash received from charges for services and contributions	\$ 5,856,042	\$ 1,562	\$ 5,857,604	\$ 6,055,355
Cash received from interfund services provided	269,109	43,419	312,528	35,296
Cash paid for claims, premiums and fees	(6,118,151)	(44,981)	(6,163,132)	(5,779,990)
Cash received (paid) for interfund services provided (used)	603,376		603,376	(318,647)
Net cash provided by (used in) operating activities	<u>610,376</u>	<u>-</u>	<u>610,376</u>	<u>(7,986)</u>
Cash flows from noncapital financing activities:				
Transfers from other funds	<u>500,000</u>		<u>500,000</u>	<u>-</u>
Cash flows from investing activities:				
Income on investments	<u>73</u>	<u>691</u>	<u>764</u>	<u>1,043</u>
Net increase (decrease) in cash and cash equivalents	1,110,449	691	1,111,140	(6,943)
Cash and cash equivalents, beginning of year	<u>270,154</u>	<u>408,770</u>	<u>678,924</u>	<u>685,867</u>
Cash and Cash Equivalents, End of Year	<u>\$ 1,380,603</u>	<u>\$ 409,461</u>	<u>\$ 1,790,064</u>	<u>\$ 678,924</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:				
Operating income (loss)	\$ (269,109)	\$ (43,419)	\$ (312,528)	\$ 309,365
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
(Increase) decrease in assets:				
Due from other funds	245,698	41,745	287,443	(235,824)
Accounts receivable		1,000	1,000	(1,000)
Increase (decrease) in liabilities:				
Accounts payable	7,000	674	7,674	(33,592)
Due to other funds	626,787		626,787	(46,935)
Total adjustments	<u>879,485</u>	<u>43,419</u>	<u>922,904</u>	<u>(317,351)</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ 610,376</u>	<u>\$ -</u>	<u>\$ 610,376</u>	<u>\$ (7,986)</u>

Fiduciary Funds

FIDUCIARY FUNDS

AGENCY FUNDS

- **STUDENT ACTIVITY FUND** - A fund that accounts for the collections and payments for educational extra-curricular activities.
- **SENIOR CITIZEN FUND** - A fund that accounts for the collection of money from fund raising activities and the reduction of those funds for activities of the senior citizens.
- **SOLID WASTE FUND** - A fund accounting for all billings and collections to solid waste haulers using the Bristol Resource Recovery Plant and licensed by the Town and for all billings from the Bristol Resource Recovery Plant to the Town.
- **DEPOSIT FUND** - A fund that accounts for various types of security or surety deposits placed with the Town which will be returned when the need for the deposit ceases.
- **CCRPA FUND** - A fund that accounts for the former standalone entity Central Connecticut Regional Planning Agency. Plainville being a member town, took over the accounting functions as the Agency distributes remaining funds to member Towns.

**TOWN OF PLAINVILLE, CONNECTICUT
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Balance July 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2015</u>
Student Activity Fund				
Assets:				
Cash	\$ 255,019	\$ 541,082	\$ 445,132	\$ 350,969
Investments	<u>441,861</u>	<u>9,071</u>	<u>89,880</u>	<u>361,052</u>
Total Assets	<u>\$ 696,880</u>	<u>\$ 550,153</u>	<u>\$ 535,012</u>	<u>\$ 712,021</u>
Liabilities:				
Due to employees and others	<u>\$ 696,880</u>	<u>\$ 550,153</u>	<u>\$ 535,012</u>	<u>\$ 712,021</u>
Senior Citizen Fund				
Assets:				
Cash	<u>\$ 84,164</u>	<u>\$ 161,855</u>	<u>\$ 126,228</u>	<u>\$ 119,791</u>
Liabilities:				
Due to employees and others	<u>\$ 84,164</u>	<u>\$ 161,855</u>	<u>\$ 126,228</u>	<u>\$ 119,791</u>
Solid Waste Fund				
Assets:				
Other assets	<u>\$ 63,279</u>	<u>\$ 61,422</u>	<u>\$ 124,701</u>	<u>\$ -</u>
Liabilities:				
Accounts payable	<u>\$ 63,279</u>	<u>\$ 61,422</u>	<u>\$ 124,701</u>	<u>\$ -</u>
Deposit Fund				
Assets:				
Cash	<u>\$ 17,194</u>	<u>\$ 29</u>	<u>\$ -</u>	<u>\$ 17,223</u>
Liabilities:				
Surety bonds payable	<u>\$ 17,194</u>	<u>\$ 29</u>	<u>\$ -</u>	<u>\$ 17,223</u>
Central CT Regional Planning Agency				
Assets:				
Cash	\$ -	\$ 365,704	\$ 314,037	\$ 51,667
Other assets	<u> </u>	<u>652</u>	<u>540</u>	<u>112</u>
Total Assets	<u>\$ -</u>	<u>\$ 366,356</u>	<u>\$ 314,577</u>	<u>\$ 51,779</u>
Liabilities:				
Due to members	<u>\$ -</u>	<u>\$ 366,356</u>	<u>\$ 314,577</u>	<u>\$ 51,779</u>

