

TOWN OF SEYMOUR, CONNECTICUT

COMPREHENSIVE ANNUAL FINANCIAL REPORT



For the Fiscal Year July 1, 2013 – June 30, 2014

TOWN OF SEYMOUR, CONNECTICUT

**COMPREHENSIVE
ANNUAL FINANCIAL REPORT**

FOR

**THE FISCAL YEAR ENDED
JUNE 30, 2014**

Prepared By:

THE FINANCE DEPARTMENT

DOUGLAS THOMAS, DIRECTOR OF FINANCE

Introductory Section

Contents

I. Introductory Section - Unaudited

Letter of Transmittal	i-iii
Principal Town Officials	iv
Organization Charts – Town Hall and Operations Department	v-vi

II. Financial Section

Independent Auditor's Report	1-2
Management's Discussion and Analysis – (Unaudited)	3-13

Basic Financial Statements

Exhibit

Government-Wide Financial Statements:

I. Statement of Net Position	15
II. Statement of Activities	16

Fund Financial Statements:

III. Balance Sheet – Governmental Funds	17-18
IV. Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits) – Governmental Funds	19-20
V. Statement of Net Position – Proprietary Funds	21
VI. Statement of Revenues, Expenses and Changes in Fund Net Position – Proprietary Funds	22
VII. Statement of Cash Flows – Proprietary Funds	23
VIII. Statement of Fiduciary Net Position – Fiduciary Funds	24
IX. Statement of Changes in Fiduciary Net Position – Fiduciary Funds	25

Notes to Financial Statements	26-47
-------------------------------	-------

Required Supplementary Information - Unaudited

RSI-1 Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund	49
RSI-2 Schedules of Funding Progress and Employer Contributions - OPEB	50
RSI-3 Note to Required Supplementary Information	51-52

Contents

Combining and Individual Fund Financial Statements and Other Schedules

General Fund

Table

A-1	Schedule of Revenues and Other Financing Sources – Budget and Actual – Budgetary Basis – General Fund	53-54
A-2	Schedule of Expenditures and Other Financing Uses – Budget and Actual – Budgetary Basis – General Fund	55-56

Nonmajor Governmental Funds

B-1	Combining Balance Sheet – Nonmajor Governmental Funds	58-61
B-2	Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds	62-65

Fiduciary Funds

C-1	Combining Statement of Net Position – Private Purpose Trust Funds	67
C-2	Combining Statement of Changes in Net Position – Private Purpose Trust Funds	68
C-3	Statement of Changes in Fiduciary Assets and Liabilities – Agency Funds	69

Other Schedules

D-1	Report of Tax Collector	72-73
-----	-------------------------	-------

III. Statistical Section - Unaudited

Table

Financial Trends:

1	Net Position by Component	76-77
2	Changes in Net Position	78-81
3	Fund Balances, Governmental Funds	82-83
4	Changes in Fund Balances, Governmental Funds	84-85

Contents

III. Statistical Section – Unaudited (Continued)

Revenue Capacity:

5	Tax Revenues by Source, Governmental Funds	86
6	Assessed Value and Estimated Actual Value of Taxable Property	88-89
7	Principal Property Taxpayers	90
8	Property Tax Levies and Collections	92-93

Debt Capacity:

9	Ratios of General Bonded Debt Outstanding by Type	94
10	Direct Governmental Activities Debt	95
11	Legal Debt Margin Information	96-97
12	Computation of Legal Debt Limitation	98

Demographic and Economic Statistics:

13	Demographic and Economic Statistics	99
14	Principal Employers	100

Operating Information:

15	Full-Time Equivalent Town Government Employees by Functions/Programs	102-103
16	Operating Indicators by Function/Program	104-105
17	Capital Asset Statistics by Function/Program	106-107



December 30, 2014

Kurt Miller, First Selectman
Members of the Board of Selectman
Members of the Board of Finance
Town of Seymour, Connecticut

Connecticut 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, 2014.

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

McGladrey LLP, Certified Public Accountants, has issued unmodified (“clean”) opinions on the Town of Seymour, Connecticut’s financial statements for the year ended June 30, 2014. The independent auditors’ report is located at the front of the financial section of this report.

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

Profile of the Town of Seymour

The Town of Seymour was incorporated in 1850, named after Thomas H. Seymour, then Governor of the State of Connecticut. The Town covers an area of 14.7 square miles with the commercial and industrial areas along the Naugatuck River. Seymour is served directly by Connecticut Route 8, a major four-lane, limited-access highway which begins in Bridgeport at the Connecticut Turnpike (I-95) and runs north to Winsted, intersecting with I-84 in Waterbury.

The location of Seymour at the junction of Routes 8, 67, 115 and 313 provides ready access to the regional interstate highway system as well as Connecticut’s major employment centers. Conrail provides freight rail service to and through the Town, and the expanded Metro North Commuter Rail Service provides frequent passenger trains to Bridgeport, Stamford and New York City. Regularly scheduled commercial air service, both passenger and freight, is available from Hartford’s Bradley International Airport and the New York airports. These facilities are served through airport limousines, air freight, and trucking from Seymour.

The Town is contiguous to Fairfield County and within 20 minutes driving time of New Haven, Waterbury and Bridgeport, three of Connecticut’s five largest cities.

Economic

The Town's key business areas include several small shopping centers, options for professional offices, a downtown historic district, and several sites designated for industry.

The Town has collaborated to promote industrial growth. The Town formed and worked closely with the Seymour Downtown Council to revitalize the Town's center. In the last several years, over \$1,000,000 in public and private funds has been spent to make downtown more attractive. It is expected that improvements to the downtown will serve as a catalyst for additional commercial and industrial development, and more than \$150,000 has been made available to businesses locating to or located in the downtown area through the Downtown Seymour Infrastructure Improvement Grant program.

The 1,465-acre Silvermine Industrial Park was developed using a combination of local, state and federal funds and is now occupied by 12 companies, some of which have already expanded from their original size. Hubbell Industrial Park, immediately adjacent to the Silvermine complex, is being developed with private funds. This park contains 13 parcels on more than 66 acres and is close to capacity. Among the many companies located there, Thule/Eldon Group America and Basement Systems Incorporated are currently planning 25,000-square-foot expansions to their facilities which are expected to increase their taxable assessments in the coming years. The Kerite Company, the Town's oldest employer, was acquired by Chicago-based Marmon Group in September 1999. Since that time, Kerite has invested significantly in diversifying its products beyond the traditional dependence upon the utility industrial market segment.

Haynes Construction Company constructed a headquarters on Progress Drive beyond Hubbell Park on a 7.9-acre parcel. The facility was constructed in 1995, and expanded in 2002. Haynes has also begun construction of a 236-unit complex known as Meadow Brook Estates designed for active 55 and older individuals. The complex straddles the Oxford- Seymour border and has model homes available for tour. Fifty-five of the units are expected to be in Seymour.

Larry Janesky's Basement Systems ("Basement Systems") is located on 50 acres of land in the Seymour Industrial Park. Basement Systems has added 14,000 square feet of warehouse and has added 60,000 square feet of office and warehouse space in the past few years.

The Town is within easy commuting distance of large employment centers in Fairfield County, as well as employment found in the New Haven and Waterbury areas.

Form of Government

Under a charter adopted in 1971 and most recently amended in 1994, the Town of Seymour has a Town Meeting form of government with a seven-member Board of Selectmen. The First Selectman serves as the full-time chief executive officer of the Town. The Board of Finance is responsible for proposing annual budgets and special appropriations to the Town Meeting. There are a number of commissions and authorities established under the Charter, including the Economic Development Commission, Planning and Zoning Commission and Water Pollution Control Authority.

The preparation of this report could not have been accomplished without the hard work and dedication of the finance department staff. I would also like to thank McGladrey LLP our independent auditors, for their guidance and many helpful comments and suggestions during the preparation of this report. And finally, special acknowledgment and appreciation goes to those who have contributed to the progressive and financially sound operations of the Town; that contribute, belongs to all Town Officials, Town Staff, and the Community.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Douglas Thomas". The signature is written in a cursive, flowing style.

Douglas Thomas, CPA
Finance Director

TOWN OF SEYMOUR, CONNECTICUT

LIST OF PRINCIPAL OFFICIALS JUNE 30, 2014

BOARD OF SELECTMEN

W. Kurt Miller, First Selectman
Annmarie A. Drugonis
Karen Stanek
Len Greene Jr.
Nicole Klarides-Ditria, Deputy
Paul Roy
Al Bruno

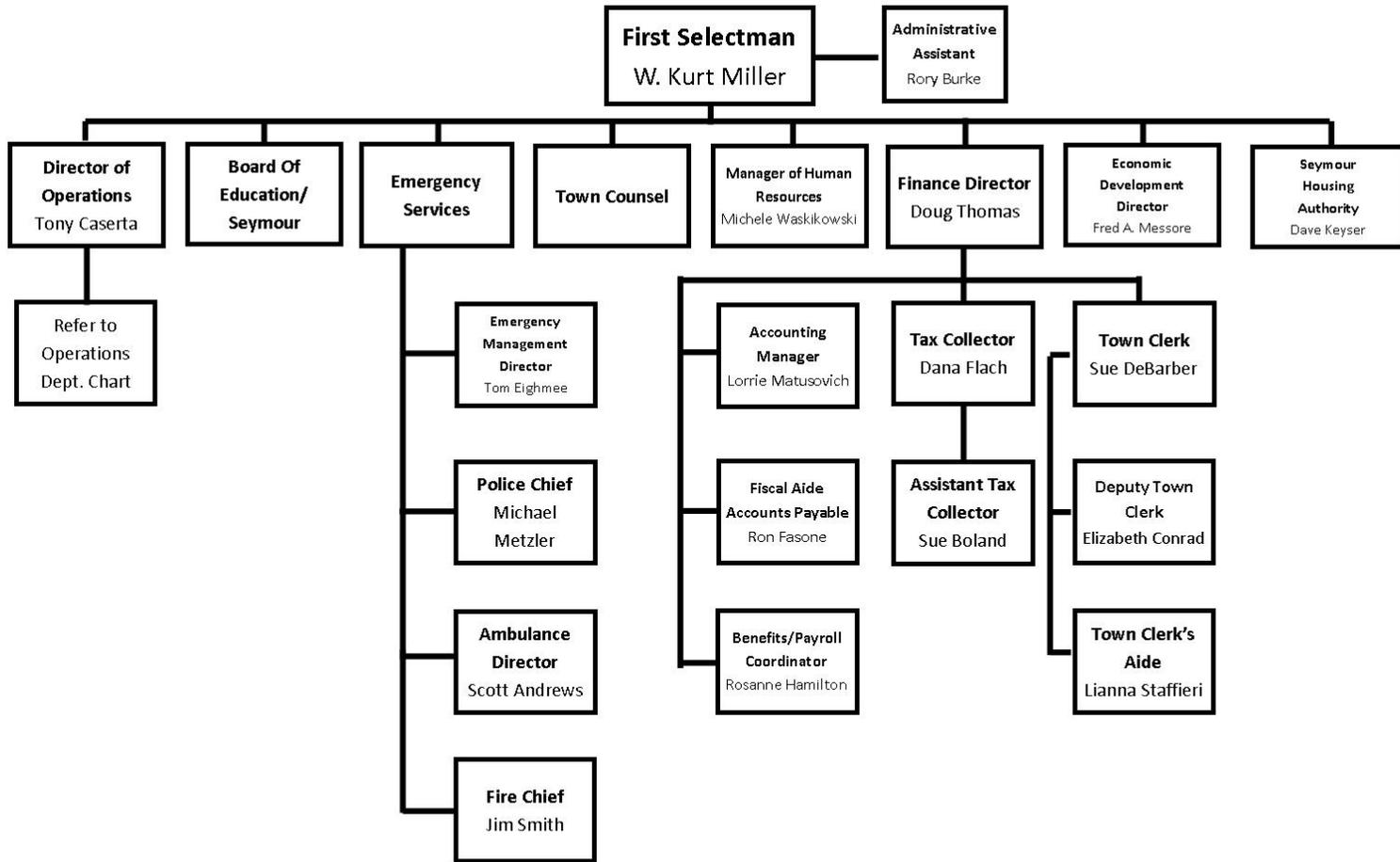
BOARD OF FINANCE

William Sawicki, Chairman
David Bitso
Heather McDaniel
John Stelma
Rich Grudzias
Beverly Kennedy
Ed Wasikowski
Jim Cretella (Alt.)

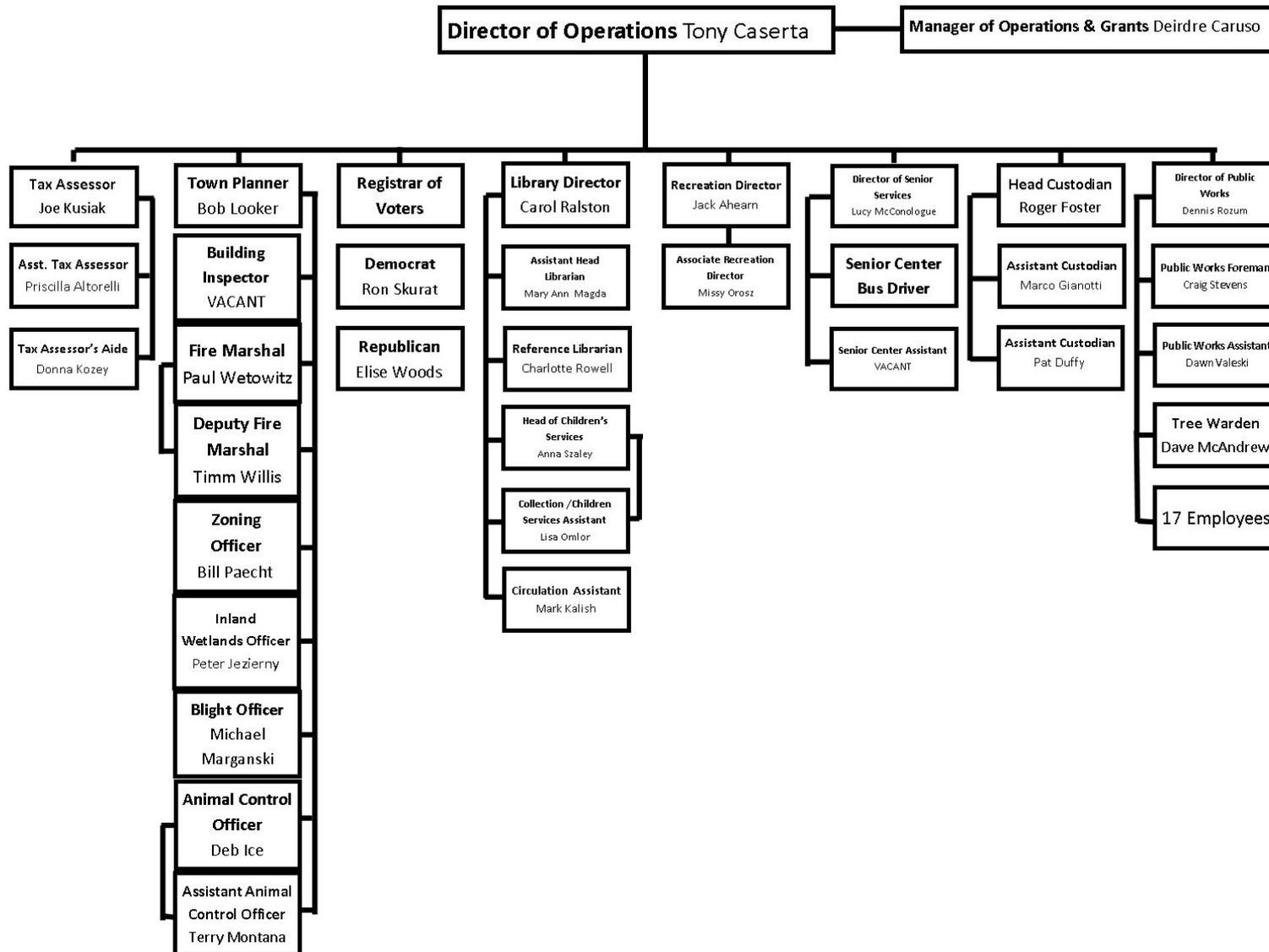
BOARD OF EDUCATION

Edward Strumello
Kristen Harmeling
Jen Magri
Jay Hatfield
Theodora Klarides
Frederick Stanek
Allison Sobieski-McAndrew
Saundra Gesek
Yashu Putori, Chairman

Town Hall Organizational Chart



Operations Department Organizational Chart



Financial Section



Independent Auditor's Report

To the Board of Finance
Town of Seymour, Connecticut

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Town of Seymour, Connecticut, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Town of Seymour, 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, the business-type activities, each major fund and the aggregate remaining fund information of the Town of Seymour, Connecticut, as of June 30, 2014 and the respective changes in financial position and, where applicable, cash flows thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of a Matter

As described in Note 6 to the financial statements, the beginning net position of the Governmental Activities has been restated for the correction of an error. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the General Fund budgetary schedule, and the schedule of employee contributions and funding progress 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 Seymour, Connecticut's basic financial statements. The introductory section, combining and individual fund financial statements and other schedules, and the statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and other 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 fund financial statements and other 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2014 on our consideration of the Town of Seymour, 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 Seymour, Connecticut's internal control over financial reporting and compliance.

McGladrey LLP

New Haven, Connecticut
December 30, 2014

**Town of Seymour, Connecticut
Management's Discussion and Analysis - Unaudited
June 30, 2014**

The management's discussion and analysis of the Town of Seymour, Connecticut's (the Town) financial performance provides an overall review of the Town's financial activities for the year ended June 30, 2014. The intent of this discussion and analysis is to look at the Town's financial performance as a whole: readers should also review the basic financial statements and the notes to the basic financial statements to enhance their understanding of the Town's financial performance.

Financial Highlights

Key financial highlights for 2014 are as follows:

- The total net position of the Town decreased \$1,604,908. Net position of governmental activities decreased \$1,475,672 or 2.6% over 2013 and net position of business-type activities decreased \$129,236 or 1.5% over 2013.
- General revenues accounted for \$41,107,100 or 67.6% of total governmental activities revenue. Program specific revenues accounted for \$19,674,861 or 32.4% of total governmental activities revenue.
- The Town had \$62,257,633 in expenses related to governmental activities: \$19,674,861 of these expenses was offset by program specific charges for services, grants or contributions. The remaining expenses of the governmental activities of \$42,582,772 were offset by general revenues (mainly by property taxes, unrestricted grants and entitlements) of \$41,107,100.
- The general fund had revenues of \$56,791,772 in 2014. This represents an increase of \$1,263,672 from 2013 revenues. The expenditures of the General Fund, which totaled \$56,557,388 in 2014, increased \$2,370,462 from 2013.
- Net position for the business-type activities, which are made up of the Sewer Enterprise Fund, decreased in 2014 by \$129,236. This decrease in net position was due primarily to a decrease in assets from depreciation.
- In the General Fund, budgeted revenues came in \$155,011 lower than the final budget and budgeted expenditures were \$374,366 lower than the final budget. The revenues were mainly lower than budget due to the unused fund balance of \$317,884 coupled with positive education grants revenue of \$167,510. Expenditures were below budget due to management's consistent budget monitoring and expenditure controls.
- The prior year (June 30, 2013) financial statements were restated for an estimated workers compensation claim liability for and a capital lease. The prior year net position decreased \$1,992,627 due to these restatements.

Using this Annual Financial Report

This annual report consists of a series of financial statements and notes to these statements. These statements are organized so the reader can understand the Town as a financial whole, and entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The statement of net position and statement of activities provide information about the activities of the Town as a whole, presenting both an aggregate view of the Town's finances and a longer-term view of those finances, fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the Town's most significant funds with all other non-major funds presented in total in one column.

Reporting the Town as a Whole

Statement of Net Position and the Statement of Activities

While this document contains a large number of funds used by the Town to provide programs and activities, the view of the Town as a whole looks at all financial transactions and informs the user how the Town financially performed during 2014. The statement of net position and the statement of activities answer these questions. These statements include all assets, liabilities, revenues and expenses using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting will take into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the Town's net position and changes in those assets. This change in net position is important because it tells the reader that, for the Town as a whole, the financial position of the Town has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Nonfinancial factors include the Town's property tax base, current property tax laws in Connecticut restricting revenue growth, facility conditions, required community programs and other.

In the statement of net position and the statement of activities, the Town is divided into two distinct kinds of activities:

- 1) **Governmental activities** – Most of the Town's programs and services are reported here including public safety, education, street maintenance, capital improvements and general administration. These services are funded primarily by property taxes and intergovernmental revenues including federal and state grants and other shared revenues.
- 2) **Business-type activities** – These services are provided on a charge for goods or services basis to recover all or a significant portion of the expenses of the goods or services provided. The Town's Sewer enterprise operations are reported here.

The Town's statement of net position and statement of activities can be found on pages 15-16 of this report.

Reporting the Town's Most Significant Funds

Fund Financial Statements

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

Fund financial reports provide detailed information about the Town's major funds. The Town uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the Town's most significant funds. The analysis of the Town's major governmental and proprietary funds begins on page 17.

Governmental Funds

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

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

The Town maintains a multitude of individual governmental funds. The Town has segregated these funds into major funds and non-major funds. The Town's major governmental fund is the General Fund. Information for major funds is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures and changes in fund balances. Data from the other governmental funds are combined into a single, aggregated presentation. The basic governmental fund financial statements can be found on pages 17-20 of this report.

Proprietary Funds

The Town maintains one proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Town uses enterprise funds to account for its sewer operations. The Town's enterprise fund is considered a major fund. Internal service funds are an accounting device used to accumulate and allocate costs internally among the Town's various functions. The basic proprietary fund financial statements can be found on pages 21-23 of this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the Town. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the Town's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. Agency funds and pension trust funds are the Town's only fiduciary funds types. The basic fiduciary fund financial statements can be found on page 24-25 of this report.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. These notes to the basic financial statements can be found on pages 26-47 of this report.

Government-Wide Financial Analysis

The table below provides a summary of the Town's net position for 2014 and 2013.

TOWN OF SEYMOUR, CONNECTICUT CONDENSED STATEMENT OF NET POSITION

	Governmental Activities		Business-Type Activities		Total	
	2014	2013*	2014	2013	2014	2013
Current and other assets	\$ 17,748,731	\$ 17,692,412	\$ 8,530,029	\$ 1,149,123	\$ 26,278,760	\$ 18,841,535
Capital assets	96,779,640	99,463,560	7,256,192	7,781,738	104,035,832	107,245,298
Total assets	114,528,371	117,155,972	15,786,221	8,930,861	130,314,592	126,086,833
Deferred outflows of resources	386,565	-	-	-	386,565	-
Current liabilities	11,990,464	14,204,847	-	271,596	11,990,464	14,476,443
Noncurrent liabilities	48,162,886	46,713,867	-	-	48,162,886	46,713,867
Total liabilities	60,153,350	60,918,714	-	271,596	60,153,350	61,190,310
Net position:						
Net Investment in capital assets	57,321,414	55,608,709	7,256,192	7,510,142	64,577,606	63,118,851
Restricted	1,000	1,000	-	-	1,000	1,000
Unrestricted	(2,560,828)	627,549	1,273,837	1,149,123	(1,286,991)	1,776,672
Total net position	\$ 54,761,586	\$ 56,237,258	\$ 8,530,029	\$ 8,659,265	\$ 63,291,615	\$ 64,896,523

* as restated see note 6

Over time, net position can serve as a useful indicator of a government's financial position. At June 30, 2014, the Town assets exceeded liabilities by \$63,291,615. At year-end, net position was \$54,761,586 and \$8,530,029 for the governmental activities and the business-type activities, respectively.

Capital assets reported on the government-wide statements represent the largest portion of the Town's net position. At year-end capital assets represented 85% of total assets. Capital assets include land, land improvements, buildings and improvements, equipment, vehicles and infrastructure. Capital assets, net of related debt to acquire the assets at June 30, 2014, were \$57,321,414 and \$7,256,192 in the governmental activities and business-type activities, respectively. These capital assets are used to provide services to citizens and are not available for future spending. Although the Town's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

A portion of the Town's net position, \$1,000 represents resources that are subject to external restriction on how they may be used. In the governmental activities, the remaining balance is an unrestricted net deficit of \$(2,560,828).

The table below shows the changes in net position for the fiscal year 2014 and 2013.

**TOWN OF SEYMOUR, CONNECTICUT
CONDENSED STATEMENT OF ACTIVITIES**

	Governmental Activities		Business-Type Activities		Total	
	2014	2013*	2014	2013	2014	2013
Revenues						
Program revenues:						
Charges for services	\$ 1,629,511	\$ 1,922,742	\$ 1,514,981	\$ 1,545,668	\$ 3,144,492	\$ 3,468,410
Operating grants and contributions	17,873,293	19,259,974	-	-	17,873,293	19,259,974
Capital grants and contributions	172,057	187,538	-	-	172,057	187,538
General revenues:						
Property taxes	40,669,725	39,600,518	-	-	40,669,725	39,600,518
Grants and contributions not restricted to specific programs	614,771	935,210	-	-	614,771	935,210
Investment income	94,200	53,475	220	56	94,420	53,531
Miscellaneous revenue	-	-	-	-	-	-
Transfers in	(271,596)	(279,974)	271,596	279,974	-	-
Total revenues	60,781,961	61,679,483	1,786,797	1,825,698	62,568,758	63,505,181
Expenses						
General government	3,486,981	3,496,359	-	-	3,486,981	3,496,359
Public safety	8,072,815	9,411,169	-	-	8,072,815	9,411,169
Public works	4,182,171	4,100,306	-	-	4,182,171	4,100,306
Recreation and culture	2,704,796	2,638,434	-	-	2,704,796	2,638,434
Sanitation	1,271,893	1,253,537	-	-	1,271,893	1,253,537
Board of Education	40,937,310	37,366,413	-	-	40,937,310	37,366,413
Interest on long-term debt	1,601,667	1,479,775	-	-	1,601,667	1,479,775
Water	-	-	1,916,033	1,883,814	1,916,033	1,883,814
Total expenses	62,257,633	59,745,993	1,916,033	1,883,814	64,173,666	61,629,807
Change in net position	(1,475,672)	1,933,490	(129,236)	(58,116)	(1,604,908)	1,875,374
Net Position - July 1	56,237,258	54,303,768	8,659,265	8,717,381	64,896,523	63,021,149
Net Position - June 30	<u>\$ 54,761,586</u>	<u>\$ 56,237,258</u>	<u>\$ 8,530,029</u>	<u>\$ 8,659,265</u>	<u>\$ 63,291,615</u>	<u>\$ 64,896,523</u>