(Continued on next page)

**TOWN OF PLAINVILLE, CONNECTICUT
 AGENCY FUNDS
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES (CONTINUED)
 FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2015</u>
Total All Funds				
Assets:				
Cash and cash equivalents	\$ 356,377	\$ 1,068,670	\$ 885,397	\$ 539,650
Investments	441,861	9,071	89,880	361,052
Other assets	<u>63,279</u>	<u>62,074</u>	<u>125,241</u>	<u>112</u>
Total Assets	<u>\$ 861,517</u>	<u>\$ 1,139,815</u>	<u>\$ 1,100,518</u>	<u>\$ 900,814</u>
Liabilities:				
Due to employees and others	\$ 781,044	\$ 1,078,364	\$ 975,817	\$ 883,591
Accounts payable	63,279	61,422	124,701	-
Surety bond payable	<u>17,194</u>	<u>29</u>	<u> </u>	<u>17,223</u>
Total Liabilities	<u>\$ 861,517</u>	<u>\$ 1,139,815</u>	<u>\$ 1,100,518</u>	<u>\$ 900,814</u>

Statistical Section

Statistical Section Information

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 PLAINVILLE, CONNECTICUT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(In Thousands)

	FISCAL YEAR									
	2015	2014 Restated	2013	2012	2011	2010	2009	2008	2007	2006
Governmental activities:										
Net investment in capital assets	\$ 87,666	87,686	\$ 83,664	\$ 79,132	\$ 72,322	\$ 72,079	\$ 74,689	\$ 62,446	\$ 32,787	\$ 25,244
Restricted	1,291	1,210	1,085	1,028	1,060	928	949	1,120	1,180	1,108
Unrestricted	6,714	8,474	11,676	11,840	15,967	14,317	14,723	15,145	20,456	19,201
Total Governmental Activities Net Position	\$ <u>95,671</u>	<u>97,370</u>	\$ <u>96,425</u>	\$ <u>92,000</u>	\$ <u>89,349</u>	\$ <u>87,324</u>	\$ <u>90,361</u>	\$ <u>78,711</u>	\$ <u>54,423</u>	\$ <u>45,553</u>

Notes:

- (1) Schedule prepared on the accrual basis of accounting.
- (2) The Town implemented the retroactive reporting of infrastructure in fiscal year 2007.

TOWN OF PLAINVILLE, CONNECTICUT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(In Thousands)