* as restated see note 6

Governmental Activities

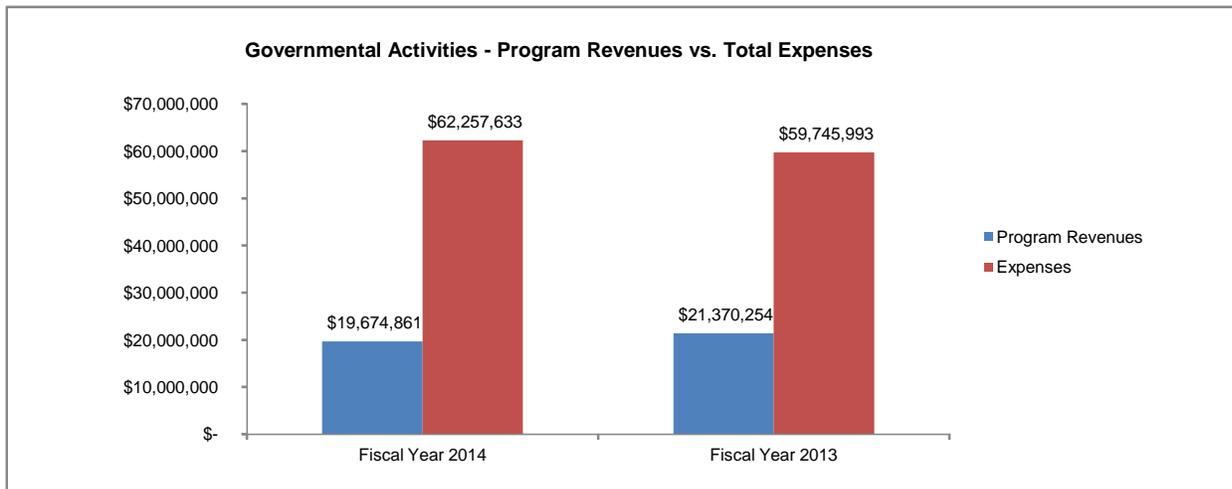
Governmental activities net position decreased \$1,475,672 in 2014. The decrease was due to a decrease in assets and an increase in long term liabilities.

Education accounted for \$40,937,310 of the total expenses of the Town. These expenses were partially funded by \$18,660,121 in state and federal grants.

The state and federal government contributed to the Town a total of \$18,660,121 in operating grants and contributions.

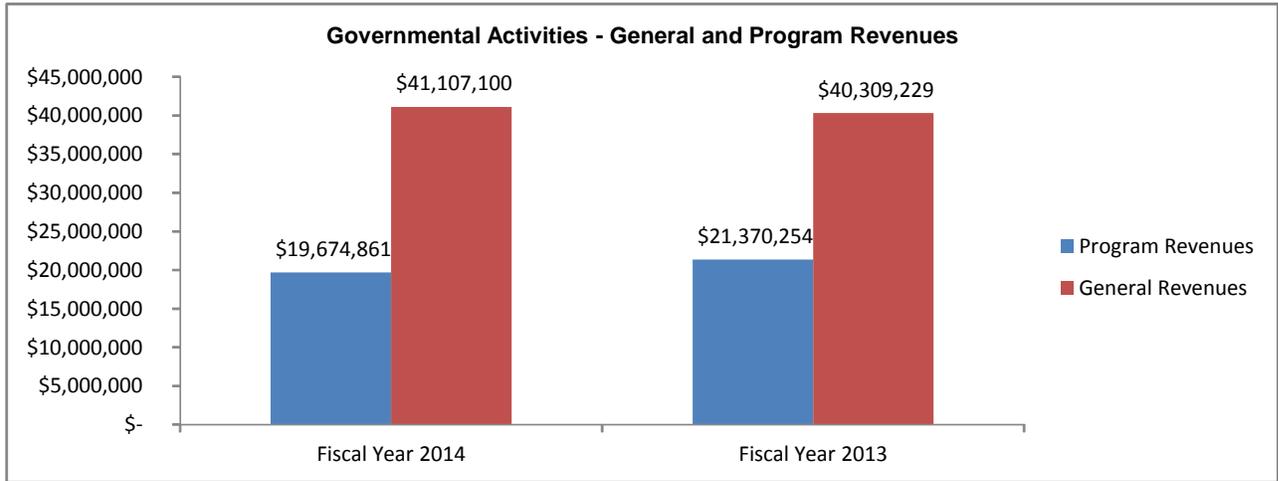
General revenues totaled \$41,107,100 and amount to 67% of total governmental revenues. These revenues primarily consist of property and income tax revenue of \$40,669,725. The other primary source of general revenues is grants and contributions not restricted to specific programs, making up \$614,771.

The statement of activities shows the cost of program services and charges for services and grants offsetting those services. The following table show, for governmental activities, the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted state grants and entitlements to support its governmental activities.



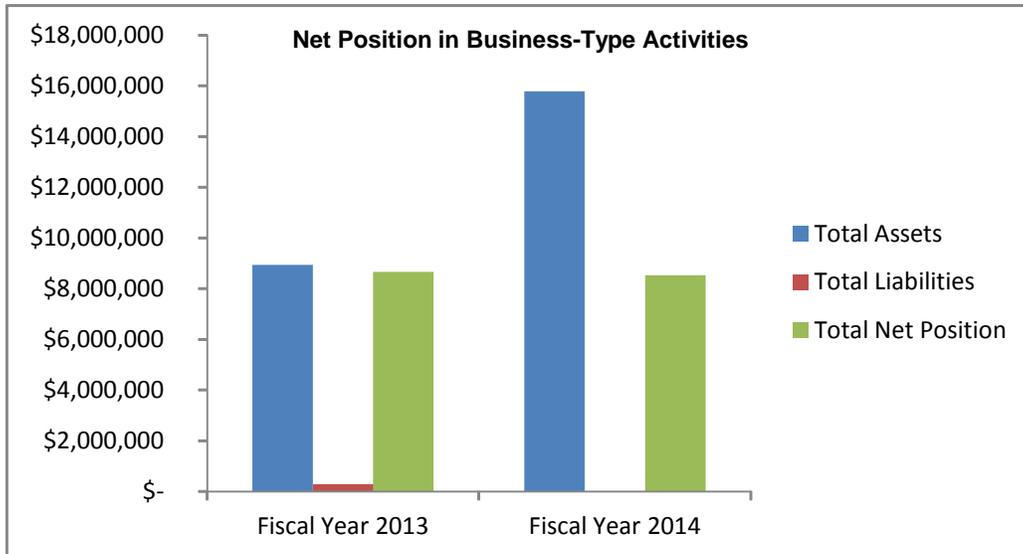
	Governmental Activities			
	2014	2013	2014	2013
	Total Cost of Services	Total Cost of Services	Net Cost of Services	Net Cost of Services
Program Expenses				
General government	\$ 3,486,981	\$ 3,496,359	\$ 2,802,104	\$ 2,245,073
Public safety	8,072,815	9,411,169	7,828,800	7,327,803
Public works	4,182,171	4,100,306	2,852,685	3,261,851
Recreation and culture	2,704,796	2,638,434	2,704,796	2,614,923
Sanitation	1,271,893	1,253,537	1,271,893	1,235,095
Education	40,937,310	37,366,413	23,520,827	18,218,592
Interest on long-term debt	1,601,667	1,479,775	1,601,667	1,479,775
Total expenses	\$ 62,257,633	\$ 59,745,993	\$ 42,582,772	\$ 36,383,112

The dependence upon general revenues for governmental activities is apparent, with 48% of expenses supported through taxes and other general revenues.



Business-Type Activities

Business-Type activities include the Town's Sewer enterprise. This program had program revenues of \$1,514,981 general revenues of \$220 and expenses of \$1,916,033 for the fiscal year 2014. The graph below shows the business-type activities assets, liabilities and net position at year-end 2014 and 2013.



Financial Analysis of the Government's Funds

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

Governmental Funds

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

The Town's governmental funds (as presented on the balance sheet on page 18) reported a combined fund balance of \$5,590,283 which is \$3,616,373 more than last year's total of \$1,973,910. The schedule below indicates the fund balances and the total change in fund balances as of June 30, 2014 for all major and non-major governmental funds.

	Fund Balances June 30, 2014	Fund Balances June 30, 2013	Increase (Decrease)
General Fund	\$ 5,069,954	\$ 5,343,919	\$ (273,965)
Other Governmental Funds	520,329	(3,370,009)	3,890,338
Total	\$ 5,590,283	\$ 1,973,910	3,616,373

General Fund

The table that follows assists in illustrating the revenues of the General Fund.

	2014 Amount	2013 Amount	Percentage Change
Revenues			
Property taxes	\$ 40,127,961	\$ 39,416,217	1.81%
Interest and lien fees	339,840	403,948	-15.87%
Intergovernmental	15,102,416	14,495,662	4.19%
Investment income	22,525	10,248	119.80%
Permits, fees and other	1,141,054	1,158,045	-1.47%
Other revenues	57,976	43,980	31.82%
Total	\$ 56,791,772	\$ 55,528,100	140.28%

Tax revenue represents 71% of all General Fund revenue. Tax revenue increased by 1.81% over prior year. The increase in intergovernmental revenue is due to the additional one time grants and the state teachers' retirement money. Interest and liens decreased significantly, 15.87%, due to slow economy.

The table that follows assists in illustrating the expenditures of the General Fund.

	2014 Amount	2013 Amount	Percentage Change
Expenditures			
General government	\$ 2,975,880	\$ 2,806,242	6.05%
Public safety	6,865,992	6,701,942	2.45%
Public works	3,102,918	3,257,668	-4.75%
Sanitation	1,254,272	1,249,305	0.40%
Sundry	2,504,613	2,458,313	1.88%
Board of Education	35,087,291	33,091,150	6.03%
Debt service	4,766,422	4,413,998	7.98%
Capital outlay	-	208,308	100.00%
Total	\$ 56,557,388	\$ 54,186,926	4.37%

All expenditures remained comparable to 2013 overall. Other department increases were attributed to contractual agreements.

Proprietary Funds

The Town's proprietary funds provide the same type of information found in the government-wide financial statements for business-type activities, except in more detail. The only difference between the amounts reported as business-type activities and the amounts reported in the proprietary fund statements are inter-fund eliminations between proprietary funds and internal balances due to governmental activities for internal service activities. The only inter-fund activity, reported in the government-wide statements, are those between business-type activities and governmental activities (reported as internal balances and transfers) whereas inter-fund amounts between various enterprise funds are reported in the proprietary funds statements.

Capital Assets and Debt Administration

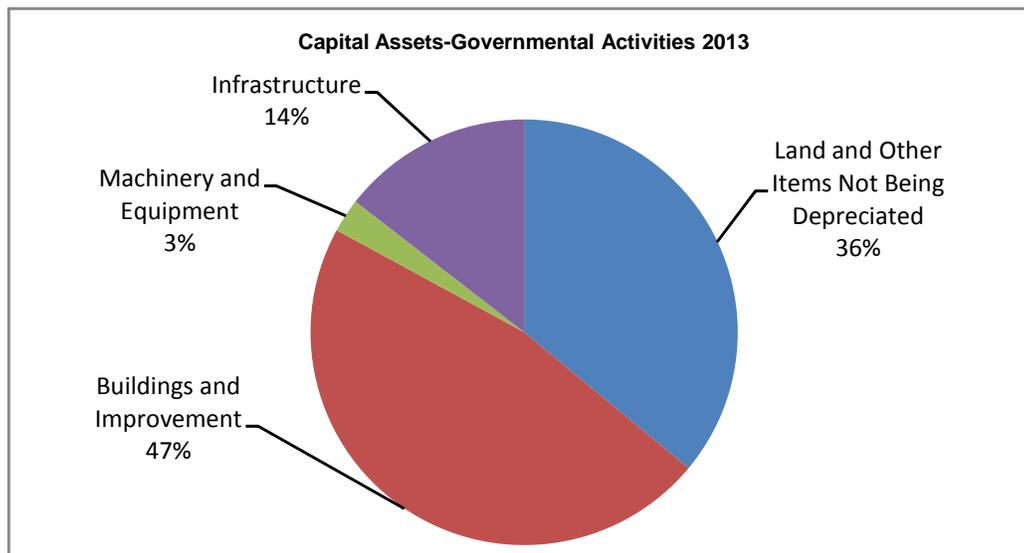
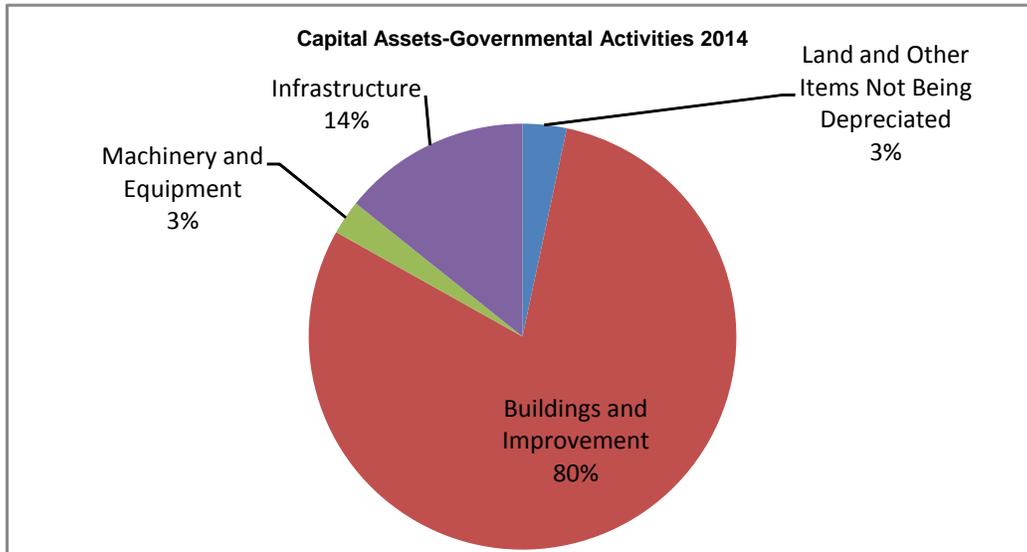
Capital Assets

At the end of fiscal year 2014, the Town had \$99,779,640 (net of accumulated depreciation) invested in land, buildings and improvements, improvements other than buildings, equipment, vehicles, infrastructure and construction in progress. The following table shows fiscal year 2014 balances compared to fiscal year 2013 balances.