	FISCAL YEAR									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Expenses:										
Governmental activities:										
General government	\$ 3,281	\$ 2,744	\$ 5,002	\$ 3,070	\$ 3,285	\$ 10,745	\$ 3,023	\$ 2,831	\$ 2,964	\$ 3,335
Public safety	7,262	6,271	6,579	6,029	6,485	7,111	6,160	6,975	5,602	5,607
Public works	8,560	8,933	6,438	8,445	10,250	8,034	7,907	7,402	7,999	6,897
Human services	1,919	1,929	1,973	1,863	788	1,044	1,714	752	667	674
Culture and recreation	1,388	1,364	1,289	1,281	1,481	1,454	1,549	1,101	1,201	1,029
Education	46,899	45,153	42,567	43,706	41,512	40,767	40,729	47,209	35,383	33,614
Debt service	1,546	1,691	1,884	1,909	2,005	2,000	1,683	1,814	1,942	1,596
Total governmental activities expenses	<u>70,855</u>	<u>68,085</u>	<u>65,732</u>	<u>66,303</u>	<u>65,806</u>	<u>71,155</u>	<u>62,765</u>	<u>68,084</u>	<u>55,758</u>	<u>52,752</u>
Program revenues:										
Governmental activities:										
Charges for services:										
Public works	3,539	2,922	2,939	2,910	2,982	2,903	2,918	2,881	2,745	2,411
Education	446	480	730	473	542	664	756	690	697	719
Other activities	1,276	1,224	1,094	1,051	1,055	1,049	771	827	908	1,013
Operating grants and contributions	19,518	23,154	18,925	20,264	17,526	16,791	17,601	25,255	14,537	14,294
Capital grants and contributions		2,084	3,084	1,708	4,955	8,090	13,686	24,607	3,017	5,900
Total governmental activities program revenues	<u>24,779</u>	<u>29,864</u>	<u>26,772</u>	<u>26,406</u>	<u>27,060</u>	<u>29,497</u>	<u>35,732</u>	<u>54,260</u>	<u>21,904</u>	<u>24,337</u>
Net expense:										
Governmental activities	<u>(46,076)</u>	<u>(38,221)</u>	<u>(38,960)</u>	<u>(39,897)</u>	<u>(38,746)</u>	<u>(41,658)</u>	<u>(27,033)</u>	<u>(13,824)</u>	<u>(33,854)</u>	<u>(28,415)</u>
General revenues and other changes in net assets:										
Governmental activities:										
Property taxes	43,312	42,130	42,011	41,022	39,458	37,011	36,925	35,458	35,508	33,402
Grants and contributions not restricted to specific purposes	554	571	619	1,290	1,021	1,136	1,423	1,177	1,438	1,348
Unrestricted investment earnings	59	126	111	60	155	130	112	1,129	1,632	1,024
Miscellaneous	451	335	644	176	137	343	223	348	211	139
Total governmental activities	<u>44,376</u>	<u>43,162</u>	<u>43,385</u>	<u>42,548</u>	<u>40,771</u>	<u>38,620</u>	<u>38,683</u>	<u>38,112</u>	<u>38,789</u>	<u>35,913</u>
Changes in Net Position:										
Governmental activities	<u>\$ (1,700)</u>	<u>\$ 4,941</u>	<u>\$ 4,425</u>	<u>\$ 2,651</u>	<u>\$ 2,025</u>	<u>\$ (3,038)</u>	<u>\$ 11,650</u>	<u>\$ 24,288</u>	<u>\$ 4,935</u>	<u>\$ 7,498</u>

Notes:
(1) Schedule prepared on the accrual basis of accounting.
(2) The Town implemented the retroactive reporting of infrastructure in fiscal year 2007.

TOWN OF PLAINVILLE, CONNECTICUT
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

(In Thousands)

	FISCAL YEAR									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
General Fund:										
Reserved	\$	\$	\$	\$	\$	\$ 1,584	\$ 1,758	\$ 1,865	\$ 1,652	\$ 778
Unreserved						1,482	2,978	4,300	5,267	5,835
Nonspendable	20	14	6	131	10					
Committed	148	148	172	171	171					
Assigned	445	707	757	829	1,018					
Unassigned	10,442	11,166	5,863	2,970	2,398					
Total General Fund	\$ <u>11,055</u>	\$ <u>12,035</u>	\$ <u>6,798</u>	\$ <u>4,101</u>	\$ <u>3,597</u>	\$ <u>3,066</u>	\$ <u>4,736</u>	\$ <u>6,165</u>	\$ <u>6,919</u>	\$ <u>6,613</u>
All other governmental funds:										
Reserved	\$	\$	\$	\$	\$	\$ 395	\$ 3,493	\$ 22,474	\$ 44,582	\$ 7,355
Unreserved, reported in:										
Special revenue funds						5,581	7,000	7,292	6,269	5,978
Capital projects funds						(11,462)	(29,941)	(37,636)	(40,725)	79
Nonspendable	78	21	24	20	21					
Restricted	2,225	2,456	2,666	2,505	2,154					
Committed	5,399	5,350	8,483	9,465	9,571					
Unassigned	(2)			(82)	(994)					
Total All Other Governmental Funds	\$ <u>7,700</u>	\$ <u>7,827</u>	\$ <u>11,173</u>	\$ <u>11,908</u>	\$ <u>10,752</u>	\$ <u>(5,486)</u>	\$ <u>(19,448)</u>	\$ <u>(7,870)</u>	\$ <u>10,126</u>	\$ <u>13,412</u>

Notes:

- (1) Schedule prepared on the modified accrual basis of accounting.
(2) The Town began to report new fund categories when it implemented GASB Statement No. 54 in fiscal year 2011.

TOWN OF PLAINVILLE, CONNECTICUT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

(In Thousands)

	FISCAL YEAR									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Revenues:										
Property taxes	\$ 42,677	\$ 42,460	\$ 41,482	\$ 40,213	\$ 39,566	\$ 36,680	\$ 36,525	\$ 35,554	\$ 35,456	\$ 33,402
Assessments including interest and lien fees	173	197	150	112	95	65	92	31	9	15
Charges for services	4,766	4,527	4,466	4,364	4,382	4,140	4,113	4,156	3,988	3,734
Intergovernmental	19,935	25,511	22,415	22,872	23,557	26,264	32,740	51,542	19,432	21,926
Income on investments	58	124	109	59	150	125	89	1,041	1,504	899
Miscellaneous	633	684	1,127	798	544	733	807	824	934	860
Total revenues	<u>68,242</u>	<u>73,503</u>	<u>69,749</u>	<u>68,418</u>	<u>68,294</u>	<u>68,007</u>	<u>74,366</u>	<u>93,148</u>	<u>61,323</u>	<u>60,836</u>
Expenditures:										
General government	2,687	2,203	4,122	2,366	2,131	9,780	1,998	2,071	2,023	1,855
Public safety	4,154	4,101	4,095	3,852	3,902	4,741	4,629	4,587	4,208	3,983
Public works	6,191	6,496	6,077	5,811	6,828	5,859	6,316	6,146	5,876	5,697
Human services	1,737	1,766	1,796	1,757	579	845	1,594	610	573	526
Culture and recreation	1,153	1,194	1,006	1,006	1,158	1,112	1,362	1,154	1,144	915
Education	41,984	41,706	39,643	41,794	38,415	37,881	37,485	45,653	34,392	33,342
Other expenditures	3,443	3,407	3,259	2,903	3,150	2,756	2,781	2,477	2,612	2,944
Capital outlay	2,139	4,713	2,549	1,133	2,084	5,507	29,239	44,682	19,238	11,036
Debt service:										
Principal	4,486	4,276	4,077	4,309	3,020	4,259	2,661	2,765	2,299	2,145
Interest	1,613	1,751	1,927	2,208	2,792	2,043	1,726	1,754	2,018	1,432
Total expenditures	<u>69,587</u>	<u>71,613</u>	<u>68,551</u>	<u>67,139</u>	<u>64,059</u>	<u>74,783</u>	<u>89,791</u>	<u>111,899</u>	<u>74,383</u>	<u>63,875</u>
Excess of revenue over (under) expenditures	<u>(1,345)</u>	<u>1,890</u>	<u>1,198</u>	<u>1,279</u>	<u>4,235</u>	<u>(6,776)</u>	<u>(15,425)</u>	<u>(18,751)</u>	<u>(13,060)</u>	<u>(3,039)</u>

TOWN OF PLAINVILLE, CONNECTICUT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS (CONTINUED)
LAST TEN FISCAL YEARS
(In Thousands)

	FISCAL YEAR									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Other financing sources (uses):										
Transfers in	\$ 2,723	\$ 7,460	\$ 4,165	\$ 1,190	\$ 2,644	\$ 3,154	\$ 2,826	\$ 2,581	\$ 3,760	\$ 2,413
Transfers out	(3,223)	(7,460)	(4,165)	(1,190)	(2,644)	(3,154)	(2,926)	(2,581)	(3,768)	(2,413)
Bonds and loans issued				12,535	15,515	19,067	2,429		9,977	9,930
Refunding bonds issued					649				6,855	
Payment to bond escrow				(13,040)	(3,873)				(6,991)	
Premium on sale of debt				889	242		90		247	
Capital leases issued	740		764							
Total other financing sources	240	-	764	384	12,533	19,067	2	-	10,080	9,930
Net Change in Fund Balances	\$ (1,105)	\$ 1,890	\$ 1,962	\$ 1,663	\$ 16,768	\$ 12,291	\$ (13,006)	\$ (18,751)	\$ (2,980)	\$ 6,891
Debt Service as a Percentage of Noncapital Expenditures	9.1%	9.0%	9.8%	9.2%	9.1%	7.2%	6.7%	6.8%	6.7%	6.9%

Note 1: Schedule prepared on the modified accrual basis of accounting.