**Capital Assets at June 30, 2014 and 2013
(Net of Depreciation)**

	2014	2013
Land and other items not being depreciated	\$ 3,222,974	\$ 35,765,319
Buildings and improvements	77,254,824	46,612,207
Machinery and equipment	2,515,389	2,544,386
Infrastructure	13,786,453	14,375,002
Total	\$ 96,779,640	\$ 99,296,914

The Town's largest capital asset category is buildings which includes all the Town's buildings. The net book value of the Town's infrastructure (cost less accumulated depreciation) represents approximately 14% of the Town's total governmental capital assets.



Debt Administration

The Town had the following long-term obligations outstanding at June 30, 2014 and 2013.

	Governmental Activities	
	2014	2013
Retirement liability	\$ 84,487	\$ 360,472
Bonds, capital leases, claims and contracts	41,818,801	41,195,998
OPEB	8,396,349	6,959,242
Compensated absences	3,333,079	3,008,040
Total	\$ 53,632,716	\$ 51,523,752

Contacting the Town's Financial Management

This financial report is designed to provide our citizens, taxpayers, 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 Director at 1 First Street, Seymour, Connecticut 06483.

This page intentionally left blank.

Basic Financial Statements

Statement of Net Position
June 30, 2014

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Cash	\$ 8,296,236	\$ 570,721	\$ 8,866,957
Property taxes receivable, net	2,338,620	-	2,338,620
Intergovernmental receivable	254,090	-	254,090
Accounts and other receivables, net	4,377,366	703,116	5,080,482
Inventories	14,641	-	14,641
Restricted cash	2,467,778	-	2,467,778
Capital assets, nondepreciable	3,222,974	7,256,192	10,479,166
Capital assets, net of accumulated depreciation	93,556,666	-	93,556,666
Total assets	114,528,371	8,530,029	123,058,400
Deferred Outflows of Resources			
Deferred charges on refunding	386,565	-	386,565
Total deferred outflows of resources	386,565	-	386,565
Liabilities			
Accounts payable	2,342,891	-	2,342,891
Accrued liabilities	654,855	-	654,855
Accrued interest payable	639,403	-	639,403
Unearned revenue	98,485	-	98,485
Bond anticipation notes payable	2,785,000	-	2,785,000
Noncurrent liabilities, due within one year	5,469,830	-	5,469,830
Noncurrent liabilities, due in more than one year	48,162,886	-	48,162,886
Total liabilities	60,153,350	-	60,153,350
Net Position			
Net investment in capital assets	57,321,414	7,256,192	64,577,606
Restricted	1,000	-	1,000
Unrestricted (Deficit)	(2,560,828)	1,273,837	(1,286,991)
Total net position	\$ 54,761,586	\$ 8,530,029	\$ 63,291,615

See Notes to Financial Statements.

**Statement of Activities
For the Year Ended June 30, 2014**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities							
General government	\$ (3,486,981)	\$ 491,837	\$ 193,040	\$ -	\$ (2,802,104)	\$ -	\$ (2,802,104)
Public safety	(8,072,815)	92,630	151,385	-	(7,828,800)	-	(7,828,800)
Public works	(4,182,171)	399,291	758,138	172,057	(2,852,685)	-	(2,852,685)
Recreation and culture	(2,704,796)	-	-	-	(2,704,796)	-	(2,704,796)
Sanitation	(1,271,893)	-	-	-	(1,271,893)	-	(1,271,893)
Board of Education	(40,937,310)	645,753	16,770,730	-	(23,520,827)	-	(23,520,827)
Interest on long-term debt	(1,601,667)	-	-	-	(1,601,667)	-	(1,601,667)
Total governmental activities	(62,257,633)	1,629,511	17,873,293	172,057	(42,582,772)	-	(42,582,772)
Business-Type activities:							
Sewer Fund	(1,916,033)	1,514,981	-	-	-	(401,052)	(401,052)
Total business-type activities	(1,916,033)	1,514,981	-	-	-	(401,052)	(401,052)
Total primary government	\$ (64,173,666)	\$ 3,144,492	\$ 17,873,293	\$ 172,057	(42,582,772)	(401,052)	(42,983,824)
		General Revenues					
		Property taxes, interest and lien fees			40,669,725	-	40,669,725
		Grants and contributions not restricted to specific programs			614,771	-	614,771
		Unrestricted investment earnings			94,200	220	94,420
		Transfers			(271,596)	271,596	-
		Total general revenues and transfers			41,107,100	271,816	41,378,916
		Change in net position			(1,475,672)	(129,236)	(1,604,908)
		Net Position, beginning of year (restated) - Note 6			56,237,258	8,659,265	64,896,523
		Net Position, end of year			\$ 54,761,586	\$ 8,530,029	\$ 63,291,615

See Notes to Financial Statements.

Balance Sheet - Governmental Funds
June 30, 2014

	General	Nonmajor Governmental Funds	Total Governmental Funds
Assets			
Cash	\$ 7,584,666	\$ 3,179,348	\$ 10,764,014
Receivables, net:			
Property taxes	1,740,655	-	1,740,655
Intergovernmental	-	254,090	254,090
Accounts and other	4,356,919	20,447	4,377,366
Due from other funds	95,835	89,171	185,006
Inventories	-	14,641	14,641
Total assets	\$ 13,778,075	\$ 3,557,697	\$ 17,335,772
Liabilities			
Accounts and other payables	\$ 2,317,130	\$ 25,761	\$ 2,342,891
Due to other funds	73,174	111,832	185,006
Unearned revenues	40,638	57,847	98,485
Bond anticipation notes payable	-	2,785,000	2,785,000
Other liabilities	654,855	-	654,855
Total liabilities	3,085,797	2,980,440	6,066,237
Deferred inflows of resources			
Unavailable revenue	5,622,324	56,928	5,679,252
Total deferred inflows of resources	5,622,324	56,928	5,679,252
Fund Balances			
Nonspendable	-	15,641	15,641
Restricted	-	1,064,121	1,064,121
Committed	-	376,574	376,574
Assigned	458,652	-	458,652
Unassigned	4,611,302	(936,007)	3,675,295
Total fund balances	5,069,954	520,329	5,590,283
Total liabilities, deferred inflows of resources and fund balances	\$ 13,778,075	\$ 3,557,697	\$ 17,335,772

(Continued)

Balance Sheet - Governmental Funds (Continued)
June 30, 2014

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

Amounts reported for governmental activities in the statement of net position (Exhibit I) are different from the governmental fund balance sheet. The details of this difference are as follows:

Total fund balances (Exhibit III)	\$ 5,590,283
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:	
Governmental capital assets	\$ 143,769,385
Less accumulated depreciation	<u>(46,989,745)</u>
	96,779,640
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds:	
Property tax receivables greater than 60 days	1,522,492
Assessments and other receivables not currently available	4,156,760
Interest on property taxes and assessments	597,965
Some liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds:	
Bonds and sewer notes payable	(36,465,000)
Notes payable	(1,190,000)
Compensated absences	(3,333,079)
Accrued interest payable	(639,403)
Early retirement incentives	(84,487)
Capital lease	(125,209)
Workers' compensation claims	(2,497,797)
Legal claims	(180,000)
Other post-employment obligation	(8,396,349)
Deferred amounts in refunding	386,565
Bond premium	<u>(1,360,795)</u>
Net Position of Governmental Activities (Exhibit I)	<u><u>\$ 54,761,586</u></u>

See Notes to Financial Statements.

Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits) - Governmental Funds
For the Year Ended June 30, 2014

	General	Nonmajor Governmental Funds	Total Governmental Funds
Revenues			
Property taxes	\$ 40,127,961	\$ -	\$ 40,127,961
Interest and lien fees	339,840	-	339,840
Intergovernmental	15,102,416	3,323,775	18,426,191
Investment income	22,525	71,675	94,200
Permits, fees and other	1,141,054	651,545	1,792,599
Other revenues	57,976	257,533	315,509
Total revenues	56,791,772	4,304,528	61,096,300
Expenditures			
Current:			
General government	2,975,880	152,245	3,128,125
Public safety	6,865,992	43,861	6,909,853
Public works	3,102,918	-	3,102,918
Sanitation	1,254,272	-	1,254,272
Sundry	2,504,613	118,409	2,623,022
Board of Education	35,087,291	3,148,219	38,235,510
Debt service	4,766,422	414,790	5,181,212
Capital outlay	-	713,661	713,661
Total expenditures	56,557,388	4,591,185	61,148,573
Revenues over (under) expenditures	234,384	(286,657)	(52,273)
Other Financing Sources (Uses)			
Issuance of bonds	-	3,710,000	3,710,000
Premium on bonds	-	230,242	230,242
Transfers in	-	236,753	236,753
Transfers out	(508,349)	-	(508,349)
Total other financing sources (uses)	(508,349)	4,176,995	3,668,646
Net changes in fund balances (deficits)	(273,965)	3,890,338	3,616,373
Fund Balances (Deficits), beginning of year	5,343,919	(3,370,009)	1,973,910
Fund Balances, end of year	\$ 5,069,954	\$ 520,329	\$ 5,590,283

(Continued)

**Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits) -
Governmental Funds (Continued)
For the Year Ended June 30, 2014**

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

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

Net change in fund balances (deficits) - total governmental funds (Exhibit IV)	\$ 3,616,373
--	--------------

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

Capital outlay	706,108
Loss on disposal of assets	(47,226)
Depreciation expense	(3,342,802)

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:

Changes in property taxes collected after 60 days	217,705
Changes in assessments collected after 60 days	(301,595)
Changes in intergovernmental revenues collected after 60 days	56,928
Changes in property taxes and assessments interest	(15,781)

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

Issuance of debt	(3,710,000)
Premium on debt issuance	(181,365)
Amortization of premium on general obligation bonds	187,606
Amortization of deferred amount in refunding	(46,685)
Principal payments	3,560,000
Capital lease payments	39,480

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

Accrued interest	(65,829)
Change in other post-employment obligation	(1,437,107)
Compensated absences	(325,039)
Workers compensation claims	(338,524)
Claims and other	(323,904)
Early retirement incentives	275,985

Change in Net Position of Governmental Activities (Exhibit II)	<u>\$ (1,475,672)</u>
--	-----------------------

See Notes to Financial Statements.

**Statement of Net Position - Proprietary Funds
June 30, 2014**

	Business-Type Activities
	<u>Enterprise Fund</u>
	<u>Sewer Fund</u>
<hr/>	
Assets	
Current Assets	
Cash and cash equivalents	\$ 570,721
Accounts receivable, net	703,116
Total current assets	<u>1,273,837</u>
Noncurrent Assets	
Capital assets, net of accumulated depreciation	7,256,192
Total noncurrent assets	<u>7,256,192</u>
Total assets	<u>8,530,029</u>
Fund Net Position	
Net investment in capital assets	7,256,192
Unrestricted	1,273,837
Total fund net position	<u>\$ 8,530,029</u>

See Notes to Financial Statements.

**Statement of Revenues, Expenses and Changes in Fund Net Position - Proprietary Funds
For the Year Ended June 30, 2014**

	Business-Type Activities
	<u>Enterprise Fund</u>
	<u>Sewer Fund</u>
Operating Revenues	
Charges for services	\$ 1,491,295
Other	23,686
Total operating revenues	<u>1,514,981</u>
Operating Expenses	
Administration and operation	1,390,487
Depreciation	525,546
Total operating expenses	<u>1,916,033</u>
Operating(loss)	<u>(401,052)</u>
Nonoperating Revenues	
Interest income	220
Total nonoperating revenues	<u>220</u>
Net loss before transfers	(400,832)
Transfers in	<u>271,596</u>
Change in fund net position	(129,236)
Fund Net Position, beginning of year	<u>8,659,265</u>
Fund Net Position, end of year	<u>\$ 8,530,029</u>

See Notes to Financial Statements.

**Statement of Cash Flows - Proprietary Funds
For the Year Ended June 30, 2014**

	Business-Type Activities
	Enterprise Fund
	Sewer Fund
Cash Flows From Operating Activities	
Receipts from customers	\$ 1,453,123
Payments to suppliers	(1,390,487)
Net cash provided by operating activities	<u>62,636</u>
Cash Flows From Noncapital Financing Activities	
Transfers in	271,596
Principal payments on bonds	(271,596)
Net cash used in noncapital financing activities	<u>-</u>
Cash Flows From Investing Activities	
Investment income	220
Net cash provided by investing activities	<u>220</u>
Net increase in cash and cash equivalents	62,856
Cash and Cash Equivalents	
Beginning of year	<u>507,865</u>
End of year	<u><u>\$ 570,721</u></u>
Reconciliation of Operating (Loss) to Net Cash Provided by Operating Activities	
Operating loss	\$ (401,052)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation expense	525,546
Increase in accounts receivable	(61,840)
Decrease in due to other funds	(18)
Net cash provided by operating activities	<u><u>\$ 62,636</u></u>

See Notes to Financial Statements.