TABLE 5

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

(In Thousands)

Fiscal Year	Real Property			Personal Property	Motor Vehicle	Less Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Taxable Assessed Value as a Percentage of Actual Taxable Value
	Residential	Commercial	Industrial							
2015	\$ 862,320	\$ 182,174	\$ 99,042	\$ 108,488	\$ 140,374	\$ 36,822	\$ 1,355,576	31.38	\$ 1,936,537	70.00%
2014	857,668	187,548	96,997	100,415	135,092	36,099	1,341,621	31.38	1,916,601	70.00%
2013(1)	856,115	190,565	96,339	99,534	132,945	35,209	1,340,289	30.89	1,914,699	70.00%
2012	937,289	191,771	82,084	98,588	127,715	36,665	1,400,782	28.98	2,001,117	70.00%
2011	931,902	192,314	81,358	99,904	123,482	38,196	1,390,764	28.01	1,986,806	70.00%
2010	928,328	190,846	77,896	108,208	124,077	41,128	1,388,227	26.33	1,983,181	70.00%
2009	923,292	185,847	76,631	110,127	130,393	41,859	1,384,431	26.24	1,977,759	70.00%
2008(1)	915,137	183,758	74,160	101,180	130,421	32,357	1,372,299	25.50	1,960,427	70.00%
2007	518,967	181,883	65,937	98,284	125,417	32,089	958,399	36.28	1,369,141	70.00%
2006	512,801	183,666	64,126	102,982	117,508	32,648	948,435	34.50	1,354,907	70.00%

Source: Town of Plainville Office of Tax Assessor

(1) A revaluation of real estate was performed.

**TOWN OF PLAINVILLE, CONNECTICUT
PRINCIPAL PROPERTY TAX PAYERS
FISCAL YEARS 2015 AND 2006**

Taxpayer	Grand List Years					
	October 1, 2013			October 1, 2004		
	Taxable Assessed Value	Rank	Percentage of Total Town Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Town Taxable Assessed Value
BRE DDR Connecticut Commons LLC	\$ 46,947,210	1	3.46%	\$		
Tilcon Connecticut	25,498,240	2	1.88%			
Manafort Brothers	16,069,980	3	1.19%	5,928,000	6	0.63%
Valley Water Systems	11,734,660	4	0.87%	9,703,000	5	1.02%
Eversource	10,801,630	5	0.80%	5,281,000	7	0.56%
Mott Metalurgical	10,745,280	6	0.79%	5,090,000	8	0.54%
Carling Technologies	6,992,510	7	0.52%	10,691,000	4	1.13%
General Electric	6,988,160	8	0.52%	25,865,000	2	2.73%
Gem Sensors	6,268,690	9	0.46%	4,854,000	9	0.51%
Yankee Gas	5,282,210	10	0.39%			
Colonial of Plainville, LLC						
Plainville Development Limited				42,531,000	1	4.48%
Lassman, Edwin A. Trustee						0.00%
Tilcon Minerals, Inc.				14,123,000	3	1.49%
Tomasso Brothers, Inc				4,733,000	10	0.50%
Total	\$ 147,328,570		10.88%	\$ 128,799,000		13.59%

Source: Town of Plainville, Office of Tax Assessor

Total Town Net Taxable Assessed Value for October 1, 2013: \$ 1,355,575,604

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

(In Thousands)

Fiscal Year Ended June 30,	Tax Rate in Mills	Taxes Levied for the Fiscal Year	Fiscal of the Levy		Collection in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2015	31.38	\$ 42,585	\$ 41,608	97.71%	\$ -	\$ 41,608	97.71%
2014	31.38	41,919	41,005	97.82%	365	41,370	98.69%
2013	30.89	41,282	40,284	97.58%	349	40,633	98.43%
2012	28.98	40,515	39,509	97.52%	708	40,217	99.26%
2011	28.01	38,842	37,977	97.77%	666	38,643	99.49%
2010	26.33	36,514	35,532	97.31%	830	36,362	99.58%
2009	26.24	36,386	35,572	97.76%	719	36,291	99.74%
2008	25.50	34,971	34,173	97.72%	730	34,903	99.81%
2007	36.28	35,055	34,290	97.82%	665	34,955	99.71%
2006	34.50	32,953	32,180	97.65%	739	32,919	99.90%

Source: Tax Collector's Report - Comprehensive Annual Financial Report

TABLE 8

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

(In Thousands, except per capita)

Fiscal Year	Governmental Activities			Ratio of Debt to Taxable Assessed Value	Debt Per Capita	(a) Percentage of Personal Income
	General Obligation Bonds and Notes	Capital Leases	Total Primary Government			
2015	\$ 48,584	\$ 890	\$ 49,474	3.65%	\$ 2,776	4.49%
2014	53,287	392	53,679	4.00%	3,012	4.88%
2013	56,946	564	57,510	4.29%	3,255	5.29%
2012	61,049	-	61,049	4.36%	3,444	5.26%
2011	65,017	-	65,017	4.67%	3,670	6.69%
2010	56,534	145	56,679	4.08%	3,251	5.92%
2009	41,601	280	41,881	3.03%	2,417	N/A
2008	41,833	502	42,335	3.08%	2,383	N/A
2007	44,598	713	45,311	4.73%	2,617	N/A
2006	30,065	1,019	31,084	3.28%	1,788	N/A

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

(a) Personal income and population data are available only from the US Department of Commerce, Bureau of Census every ten years.