Statement of Fiduciary Net Position - Fiduciary Funds
 June 30, 2014

	Private Purpose Trust Funds	Agency Funds
Assets		
Cash	\$ 5,465	\$ 113,023
Investments	1,579,522	-
Total assets	<u>1,584,987</u>	<u>113,023</u>
Liabilities		
Due to others	-	113,023
Total liabilities	<u>-</u>	<u>113,023</u>
Net Position	<u>\$ 1,584,987</u>	<u>\$ -</u>

See Notes to Financial Statements.

**Statement of Changes in Fiduciary Net Position - Fiduciary Funds
For the Year Ended June 30, 2014**

	Private Purpose Trust Funds
<hr/>	
Additions	
Investment gain	\$ 172,595
Interest and dividends	70,020
Donations	1,150
Net additions	<u>243,765</u>
Deductions	
Education	67,421
General government	17,367
Total deductions	<u>84,788</u>
Change in net position	158,977
Net Position	
Beginning of year	<u>1,426,010</u>
End of year	<u><u>\$ 1,584,987</u></u>

See Notes to Financial Statements.

Town of Seymour, Connecticut

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies

Reporting Entity: The Town of Seymour, Connecticut (the Town) was incorporated in 1850. It operates under a Town Meeting form of government. The Town has an executive seven-member Board of Selectmen. The Town provides a full range of services including public safety (police and fire), public works, health and social services, recreation and cultural services, sanitation, education and general administrative services to its residents.

Accounting principles generally accepted in the United States of America require that the reporting entity include 1) the primary government, 2) organizations for which the primary government is financially accountable, and 3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. No entities met the above criteria for inclusion in the financial statements.

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

Accounting Standards Adopted in the Current Year:

GASB Statement No. 65, Items Previously Reported as Assets and Liabilities, was implemented as July 1, 2013. This statement clarified the appropriate reporting of deferred outflows of resources and deferred inflows of resources to ensure consistency in financial reporting. As a result of the adoption of this standard, deferred amounts on refundings were required to be reclassified to Deferred Outflows of Resources. In addition, amounts previously classified as deferred revenue were reclassified as deferred inflows of resources.

Government-wide and Fund Financial Statements: The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which are normally 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.

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

The various fund types included in the financial statements are described below:

Governmental Funds: Governmental Funds are those through which most governmental functions typically are financed.

Town of Seymour, Connecticut

Notes to Financial Statements

Note 1. Significant Accounting Policies (Continued)

Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid.

The *General Fund* is the primary operating fund of the Town. This fund is used to account for and report all financial transactions and resources except those required to be accounted for in another fund. Revenues are derived primarily from property taxes, state and federal grants, licenses, permits, charges for service and interest income.

Special Revenue Funds account for and report the proceeds of specific revenue sources that are restricted or committed for expenditure for specific activities other than debt service or capital projects.

Capital Project Funds account for and report all financial resources that are restricted, committed or assigned to expenditure for capital outlay.

Permanent Funds are used to account for and report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the Town's programs.

Proprietary Funds: Proprietary funds are used to account for activities that are similar to those often found in the private sector. These funds are accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting.

Enterprise Funds account for operations that are financed in a manner similar to private business enterprises, where the intent is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The Sewer Fund is the Town's only enterprise fund.

Fiduciary Funds: Fiduciary Funds are used to account for assets held by the Town in a trustee capacity or as an agent for individuals, private organizations and other governments. Fiduciary funds are not included in the government-wide statements. The fiduciary funds are as follows:

Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operation.

Private Purpose Trust Funds are used to account for resource legally held in trust for the benefit of individuals, private organizations or other governments.

Town of Seymour, Connecticut

Notes to Financial Statements

Note 1. Significant Accounting Policies (Continued)

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 the fiduciary fund financial statements. The agency funds are reported using the accrual basis of accounting but do not have a measurement focus. 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 when levied for. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

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

The Town reports the following major governmental fund:

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 General Fund pays all general operating expenditures, debt service and the capital improvement costs of the Town which are not paid through other funds. The fund will also liquidate the liability for compensated absences and other post-employment benefit obligations.

The Town reports the following major enterprise fund:

The *Sewer Fund* accounts for the operations of the Town's sanitary sewer system. The major source of revenue is user fees.

As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements. Interfund services provided and used are not eliminated in the process of consolidation. Exceptions to this general rule are charges between the proprietary funds and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

Town of Seymour, Connecticut

Notes to Financial Statements

Note 1. Significant Accounting Policies (Continued)

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. Operating expenses for proprietary funds, include the cost of operations and maintenance, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Cash Equivalents: For purposes of reporting cash flows, all savings, checking, money market accounts and certificates of deposit with an original maturity of less than three months are considered to be cash equivalents. The Town does not have any cash equivalents in the current year.

Investments: Investments are stated at fair value, based on quoted market prices.

Interfunds: Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

Property Taxes: The Town's property tax is levied each July 1, on the assessed value listed on the prior October 1, Grand List for all taxable property located in the Town. Although taxes are levied in June, the legal right to attach the property does not exist until July 1. Therefore, taxes are due and payable in equal installments on July 1, and January 1, following the date of the Grand List. Interest of 1½% per month is charged on delinquent taxes. Liens are effective on the attachment date and are continued by filing prior to the following levy date. Additional property taxes are assessed for motor vehicles registered subsequent to the Grand List date through July 31, and are payable in one installment due January 1. An amount of \$129,000 has been established as an allowance for uncollectible taxes. At June 30, 2014, this represents approximately 7% of all property taxes receivable. All trade and property tax receivables are reported net of an allowance for uncollectibles.

Restricted Assets: The restricted assets for the Town are restricted for capital project purposes. This amount relates to unspent bond proceeds which are used for the acquisition of capital assets.

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

Allowance for Doubtful Accounts: Accounts receivable including property taxes receivable for the primary government are reported net of an allowance for doubtful accounts. The allowance for doubtful accounts represents those accounts which are deemed uncollectible based upon past collection history and an assessment of the creditor's ability to pay.

Capital Assets: Capital assets, which include property, plant and 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 and enterprise fund financial statements. Capital assets are defined by the government as assets with an initial individual cost of more than \$5,000 with 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.

Town of Seymour, Connecticut

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. Land and construction in progress are not depreciated. Property, plant and equipment, and infrastructure assets of the Town are depreciated using the straight-line method over the following estimated useful lives.

Assets	Years
Land improvements	20
Buildings	25-50
Building improvements	25-50
Infrastructure	10-65
Machinery and equipment	5-20
Vehicles	8

Capital outlay (assets) are reported as expenditures and no depreciation expense is reported in the governmental fund financial statements.

Compensated Absences: Compensated absences of the Town consist of vacation and sick leave to the extent that payment to the employee for these absences is attributable to services already rendered and are not contingent on a specific event that is outside the control of the Town and the employee. Town employees are granted vacation and sick leave in varying amounts. In the event of termination, an employee is reimbursed for accumulated vacation and sick leave at various rates. Vacation pay expenses to be paid in future periods are accrued when incurred in the government-wide and enterprise fund financial statements. The total liability for vacation and sick leave payments has been calculated using pay rates in effect at the balance sheet date, and reduced to the maximum payment allowed by labor contract and/or statute, plus applicable additional salary related payments. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. Compensated absences are generally paid out of the General Fund.

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

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

Town of Seymour, Connecticut

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

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

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period or periods and so will not be recognized as an inflow of resources (revenue) until that time. The Town reports advance property tax collections in the government-wide statement of net position and in the governmental funds balance sheet. 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. 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, grants and charges for services. These amounts are deferred and recognized as an inflow of resources (revenue) in the period in which the amounts become available.

Other Post-Employment Obligations (OPEB) Accounting:

Government Activities and Governmental Funds: In governmental funds, expenditures are recognized when they are paid or are expected to be paid with current available resources. In governmental activities, expense is recognized based on actuarially required contributions. The net OPEB obligation, the cumulative difference between annual OPEB cost and the Town's contributions to the plan since July 1, 2007, is calculated on an actuarial basis consistent with the requirements of Government Accounting Standards Board Statement No. 45. The OPEB obligation (OPEB) is recorded as a noncurrent liability in the government-wide financial statements.

Funding Policy: The Town makes annual contributions under the pay-as-you-go method.

Net Position and Fund Balance:

Net Position: In the government-wide financial statements and proprietary fund financial statements, net position is classified in the following categories:

Net Investment in Capital Assets – This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt net of unspent bond proceeds that are attributable to the acquisition, construction or improvement of these assets reduce this category.

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

Unrestricted Net Position – This category represents the net position of the Town, which is not restricted for any project or other purpose. A deficit will require future funding.

Town of Seymour, Connecticut

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Fund Balance: In the government fund financial statements, the Town classifies fund balances as follows:

- *Nonspendable Fund Balance* – Amounts which cannot be spent either because they are in a nonspendable form or because they are legally or contractually required to be maintained intact.
- *Restricted Fund Balance* – These amounts are restricted to specific purposes when constraints placed on the use of resources are either (a) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislations.
- *Committed Fund Balance* – This represents amounts constrained prior to year-end for a specific purpose by the Town using its highest level of decision-making authority (Town of Seymour, Board of Finance) in the form of an ordinance. Once adopted, the limitation imposed by the ordinance remains in place until similar action is taken to remove or revise the limitation.
- *Assigned Fund Balance* – Amounts constrained for the intent to be used for a specific purpose by the Director of Finance that has been delegated authority to assign amounts by the Board of Finance.
- *Unassigned Fund Balance* – The residual amount not allocated to any other fund balance categories in the General Fund and any residual deficit balance of any other governmental funds. A deficit will require future funding.

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

The Town has a no minimum fund balance policy.

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

Note 2. Detailed Notes on All Funds

Cash 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.

Town of Seymour, Connecticut

Notes to Financial Statements

Note 2. Detailed Notes on All Funds (Continued)

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

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

Based on the criteria described in GASB Statement No. 40, Deposits and Investment Risk Disclosures, \$12,453,040 of the Town's bank balance of \$13,504,967 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 11,207,736
Uninsured and collateral held by the pledging bank's trust department, not in the Town's name	1,245,304
Total amount subject to custodial credit risk	\$ 12,453,040

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

Investment Type	Credit Rating	Fair Value	Investment Maturities (in Years)		
			Less Than 1 Year	1-10 Years	More Than 10 Years
Mutual Funds	N/A	\$ 1,579,522	\$ -	\$ -	\$ -

N/A - Not Rated

Investment Custodial Credit Risk: Custodial credit risk 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.

Credit Risk: The Town has no investment policy that would limit its investment choices due to credit risk other than State Statutes governing investments in obligations of any state or political subdivision or in obligations of the State of Connecticut or political subdivision.

Town of Seymour, Connecticut

Notes to Financial Statements

Note 2. Detailed Notes on All Funds (Continued)

Concentration of Credit Risk: The Town places no limit on the amount invested in any one issuer. No more than 5% of the Town's investments were invested in any one issuer in which credit risk was applicable.

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.

Receivables: Receivables by type at year-end for the Town's government-wide financial statements, including the applicable allowances for uncollectible accounts, are as follows:

	General	Nonmajor Governmental Funds	Sewer	Total
Receivables				
Taxes	\$ 1,870,595	\$ -	\$ -	\$ 1,870,595
Accounts and other	257,087	20,447	763,116	1,040,650
Sewer Assessment	2,879,579	-	-	2,879,579
Water Assessment	1,220,253	-	-	1,220,253
Intergovernmental	-	254,090	-	254,090
Gross receivables	6,227,514	274,537	763,116	7,265,167
Less allowance for collection losses	129,940	-	60,000	189,940
Net receivables	\$ 6,097,574	\$ 274,537	\$ 703,116	\$ 7,075,227

Governmental funds report deferred inflows of resources in connection with receivables that are not considered to be available to liquidate liabilities of the current period. Governmental funds also record unearned revenue in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of deferred inflows of resources and unearned revenue reported in the governmental funds were as follows:

	Unavailable	Unearned
General Fund		
Delinquent property taxes receivable	\$ 1,522,492	\$ -
Water assessments receivable	1,220,253	-
Sewer assessments receivable	2,879,579	-
Other revenues	-	40,638
Nonmajor Governmental Fund		
Various education grants	56,928	57,847
	\$ 5,679,252	\$ 98,485

Town of Seymour, Connecticut

Notes to Financial Statements

Note 2. Detailed Notes on All Funds (Continued)

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

	General Fund	Nonmajor Governmental Funds	Total
Fund Balance			
Nonspendable:			
Endowment	\$ -	\$ 1,000	\$ 1,000
Inventory	-	14,641	14,641
	-	15,641	15,641
Restricted to:			
Grants	-	398,356	398,356
Bonds	-	576,906	576,906
User fees	-	88,859	88,859
	-	1,064,121	1,064,121
Committed to:			
Public works	-	45,454	45,454
Public safety	-	82,133	82,133
Education	-	100,985	100,985
Library	-	148,002	148,002
	-	376,574	376,574
Assigned to:			
General government-encumbrances	83,926	-	83,926
Public works - encumbrances	49,808	-	49,808
Public safety - encumbrances	133,900	-	133,900
Sundry - encumbrances	31,256	-	31,256
Sanitation - encumbrances	21,165	-	21,165
Education - encumbrances	138,596	-	138,596
	458,651	-	458,651
Unassigned	4,611,303	(936,007)	3,675,296
Total fund balances	\$ 5,069,954	\$ 520,329	\$ 5,590,283

Significant encumbrances at June 30, 2014 are contained in the above table in the assigned category of the General Fund.

Town of Seymour, Connecticut

Notes to Financial Statements

Note 2. Detailed Notes on All Funds (Continued)

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

	Beginning Balance (restated)	Increases	Decreases	Ending Balance
Governmental Activities				
Capital assets, not being depreciated:				
Land	\$ 3,192,873	\$ 20,000	\$ -	\$ 3,212,873
Construction in progress	32,572,446	10,100	(32,572,445)	10,101
Total capital assets, not being depreciated	35,765,319	30,100	(32,572,445)	3,222,974
Capital assets, being depreciated:				
Buildings and improvements	65,043,551	32,604,755	-	97,648,306
Machinery and equipment	4,180,460	180,724	(185,131)	4,176,053
Vehicles	5,756,806	276,582	-	6,033,388
Infrastructure	32,502,272	186,392	-	32,688,664
Total capital assets being depreciated	107,483,089	33,248,453	(185,131)	140,546,411
Less accumulated depreciation for:				
Buildings and improvements	18,431,344	1,962,138	-	20,393,482
Machinery and equipment	3,034,214	250,904	(137,905)	3,147,213
Vehicles	4,192,020	354,819	-	4,546,839
Infrastructure	18,127,270	774,941	-	18,902,211
Total accumulated depreciation	43,784,848	3,342,802	(137,905)	46,989,745
Total capital assets, being depreciated, net	63,698,241	29,905,651	(47,226)	93,556,666
Governmental activities capital assets, net	\$ 99,463,560	\$ 29,935,751	\$ (32,619,671)	\$ 96,779,640
	Beginning Balance	Increases	Decreases	Ending Balance
Business-Type Activities				
Capital assets, being depreciated:				
Buildings and improvements	\$ 9,458,649	\$ -	\$ -	\$ 9,458,649
Land improvements	222,630	-	-	222,630
Machinery and equipment	9,785,588	-	-	9,785,588
Licensed vehicles	479,847	-	-	479,847
Total capital assets, being depreciated	19,946,714	-	-	19,946,714
Less accumulated depreciation for:				
Buildings and improvements	4,410,799	193,380	-	4,604,179
Land improvements	222,630	-	-	222,630
Machinery and equipment	7,217,641	329,538	-	7,547,179
Licensed vehicles	313,906	2,628	-	316,534
Total accumulated depreciation	12,164,976	525,546	-	12,690,522
Business-Type Activities Capital Assets, Net	\$ 7,781,738	\$ (525,546)	\$ -	\$ 7,256,192

Town of Seymour, Connecticut

Notes to Financial Statements

Note 2. Detailed Notes on All Funds (Continued)

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

Governmental Activities	
General government	\$ 20,263
Public works	903,038
Public safety	472,009
Sundry	81,774
Education	1,865,718
Total depreciation expense – governmental activities	\$ 3,342,802
Business-Type Activities	
Sewer Operating	\$ 525,546

Interfund Receivables, Payables and Transfers: Interfund loans were generally used to transfer monies as a result of issuing bonds. The composition of interfund balances as of June 30, 2014 is as follows:

	Due From Other Funds	Due To Other Funds
General Fund	\$ 95,835	\$ 73,174
Nonmajor governmental funds and other	89,171	111,832
	\$ 185,006	\$ 185,006

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

A summary of interfund transfers is presented below:

	Chatfield LoPresti	Sewer	Nonmajor Governmental	Total
Transfers out:				
General Fund	\$ 11,753	\$ 271,596	\$ 225,000	\$ 508,349

Interfund transfers from the General Fund are generally used to supplement revenues of other funds as need arises.

Town of Seymour, Connecticut

Notes to Financial Statements

Note 2. Detailed Notes on All Funds (Continued)

Long-Term Debt

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

	Balance as restated	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities					
Bonds payable	\$ 36,355,000	\$ 3,460,000	\$ (3,350,000)	\$ 36,465,000	\$ 3,835,000
Premiums	1,367,036	181,365	(187,606)	1,360,795	-
Total bonds payable	37,722,036	3,641,365	(3,537,606)	37,825,795	3,835,000
Notes payable	1,150,000	250,000	(210,000)	1,190,000	335,000
Capital leases	164,689	-	(39,480)	125,209	40,587
Compensated absences	3,008,040	945,563	(620,524)	3,333,079	666,616
OPEB	6,959,242	1,437,107	-	8,396,349	-
Workers compensation claims	2,159,273	1,194,373	(855,849)	2,497,797	773,751
Retirement obligations	360,472	-	(275,985)	84,487	31,355
Claims and other	-	180,000	-	180,000	45,000
Total governmental activities	\$ 51,523,752	\$ 7,648,408	\$ (5,539,444)	\$ 53,632,716	\$ 5,727,309

For the governmental activities, compensated absences, retirement obligations, OPEB, workers compensation claims and claims and other are generally liquidated by the General Fund.

General Obligation Bonds: The Town issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities.

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

Description	Date of Issue	Maturity	Interest Rate (%)	Amount of Original Issue	Annual Principal	Balance Outstanding June 30, 2014
Refunding Bonds issued 2004B	2004	2019	3.0%-5.0%	\$ 9,915,000	\$45,000-\$1,150,000	\$ 6,745,000
Refunding Bonds issued 2010B	2010	2025	2.0%-5.0%	12,145,000	520,000-945,000	10,415,000
Refunding Bonds issued 2011A	2011	2017	2.4%-4.45%	3,215,000	500,000-720,000	2,080,000
School Bonds issued 2011	2011	2032	2.5%-5.0%	5,995,000	220,000-325,000	5,775,000
Public and School Improvement	2007	2022	4.0%-4.375%	3,660,000	195,000-335,000	2,590,000
School Bonds issued 2010	2010	2031	2.0%-5.0%	6,000,000	300,000	5,400,000
Public equipment bonds issued 2013	2013	2022	2.5%-4.25%	3,460,000	100,000-250,000	3,460,000
Total outstanding						\$ 36,465,000

Town of Seymour, Connecticut

Notes to Financial Statements

Note 2. Detailed Notes on All Funds (Continued)

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

	Governmental Activities	
	Principal	Interest
2015	\$ 3,835,000	\$ 1,350,535
2016	3,860,000	1,223,894
2017	3,875,000	1,088,107
2018	3,155,000	951,504
2019	3,155,000	824,048
2020-2024	11,040,000	2,574,220
2025-2029	4,870,000	969,688
2030-2034	2,675,000	217,094
	<u>\$ 36,465,000</u>	<u>\$ 9,199,090</u>

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

Category	Debt Limitation	Indebtedness	Balance
General purpose	\$ 91,311,426	\$ 15,833,155	\$ 75,478,271
Schools	182,622,852	19,387,574	163,235,278
Sewers	152,185,710	5,566,838	146,618,872
Urban renewal	131,894,282	-	131,894,282
Pension deficit	121,748,568	-	121,748,568

The total overall statutory debt limit for the Town is equal to seven times annual receipts from taxation, or \$284,079,992. All long-term debt obligations are retired through General Fund appropriations. The indebtedness reflected above includes bonds and notes outstanding in addition to the amounts of bonds authorized and unissued against which bond anticipation notes are issued and outstanding.

Town of Seymour, Connecticut

Notes to Financial Statements

Note 2. Detailed Notes on All Funds (Continued)

Notes Payable: The Town has two tax exempt serial notes with Webster Bank, one issued on October 23, 2013 for \$250,000 and one issued on May 1, 2013 for \$850,000 with interest rates of 1.75%. The Town also has a \$300,000 taxable serial note issued May 1, 2013 with Webster Bank with an interest rate of 2.15%. Annual debt service requirements to maturity for these notes are as follows:

	Notes Payable	
	Principal	Interest
2015	\$ 335,000	\$ 20,819
2016	330,000	14,506
2017	105,000	9,315
2018	105,000	7,452
2019	105,000	5,589
2020-2021	210,000	5,599
	<u>\$ 1,190,000</u>	<u>\$ 63,280</u>

Bond Anticipation Notes: The Town uses bond anticipation notes during the construction period of various public projects prior to the issuance of the bonds at the completion of the project.

Bond anticipation note transactions for the year ended June 30, 2014 were as follows:

Outstanding July 1, 2013	\$ 6,220,000
New borrowings	2,785,000
Repayments	(6,220,000)
Outstanding June 30, 2014	<u><u>\$ 2,785,000</u></u>

The bond anticipation notes bearing a net interest cost of 2.0% were issued on August 1, 2013 and matured on July 31, 2014.

Subsequent Events: On August 1, 2014, the Town issued the following:

- \$5,270,000 of general obligation refunding bonds with interest rates ranging from 2.0%-5.0%.
- \$1,575,000 general obligation bond anticipation notes with an interest rate of 1.0%, maturing on July 30, 2015.

Authorized but Unissued Bonds: The total of authorized but unissued bonds at June 30, 2014 is \$347,567. In most cases, interim financing is obtained through bond anticipation notes or other short-term borrowings until the issuance of long-term debt.

Capital Leases: The Town has entered into lease agreements as lessee for financing the acquisition of fire trucks, public works equipment and data processing equipment. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date.

Town of Seymour, Connecticut

Notes to Financial Statements

Note 2. Detailed Notes on All Funds (Continued)

The assets acquired through capital leases are as follows:

Asset	<u>Governmental Activities</u>
Equipment	\$ 570,086
Less: Accumulated depreciation	486,762
Total	<u><u>\$ 83,324</u></u>

The future minimum lease obligation and the net present value of minimum lease payments as of June 30, 2014 were as follows:

<u>Capital Lease Future Payments Year Ending June 30,</u>	<u>Amount</u>
2015	\$ 44,100
2016	44,100
2017	44,100
Less Portion Representing Interest	(7,091)
Total future principal payments	<u><u>\$ 125,209</u></u>

Early Retirement Incentive Plan: The Board of Education offers an early retirement incentive plan at least once within a three-year contract period for certified staff (teachers and administrators). The range of compensation is from \$2,700 to \$14,025 per year, per person, for 5 years and is offered to certified staff who have been employed by the Board of Education for at least 12 years.

At June 30, 2014, 8 individuals are receiving benefits under this plan through 2018. A liability of \$84,487 is accrued in the government-wide statement of net position.

Deficit Fund Equity

For the year ended June 30, 2014, the following funds had deficit balances:

Nonmajor Governmental Funds	
EDC Grants	\$ 12,638
Federal Grants Receivable ARRA	9,439
Strand Theater Fund	37,001
High School Expansion	460,475
Chatfield LoPresti	416,454

These amounts will be funded through bonds, contributions and future revenues.

Town of Seymour, Connecticut

Notes to Financial Statements

Note 3. Employee Retirement Plans

Municipal Employees' Retirement System

Plan Description: The Town participates in the Municipal Employees' Retirement System (MERS). MERS is a cost-sharing, multiple employer public employee retirement system (PERS) defined benefit plan established by the State of Connecticut and administered by the State Retirement Commission to provide retirement and disability benefits, annual cost-of-living adjustments and death benefits to the employees and beneficiaries of participating municipalities. Chapter 113 Part II of the General Statutes of Connecticut, which can be amended by legislative action, establishes PERS benefits, member contribution rates and other plan provisions. MERS is considered to be a part of the State of Connecticut's financial reporting entity and is included in the State's financial report as a pension trust fund. MERS issues a financial report that may be obtained by writing to the State of Connecticut, Office of the State Comptroller, Municipal Employees' Retirement Fund, 55 Elm Street, Hartford, CT 06106.

Contributions Required and Contributions Made: Each participating municipality is required by State Statute to pay an actuarially determined percentage of covered payroll to provide for benefits based on current service. The current rate is 11.79% of covered payroll. The Statute also requires each municipality to pay an annual amount for benefits based on service prior to the unit's date of participation. This amount is a level dollar amortization (including interest and principal) over varying time periods depending on the unit's date of participation and other factors. The Town's required and actual contributions for the years ended June 30, 2014, 2013 and 2012 were \$1,103,981, \$934,891 and \$793,857, respectively.

Teachers' Retirement: Teachers participate in a contributory defined benefit plan established under Chapter 167a of the Connecticut General Statutes and administered by the Connecticut State Teachers'

Retirement Board. Full-time certified teachers are vested in the system after ten years of service in this state.

All certified teachers are eligible to participate in the plan and are required to contribute 7.25% of their annual earnings. The Board of Education does not contribute to the plan. Prior to July 1, 1989, teachers were vested in their contributions up to 5% of their earnings prior to five years of service. After five years of service, teachers were fully vested in their own contributions. After ten years of service, teachers are fully vested and entitled to a monthly pension benefit that is payable at the age of 60. The State of Connecticut contributes amounts based on the actuarial reserve basis described in C.G.S. Sections 10-1831 and 10-1832. The State's contribution to the plan on behalf of the Town for the fiscal year ended June 30, 2014 was \$3,775,000 and is recognized in the governmental funds GAAP-basis statement of revenues, expenditures and changes in fund balance and government-wide statement of activities. For the year ended June 30, 2014, teachers of the Town contributed \$1,103,981 to the plan, and covered payroll for the year was \$15,227,000.