N/A - information not available

**TOWN OF PLAINVILLE, CONNECTICUT
RATIO OF GENERAL BONDED DEBT TO ASSESSED VALUE AND NET BONDED DEBT PER CAPITA
LAST TEN FISCAL YEARS**

Fiscal Year	(a) Population	Gross Assessed Value	(b) Estimated Actual Value	(c) Long-Term Debt	(d) Total Direct Debt	Total Direct Debt Per Capita	Percent of Direct Debt to Estimated Actual Value	(e) (f) Total Net Direct Debt	Total Net Direct Debt Per Capita	Percent of Net Direct Debt to Estimated Actual Value	Total Direct Debt to Net Taxable Grand List	Total Overall Net Debt to Net Taxable Grand List
2006	17,382	\$ 1,059,024,700	\$ 1,512,892,429	\$ 30,065,000	\$ 30,065,000	\$ 1,730	1.99%	\$ 27,649,410	\$ 1,591	1.83%	3.17%	2.92%
2007	17,312	1,071,484,690	1,530,692,414	44,598,491	44,598,491	2,576	2.91%	42,809,842	2,473	2.80%	4.66%	4.47%
2008	17,768	1,404,655,790	2,006,651,129	41,833,140	41,833,140	2,354	2.08%	40,658,011	2,288	2.03%	3.05%	2.96%
2009	17,436	1,494,150,270	2,134,500,386	41,601,293	41,601,293	2,386	1.95%	40,733,047	2,336	1.91%	2.92%	2.86%
2010	17,436	1,497,764,600	2,139,663,714	56,534,404	56,534,404	3,242	2.64%	56,082,792	3,216	2.62%	4.07%	4.04%
2011	17,716	1,497,764,600	2,139,663,714	65,017,171	65,017,171	3,670	3.04%	64,872,441	3,662	3.03%	4.67%	4.66%
2012	17,724	1,437,447,670	2,053,496,671	61,049,535	61,049,535	3,444	2.97%	61,049,535	3,444	2.97%	4.36%	4.36%
2013	17,670	1,375,497,425	1,964,996,321	57,510,632	57,510,632	3,255	2.93%	57,510,632	3,255	2.93%	4.29%	4.29%
2014	17,819	1,377,719,440	1,968,170,629	53,679,798	53,679,798	3,013	2.73%	53,679,798	3,013	2.73%	4.00%	4.00%
2015	17,820	1,392,397,504	1,989,139,291	49,473,960	49,473,960	2,776	2.49%	49,473,960	2,776	2.49%	3.65%	3.65%

(a) Based on estimates from the State Department of Health.

(b) Total assessed value based on 70% of estimated actual value.

(c) Total long-term general obligation debt, all repaid with General Government resources.

(d) Total direct long-term indebtedness.

(e) Total direct debt after exclusions for State of Connecticut School Construction Grants.

(f) The Town of Plainville has no overlapping debt.

**TOWN OF PLAINVILLE, CONNECTICUT
COMPUTATION OF LEGAL DEBT MARGIN
JUNE 30, 2015**

Total tax collections (including interest and lien fees) received by Treasurer for year ended June 30, 2015	\$ 42,676,572
Reimbursement for revenue loss on: Tax relief for elderly - freeze	<u>2,000</u>
BASE	<u>\$ 42,678,572</u>

	<u>General Purpose</u>	<u>Schools</u>	<u>Sewers</u>	<u>Urban Renewal</u>	<u>Pension Deficit</u>
Debt limitation:					
2-1/4 times base	\$ 96,026,787	\$	\$	\$	\$
4-1/2 times base		192,053,574			
3-3/4 times base			160,044,645		
3-1/4 times base				138,705,359	
3 times base					128,035,716
Total debt limitation	<u>96,026,787</u>	<u>192,053,574</u>	<u>160,044,645</u>	<u>138,705,359</u>	<u>128,035,716</u>
Indebtedness:					
Bonds and notes payable	5,520,000	24,940,000	17,079,831		
Bonds authorized - unissued	<u>950,000</u>				
Total indebtedness	<u>6,470,000</u>	<u>24,940,000</u>	<u>17,079,831</u>	<u>-</u>	<u>-</u>
Debt Limitation in Excess of Outstanding and Authorized Debt	<u>\$ 89,556,787</u>	<u>\$ 167,113,574</u>	<u>\$ 142,964,814</u>	<u>\$ 138,705,359</u>	<u>\$ 128,035,716</u>