Effective July 1, 1989, 1% of the mandatory 7% contribution is placed into a fund from which retirees' health insurance premiums will be paid. This 1% contribution is no longer credited to the member's individual account and does not vest.

Note 4. Other Post-Employment Benefits

Plan Description: The Town administers a medical benefit plan (MBP). The MBP is a single-employer defined benefit healthcare plan. The MPB provides medical benefits to eligible retirees and their spouses. All employees of the Town are eligible to participate in the plan. Benefit provisions are established through negotiations between the Town and the various unions representing the employees.

Town of Seymour, Connecticut

Notes to Financial Statements

Note 4. Other Post-Employment Benefits (Continued)

At July 1, 2011, plan membership consisted of the following:

	Medical Benefit Plan
Retired members	122
Spouses of retired members	55
Active plan members	242
Total participants	419

Funding Policy: The contribution requirements of plan members and the Town are negotiated with the various unions representing the employees. The Town makes contributions under the pay-as-you-go method. The Town contributes 100% of premiums for the following groups:

- Board of Education Custodians (retirees and spouse); post age 65, for Medicare supplement only.
- Board of Education Secretaries (retiree), pre-age 65, who retire from Seymour Public Schools with at least 30 years of service.
- Board of Education Secretaries (retiree and spouse), post-age 65, who retire from Seymour Public Schools with at least 30 years of service, Medicare supplement only.
- Police (retiree and spouse) pre and post age 65.
- Town Administrators (retiree), pre age 65, if retirement with at least 10 years of service.
- Town Administrators (retiree and spouse), post age 65.
- Town Hall (retiree), pre age 65, if retirement at age 55 with at least 10 years of service.
- Town Hall (retiree and spouse), post age 65.
- Public Works (retiree and spouse), pre age 65, hired prior to July 1, 1994.
- Public Works (retiree and spouse), post age 65.
- Life insurance for Town Administrators, Police, Public Works and Town Hall.

Retired plan members and beneficiaries currently receiving benefits that are not fully paid by the Town are required to contribute specified amounts (based on averages) monthly towards the cost of health insurance premiums as follows:

Town Employees: Town retirees (pre 65) receiving medical coverage under the plan contribute \$843/month for employee and \$976/month for the spouse. Retirees (post 65) receiving medical coverage under the plan contribute \$394/month for each the employee and the spouse. Retirees receiving dental coverage under the plan contribute \$36/month for employee and \$56/month for the spouse.

Board of Education Employees: Board of Education retirees (pre 65) receiving medical coverage under the plan contribute \$765/month for employee and \$864/month for the spouse. Retirees (post 65) receiving medical coverage under the plan contribute \$142/month for each the employee and the spouse. Retirees receiving dental coverage under the plan contribute \$31/month for employee and \$50/month for the spouse.

Town of Seymour, Connecticut

Notes to Financial Statements

Note 4. Other Post-Employment Benefits (Continued)

For the year ended June 30, 2014, plan members contributed \$329,652 for their share of premium payments. The Town is required to contribute the balance of the current premium cost and may contribute an additional amount as determined by the Town in order to prefund benefits.

Employer contributions to the plan of \$1,667,618 were made in accordance with actuarially determined requirements. Of this amount, \$949,940 represents premium payments, \$717,678 represents implicit rate subsidy and \$0 was contributed to prefund benefits.

Annual OPEB Cost and Net OPEB Obligations: The Town's annual other postemployment benefit (OPEB) cost is calculated based on the annual required contribution (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 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 Medical and Life Insurance Plan
Annual required contribution (ARC)	\$ 3,115,859
Interest on net OPEB obligation	278,370
Adjustment to annual required contribution	(289,504)
Annual OPEB cost	3,104,725
Contributions made	1,667,618
Increase in net OPEB obligation	1,437,107
Net OPEB obligation - beginning of year	6,959,242
Net OPEB obligation - end of year	<u>\$ 8,396,349</u>

The Town's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation three-year trend information is presented below:

Fiscal Year Ending	Annual OPEB Cost (AOC)	Actual Contribution	Percentage of AOC Contributed	Net Pension Obligation (Asset)
6/30/14	\$ 3,104,725	\$ 1,667,618	53.71%	\$ 8,396,349
6/30/13	2,937,622	1,560,298	53.11%	6,959,242
6/30/12	2,857,047	1,357,000	47.50%	5,581,918

Town of Seymour, Connecticut

Notes to Financial Statements

Note 4. Other Post-Employment Benefits (Continued)

The following is a summary of certain significant actuarial assumptions and other plan information:

	<u>Medical Benefit Plan</u>
Actuarial valuation date	7/1/2011
Actuarial cost method	Projected Unit Credit
Amortization method	Level Dollar Closed
Remaining amortization period	30 years
Asset valuation method	N/A
Actuarial assumptions:	
Investment rate of return	4.00%
Healthcare inflation rate:	
Initial	5.70%
Ultimate	4.40%

Schedule of Funding Progress: The annual other post employment 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 30 years. The following table shows the components of the annual OPEB cost, the amount actually contributed to the plan, and changes in the Town's net OPEB obligation:

Schedule of Funding Progress							
Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((b-a)/c)	
July 1, 2011	\$ -	\$ 42,954,575	\$ 42,954,575	0%	\$ 49,063,786	87.55%	

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

Note 5. Risk Management, Commitment and Contingencies

Risk Management: The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; error and omissions; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks did not exceed commercial insurance coverage during the three years ended June 30, 2014.

Town of Seymour, Connecticut

Notes to Financial Statements

Note 5. Risk Management, Commitment and Contingencies (Continued)

The Town is partially self insured for worker's compensation. The Town purchases stop loss insurance for exposures over \$500,000 per incident. The Town estimates a liability for workers' compensation claims payable and for claims incurred but not reported. As of June 30, 2014, this amount was \$2,497,797.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). Generally all claims are paid by the General Fund.

Changes in the balances of claims liabilities recorded by the City during the past two years are as follows:

Fiscal Year Ended	Claims Payable July 1	Claims and Changes in Estimates	Claims Paid	Claims Payable June 30
2014	\$ 2,159,273	\$ 1,194,373	\$ 855,849	\$ 2,497,797
2013	1,879,708	822,103	542,538	2,159,273

Commitment: The Town's Water Pollution Control Authority (WPCA) has contracted with an outside firm to operate its water treatment plant. The contract, which expired June 30, 2014, calls for an annual operating cost plus adjustments for the consumer price index and new dwellings added to the system. At June 30, 2014, the base contract commitment is approximately \$1,236,000 per year. This contract was extended through December 31, 2014 under the same terms.

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

Various litigation, principally involving claims for personal injury and contested tax assessment, is pending against the Town. For certain cases, where it is probable that a liability has been incurred and the amount of the loss can be reasonably estimated, a loss contingency has been accrued for in the government-wide statement of approximately \$180,000. Based upon the advice of the Town Counsel, management believes that the ultimate resolution of these matters will not have a material adverse effect on the financial statements of the Town.

Town of Seymour, Connecticut

Notes to Financial Statements

Note 6. Restatement

The June 30, 2013 government-wide financial statements were restated due to an error in recording the Town's estimated liability for workers' compensation claims payable and for claims incurred but not yet reported, as well as for capital leases not recorded as capital assets. As a result, for the fiscal year beginning July 1, 2013, the following restatements were made to beginning net position fund balances for governmental activities:

	<u>Net Position</u> <u>Government-Wide</u>
Beginning Net Position as previously reported - June 30, 2013	\$ 58,229,885
Increase in workers compensation accrual	(2,159,273)
Capital assets	166,646
Beginning Net Position, as Restated - June 30, 2013	<u>\$ 56,237,258</u>

The effect on previous years' financial statements was not readily determinable.

Note 7. Governmental Accounting Standards Board (GASB) Statements

The Governmental Accounting Standards Board (GASB) has issued several pronouncements that have effective dates that may impact future financial presentations.

Management has not currently determined what, if any, impact implementation of the following statements may have on the financial statements:

GASB Statement No. 68, Accounting and Financial Reporting for Pensions, and its amendment, GASB Statement No. 71, will be effective on July 1, 2014. This statement revises and establishes new financial reporting requirements for most governments that provide their employees with pension benefits. Among other requirements, Statement No. 68 requires governments providing defined benefit pensions to recognize their long-term obligation for pension benefits as a liability for the first time and calls for immediate recognition of more pension expense than is currently required.

GASB Statement No. 69, Government Combinations and Disposals of Government Operations, will be effective for the fiscal year beginning on July 1, 2014. This statement provides guidance for determining whether a specific government combination is a government merger, acquisition, or a transfer of operations, which will improve accounting for mergers and acquisitions among state and local governments.

This page intentionally left blank.

**Required Supplementary
Information- *unaudited***

Town of Seymour, Connecticut
 Required Supplementary Information - Unaudited
 Statement of Revenues, Expenditures and Changes in Fund Balance - Budgetary Basis - Budget and Actual -
 General Fund
 For the Year Ended June 30, 2014

RSI-1

	General Fund			Variance With Final Budget Positive (Negative)
	Original	Final	Actual Budgetary Basis	
Revenues				
Property taxes	\$ 40,046,211	\$ 40,046,211	\$ 40,127,961	\$ 81,750
Interest and lien fees	300,000	300,000	339,840	39,840
Intergovernmental	11,239,338	11,239,338	11,327,416	88,078
Investment income	65,000	65,000	22,525	(42,475)
Permits, fees and other	1,168,350	1,168,350	1,141,053	(27,297)
Other	35,000	35,000	57,977	22,977
Total revenues	52,853,899	52,853,899	53,016,772	162,873
Expenditures				
Current:				
General government	2,908,672	2,997,610	2,943,548	54,062
Public safety	6,802,122	6,829,358	6,781,546	47,812
Public works	3,033,025	3,197,736	3,152,728	45,008
Sanitation	1,311,490	1,311,490	1,245,936	65,554
Sundry	2,952,589	2,854,589	2,694,534	160,055
Education	30,942,984	30,942,984	30,941,108	1,876
Debt service	5,038,017	5,038,017	5,038,017	-
Total expenditures	52,988,899	53,171,783	52,797,417	374,366
Revenues over expenditures	(135,000)	(317,884)	219,355	537,239
Other Financing Sources (Uses)				
Unassigned fund balance	135,000	317,884	-	(317,884)
Total financing sources (uses)	135,000	317,884	-	(317,884)
Net increase (decrease) in budgetary fund balance	\$ -	\$ -	219,355	\$ 219,355
Budgetary Fund Balance, beginning			<u>4,391,954</u>	
Budgetary Fund Balance, ending			<u>\$ 4,611,309</u>	

See Note to Required Supplementary Information.

Required Supplementary Information - Unaudited
 Other Post Retirement Benefits
 Schedules of Funding Progress and Employer Contributions
 June 30, 2014

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((b-a)/c)
July 1, 2007	\$ -	\$ 39,949,000	\$ 39,949,000	0%	\$ 50,975,676	78.37%
July 1, 2009	-	38,401,000	38,401,000	0%	51,907,206	73.98%
July 1, 2011	-	42,954,575	42,954,575	0%	49,063,786	87.55%

Schedule of Employer Contributions

Fiscal Year Ending	Annual Required Contribution	Actual Contribution	Percentage Contributed
June 30, 2012	\$ 2,851,000	\$ 1,357,000	47.60%
June 30, 2013	2,937,622	1,560,298	53.11%
June 30, 2014	3,104,725	1,667,618	53.71%

**Required Supplementary Information - Unaudited
Note to Required Supplementary Information**

Note 1. Stewardship, Compliance and Accountability

Budgetary Information: The Town follows these procedures in establishing budgetary data reflected in the financial statements.

- All boards seeking appropriations file their budgetary requests with the Town Clerk, no later than February 1st of each year, who then forwards a copy to the Board of Finance. If requests are not filed, the Board of Finance may make its own best estimate of the needed appropriations.
- The Board of Finance files with the Town Clerk, no later than April 1st of each year, such appropriations as it recommends in the form of a proposed budget and proposed tax mill rate.
- If the budget is not approved by the Town Meeting by June 15th, then revenues, debt service and legal obligations last submitted by the Board of Finance shall be considered as the adopted budget for the following fiscal year.
- The Town Meeting process continues on all other items until approved.
- The Board of Finance is responsible for management and monitoring of the budget.
- The Board of Education may transfer unexpended balances from one account to another within its total line appropriation. Other boards may transfer amounts between accounts in their budgets with Board of Finance approval, provided the total line appropriation is not exceeded.
- Boards seeking supplemental appropriations or transfers that exceed the total line appropriation established by the Board of Finance and approved by the Town Meeting action must make written requests to the Board of Selectmen for approval. The Board of Selectmen forwards such requests with its recommendations to the Board of Finance for action, provided that the current request, when considered by itself or when added to supplemental appropriations previously approved during the current fiscal year for the board, does not exceed \$50,000. The Board of Finance may make a supplementary appropriation to the requesting board of an amount not exceeding \$50,000 without the approval of a Town Meeting.
- When the Town maintains a Reserve Fund for capital and nonrecurring expenditures in accordance with its Charter and/or Connecticut General Statutes, payments into and appropriations from the Reserve Fund shall be made only upon recommendations of the Board of Selectmen, Board of Finance and Town Meeting action regardless of the amount involved.
- The Board of Finance shall pass onto a special Town Meeting for fiscal action supplemental appropriations exceeding \$50,000 and supplemental appropriations of less than \$50,000 if, when added to supplemental appropriations previously approved in the current fiscal year, exceed \$50,000.
- Encumbrances are recognized as a valid and proper charge against budget appropriation in the year in which the purchase order, contract or other commitment is issued and, accordingly, encumbrances outstanding at year-end are reflected in budgetary reports as expenditures of the current year.
- Unencumbered appropriations generally lapse at year-end.
- For budgetary purposes, the Town treats encumbrances as expenditures.
- Additional appropriations of \$182,884 were made during fiscal year ended June 30, 2014.