Note: In no case shall total indebtedness exceed seven times annual receipts from taxation: \$ 298,750,004

TOWN OF PLAINVILLE, CONNECTICUT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(In Thousands)

	FISCAL YEAR									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Debt limitation	\$ 298,750	\$ 297,456	289,732	\$ 283,032	\$ 277,077	\$ 255,151	\$ 255,676	\$ 249,023	\$ 248,461	\$ 233,725
Total net debt applicable to limit	<u>48,490</u>	<u>52,976</u>	<u>63,118</u>	<u>67,196</u>	<u>71,175</u>	<u>73,040</u>	<u>85,698</u>	<u>51,397</u>	<u>72,574</u>	<u>63,542</u>
Legal Debt Margin	<u>\$ 250,260</u>	<u>\$ 244,480</u>	<u>226,614</u>	<u>\$ 215,836</u>	<u>\$ 205,902</u>	<u>\$ 182,111</u>	<u>\$ 169,978</u>	<u>\$ 197,626</u>	<u>\$ 175,887</u>	<u>\$ 170,183</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	<u>16.23%</u>	<u>17.81%</u>	<u>21.78%</u>	<u>23.74%</u>	<u>25.69%</u>	<u>28.63%</u>	<u>33.52%</u>	<u>20.64%</u>	<u>29.21%</u>	<u>27.19%</u>

Source: Comprehensive annual financial report - Computation of Legal Debt Margin

Note: See Table 10 for the calculation of current year debt limitation.

**TOWN OF PLAINVILLE, CONNECTICUT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN CALENDAR YEARS**

Calendar Year	Population(1)	Total Personal Income (2)	Per Capita Income(2)	Median Age(2)	School Enrollment(3)	Unemployment Rate(4)
2015	17,820	*	*	43.0	2,380	4.9%
2014	17,819	*	*	43.0	2,271	5.8%
2013	17,670	*	*	43.0	2,353	7.7%
2012	17,724	*	*	41.0	2,401	8.3%
2011	17,716	*	*	39.6	2,418	8.8%
2010	17,436	*	*	42.0	2,524	9.0%
2009	17,436	*	*	42.0	2,522	5.9%
2008	17,768	*	*	41.0	2,505	4.6%
2007	17,312	*	*	39.6	2,686	4.3%
2006	17,382	*	*	39.6	2,626	4.3%

* Information not available or attainable.

(1) Source: Based on estimates from the State of Connecticut Department of Health

(2) Source: U.S. Department of Commerce, Bureau of Census

(3) Source: Board of Education

(4) Source: U.S. Department of Labor and Employment Security Division, Labor Department,
State of Connecticut

**TOWN OF PLAINVILLE, CONNECTICUT
PRINCIPAL EMPLOYERS
2015 AND 2006**

Employer	Nature of Business	2015			2006		
		Employees	Rank	Percentage of Total Town Employment	Employees	Rank	Percentage of Total Town Employment
Wheeler Clinic, Inc.	Psychiatric Center	558	1	5.55%	640	1	6.31%
Town of Plainville	Municipality	523	2	5.21%	554	2	5.46%
Manafort Construction	Construction/Quarry	425	3	4.23%			
GEMS Sensors	Electronic sensors	330	4	3.28%	300	4	2.96%
Tilcon Connecticut, Inc	Construction/Quarry	297	5	2.96%	265	5	2.61%
General Electric	Manufacturer	260	6	2.59%	400	3	3.94%
CWPM	Waste Hauler	200	7	1.99%			
Mott Corporation	Manufacturer	185	8	1.84%	158	9	1.56%
Carling Technologies, Inc	Manufacturer	145	9	1.44%	160	8	1.58%
Connecticut Tool & Manuf	Manufacturer	122	10	1.21%			
Plainville Health Care	Convalescent Home				188	6	1.85%
Wheeler YMCA	Athletic/Social Center				179	7	1.77%
Ferguson Electric Comp	Manufacturer				150	10	1.48%
Total		3,045		30.30%	2,994		29.52%

Source: Town of Plainville, Economic Development Department

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

	FISCAL YEAR									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
General Government	15.50	15.50	15.50	15.50	15.33	15.33	19.00	20.00	20.00	20.00
Police	43.00	43.00	42.00	42.00	43.00	44.00	42.00	42.00	41.00	41.00
Fire	-	-	-	-	-	-	1.50	1.50	1.50	1.50
Water Pollution Control	7.58	7.58	7.58	7.58	6.58	7.58	6.00	7.00	8.00	8.00
Physical and Technical Services	28.92	28.92	28.92	28.92	30.42	32.42	28.00	32.50	32.50	33.50
Recreation	2.50	2.50	2.50	2.50	2.50	2.50	3.00	3.00	3.00	3.00
Library	7.00	7.00	7.00	7.00	7.00	7.00	11.10	11.10	11.10	11.10
Human Services	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50
Education	<u>415.00</u>	<u>427.00</u>	<u>434.00</u>	<u>445.00</u>	<u>445.00</u>	<u>426.00</u>	<u>430.00</u>	<u>428.10</u>	<u>440.80</u>	<u>432.20</u>
Total	<u>523.00</u>	<u>535.00</u>	<u>541.00</u>	<u>552.00</u>	<u>553.33</u>	<u>538.33</u>	<u>544.10</u>	<u>548.70</u>	<u>561.40</u>	<u>553.80</u>

Source: Town Departments and Board of Education

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

Function/Program	FISCAL YEAR									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
General government:										
Building permits issued	1,173	1,078	990	1,014	866	930	995	1,118	1,253	1,240
Police:										
Criminal arrests	1,181	1,157	1,068	1,231	1,100	1,078	1,023	964	1,125	872
Burglaries	98	85	72	148	136	125	109	91	81	74
Traffic violations	6,231	5,893	6,075	2,598	2,672	2,528	2,472	2,370	2,098	1,450
Fire:										
Emergency responses	634	623	576	615	522	515	506	496	587	578
Fire related injuries	7	6	4	2	2	3	2	3	1	5
Investigations reported to State	623	623	576	615	522	515	506	496	587	578
Refuse collection:										
Residential Refuse collected (tons per day)	21	21	21	21	20	19	19	19	18	19
Residential Recyclable collected (tons per day)	9	9	9	8	7	6	6	6	5	5
Other public works:										
Leaf collections (cubic yards)	17,000	17,000	17,000	17,000	16,773	15,987	16,251	15,847	15,653	15,453
Winter sand/salt mix used (cubic yards)	2,000	2,000	2,000	2,000	2,000	1,800	1,936	1,864	2,297	3,366
Parks and recreation:										
Athletic field permits issued	1,006	997	989	1,003	1,015	1,021	1,013	957	1,041	1,938
Pool attendance	22,321	21,657	21,943	22,879	25,322	25,467	24,561	23,738	22,633	25,271
Library:										
Volumes in collection	98,501	98,000	88,253	87,594	88,693	90,972	93,587	92,120	90,828	94,257
Total volumes borrowed	174,364	172,000	169,385	172,894	173,750	175,979	170,995	169,834	167,389	155,419
Reference Questions	8,500	8,500	8,421	8,415	8,239	7,852	7,105	6,999	5,836	7,072
Wastewater:										
Average daily sewage treatment (thousands of gallons)	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300
Miles of sanitary sewers	90	90	90	90	90	90	90	90	90	90

Source: Plainville municipal departments

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

Function/Program	FISCAL YEAR									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	5	5	5	5	5	5	5	5	5	5
Fire stations	1	1	1	1	1	1	1	1	1	1
Other public works:										
Streets (miles)	64.90	64.90	64.90	64.90	64.90	64.90	64.90	64.90	64.90	64.90
Streetlights (Town owned)	1,475	1,462	1,462	1,430	1,429	1,429	1,429	1,429	1,429	1,425
Light poles (Town owned)	150	150	150	150	150	150	150	150	150	150
Traffic signals (Town owned)	3	3	3	3	3	3	3	3	3	4
Parks and recreation:										
Acreage	146	146	146	146	146	146	146	146	146	146
Playstructures	8	8	8	8	8	7	7	7	7	7
Baseball/softball diamonds	14	14	14	14	14	14	14	14	14	14
Wastewater:										
Pump Stations	8	8	8	8	8	9	9	9	9	9
Storm sewers (miles)	47	47	47	47	47	47	47	47	47	47
Treatment capacity (thousands of gallons)	3,700	3,700	3,700	3,700	3,700	3,700	3,700	3,700	3,700	3,700
Transit - mini-buses	2	2	2	2	2	2	2	2	2	2

Source: Plainville municipal departments