**Required Supplementary Information – Unaudited
Note to Required Supplementary Information (Continued)**

Note 1. Stewardship, Compliance and Accountability (Continued)

As explained above, the Town's budgetary fund structure accounts for certain transactions differently from that utilized in reporting in conformity with GAAP. A reconciliation of revenues, expenditures and fund balance of the General Fund between the accounting treatment required by GAAP and budgetary requirements is as follows:

	Revenues and Other Financing Sources	Expenditures and Other Financing Uses	Fund Balance
Balance, budgetary basis	\$ 53,016,772	\$ 52,797,417	\$ 4,611,309
Encumbrances outstanding at June 30, 2013, liquidated during the year ended June 30, 2014	-	951,972	-
Encumbrances outstanding at June 30, 2014, charged to budgetary expenditures during the year ended June 30, 2014	-	(458,652)	458,652
Capital lease issuances	-	-	-
State teachers' retirement on-behalf payment	3,775,000	3,775,000	-
Balance, GAAP Basis	<u>\$ 56,791,772</u>	<u>\$ 57,065,737</u>	<u>\$ 5,069,961</u>

**Combining and Individual
Fund Financial Statements and Other Schedules**

General Fund

General Fund

The General Fund is used to account for resources traditionally associated with the Town which are not required legally or by sound financial management to be accounted for in another fund.

Schedule of Revenues and Other Financing Sources - Budget and Actual - Budgetary Basis

General Fund

For the Year Ended June 30, 2014

	General Fund			Variance With Final Budget Positive (Negative)
	Original	Final	Actual Budgetary Basis	
Revenues				
Property taxes	\$ 40,046,211	\$ 40,046,211	\$ 40,127,961	\$ 81,750
Interest and lien fees	300,000	300,000	339,840	39,840
Intergovernmental:				
Education:				
Education transportation	-	-	116,333	116,333
Education cost sharing	10,055,620	10,055,620	10,106,560	50,940
Regular Building Grants	-	-	237	237
Total education	10,055,620	10,055,620	10,223,130	167,510
Other:				
State provided highway	297,479	297,479	297,024	(455)
Property tax loss	-	-	91,972	91,972
Enterprise Zone program	50,000	50,000	1,430	(48,570)
Mashantucket Pequot fund	-	-	50,269	50,269
Boat tax	3,200	3,200	-	(3,200)
State distribution of a telephone tax	77,000	77,000	31,177	(45,823)
Local capital projects	192,491	192,491	192,491	-
Circuit Breaker Program	153,000	153,000	128,280	(24,720)
Hold Harmless Grant	386,548	386,548	264,455	(122,093)
Municipal Revenue Sharing	-	-	24,134	24,134
Veterans exemption	21,000	21,000	20,269	(731)
Disabled exemption	3,000	3,000	2,785	(215)
Total other	1,183,718	1,183,718	1,104,286	(79,432)
Total intergovernmental	11,239,338	11,239,338	11,327,416	88,078
Permits, Fees and Other:				
Parking stickers	3,500	3,500	3,140	(360)
Valley Health District rent	17,500	17,500	19,500	2,000
Pistol permits	7,000	7,000	11,690	4,690
Raffle Permits	30	30	60	30
Parking fines	1,000	1,000	8,565	7,565
Ordinance fines	5,000	5,000	99	(4,901)
Judicial fines	-	-	2,970	2,970
Police reports	2,000	2,000	784	(1,216)
Building Inspector	130,000	130,000	78,969	(51,031)
Miscellaneous	25,000	25,000	22,465	(2,535)
Real estate conveyance tax	100,000	100,000	124,122	24,122
Dog licenses	320	320	263	(57)
Dog Warden receipts	2,000	2,000	3,410	1,410
Seymour Recreation Department	105,500	105,500	115,011	9,511
Inland Wetlands	500	500	1,470	970
Skate Park Land	-	-	498	498
Dept. Of Public Works	1,000	1,000	2,806	1,806
Commercial transfer station	35,000	35,000	33,157	(1,843)
Residential transfer station	15,000	15,000	13,265	(1,735)
Town Clerk	130,000	130,000	115,903	(14,097)

(Continued)

Schedule of Revenues and Other Financing Sources - Budget and Actual - Budgetary Basis (Continued)

General Fund

For the Year Ended June 30, 2014

	General Fund			Variance With Final Budget Positive (Negative)
	Original	Final	Actual Budgetary Basis	
Permits, Fees and Other (Continued):				
Zoning Board of Appeals	1,000	1,000	468	(532)
Fire Marshal permits	3,500	3,500	1,375	(2,125)
Planning and Zoning	8,500	8,500	10,434	1,934
Sewer assessments	365,000	365,000	345,701	(19,299)
Oxford sewer payments	75,000	75,000	75,000	-
Water assessments	135,000	135,000	149,928	14,928
Total permits, fees and other	1,168,350	1,168,350	1,141,053	(27,297)
Interest and Dividends:				
Interest General Fund	10,000	10,000	14,486	4,486
Water assessment interest	55,000	55,000	8,039	(46,961)
Total interest and dividends	65,000	65,000	22,525	(42,475)
Other:				
Sale of surplus property	-	-	366	366
Police administration fees	35,000	35,000	57,611	22,611
Total other	35,000	35,000	57,977	22,977
Other Financing Sources:				
Fund Balance Transfer	-	182,884	-	(182,884)
Undesignated fund balance	135,000	135,000	-	(135,000)
Total other financing sources	135,000	317,884	-	(317,884)
Total revenues and other financing sources	\$ 52,988,899	\$ 53,171,783	\$ 53,016,772	\$ (155,011)

Schedule of Expenditures and Other Financing Uses - Budget and Actual - Budgetary Basis
General Fund
For the Year Ended June 30, 2014

	Budgeted Amount		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
General Government				
Selectmen's Office	\$ 383,993	\$ 383,993	\$ 383,161	\$ 832
Probate Court	13,000	13,000	13,000	-
Registrar of Voters	62,636	62,636	55,706	6,930
Board of Finance	63,364	63,364	63,117	247
Assessors Office	334,512	329,797	325,576	4,221
Town Treasurer	5,598	5,598	5,598	-
Town Counsel	220,000	303,800	303,795	5
Town Clerk	284,456	284,456	283,651	805
Tax Collector	237,822	246,103	243,557	2,546
Town Buildings and Computers	562,583	562,583	557,140	5,443
Planning and Zoning	23,900	23,900	23,291	609
Board of Zoning Appeals	1,292	1,292	570	722
Economic Development Commission	79,240	79,240	78,109	1,131
Printing and Legal Ads	15,000	15,000	14,920	80
Town Meetings and Public Hearings	4,200	4,200	3,807	393
Finance Department	448,499	453,214	448,801	4,413
Office of Compliance	78,683	75,540	49,856	25,684
Senior Citizens Tax Freeze	50,000	50,000	50,000	-
Town Planner	39,894	39,894	39,893	1
Total general government	2,908,672	2,997,610	2,943,548	54,062
Public Safety				
Fire Department	400,475	400,475	396,743	3,732
Police Department:	5,458,711	5,458,711	5,419,960	38,751
Dog Warden	48,243	48,243	45,535	2,708
Communications Commission	177,782	192,518	192,409	109
Fire Marshal	557,222	557,222	556,053	1,169
Emergency Management	23,369	23,369	23,153	216
Blight Officer	5,383	9,883	9,767	116
Ambulance	130,937	138,937	137,926	1,011
Total public safety	6,802,122	6,829,358	6,781,546	47,812
Public Works				
Highway Wages/Maintenance	2,430,334	2,595,045	2,555,876	39,169
Street Lighting	165,000	165,000	162,998	2,002
Town Engineer	73,300	73,300	73,106	194
Highway Materials	232,491	232,491	232,446	45
Parks	131,900	131,900	128,302	3,598
Total public works	3,033,025	3,197,736	3,152,728	45,008
Sanitation				
Collection of Refuse	1,079,399	1,079,399	1,016,410	62,989
Sanitation	138,291	138,291	135,726	2,565
Valley Health Department	93,800	93,800	93,800	-
Total sanitation	1,311,490	1,311,490	1,245,936	65,554

(Continued)

Schedule of Expenditures and Other Financing Uses - Budget and Actual - Budgetary Basis (Continued)
General Fund
For the Year Ended June 30, 2014

	Budgeted Amount		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Sundry				
Library	\$ 546,662	\$ 546,662	\$ 531,440	\$ 15,222
Recreation Commission	252,909	252,909	182,140	70,769
Town Health Contributions	12,608	12,608	12,607	1
Town Contributions	25,275	25,275	25,274	1
Town Miscellaneous	464,888	370,388	337,834	32,554
Recreation Programs	19,750	19,750	19,750	-
Culture and Arts Commission	41,200	41,200	41,183	17
Valley Regional Planning	10,454	10,454	10,454	-
Services to the Elderly	175,464	171,964	132,264	39,700
Town Insurance Program	1,380,140	1,380,140	1,379,713	427
Inland Wetlands	9,314	9,314	8,558	756
Lake Authority	9,800	9,800	9,800	-
Conservation Aquifer Protection Age	4,125	4,125	3,517	608
Total sundry	2,952,589	2,854,589	2,694,534	160,055
Debt Service	5,038,017	5,038,017	5,038,017	-
Education	30,942,984	30,942,984	30,941,108	1,876
Total expenditures and other financing uses	\$ 52,988,899	\$ 53,171,783	\$ 52,797,417	\$ 374,366

Nonmajor Governmental Funds

Nonmajor Governmental Funds

Special Revenue Funds

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

LOCIP Fund – to account for projects funded through the State Local Capital Improvement Program and General Fund matching appropriations.

Open Space – to account for funds restricted to the acquisition and maintenance of Public spaces.

EDC Grants - to account for Federal and State grants and General Fund appropriations restricted for the reconstruction of Rimmon Road.

Skate Park Fund – to account for State Skate Park grant restricted for the construction and equipment acquisition of the skate park.

HUD Small Cities Fund – to account for funds received and disbursed under the State Department of Housing.

Dog Fund – to account for funds provided by the sale of dog licenses, sale of stray dogs and various fines levied against owners of stray dogs, as well as General Fund appropriations.

Library Fund – to account for fines, donations and fees received for Library operations.

Federal Grants Receivable ARRA Fund – to account for Federal grant and local funds restricted for the reconstruction of Chamberlain road.

Education Grant Fund – to account for education related programs that are funded through State and Federal Grants.

School Lunch Fund – to account for the operations of the School Lunch Program. Financing is provided by the students and teachers as well as reimbursement from State and Federal governments.

Police Seizure Fund – to account for funds received through police seizures.

Grants and Donations Fund – to account for various small grants and donations restricted to specific projects. The main resource for these grants is the Katharine Matthies Foundation.

Strand Theater Fund – to account for the Strand Theater's operating expenses and ticket sales.

Community Police Fund – to account for the donations made to the police department.

Small Cities Fund – to account for fines received due to blight violations. These funds are restricted by local legislation for the maintenance and upkeep of blighted properties.

Capital Projects Fund

Ambulance Fund – to account for Ambulance funds designated for specific capital expenditures.

General Fund Capital Projects – to account for 2013-2014 capital plan approved by Board of Selectman and financed through a 3 year general fund appropriation borrowing.

High School Expansion Fund – to account for an appropriation and borrowing authorization totaling \$21,900,000 to fund the cost of renovation to Seymour High School approved by the voters of the Town at a referendum held on October 7, 2003.

Capital Projects Fund, Continued

Middle School Fund – to account for an appropriation and borrowing authorization totaling \$34,000,000 to fund the cost of the Seymour Middle School building project including the purchase of land and the construction of buildings in the Town of Seymour approved by the voters of the Town at referendum on November 19, 1998.

Chatfield LoPresti Building Fund – to account for an appropriation and borrowing authorization totaling \$32,500,000 to fund the cost of renovation to Paul E. Chatfield School approved by the voters of the Town at a referendum held on October 7, 2008.

Permanent Fund

Charles Pine Fund – to account for the donation from Charles Pine.

This page intentionally left blank.

Town of Seymour, Connecticut

Combining Balance Sheet
 Nonmajor Governmental Funds
 June 30, 2014

	Special Revenue Funds			
	LOCIP	Open Space	EDC Grants	Skate Park
Assets				
Cash	\$ 69,921	\$ 45,454	\$ 9	\$ 2,067
Receivables				
Accounts and other	-	-	20,447	-
Due from other governments	181,222	-	-	-
Due from other funds	31,942	-	23,122	-
Inventory	-	-	-	-
Total assets	\$ 283,085	\$ 45,454	\$ 43,578	\$ 2,067
Liabilities				
Accounts and other payables/due to State	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	35,769	-
Unearned revenue	-	-	-	-
Bond anticipation notes	-	-	-	-
Total liabilities	-	-	35,769	-
Deferred inflows of resources				
Unavailable revenues	36,481	-	20,447	-
Total deferred inflows of resources	36,481	-	20,447	-
Fund Balances				
Nonspendable	-	-	-	-
Restricted	246,604	-	-	2,067
Committed	-	45,454	-	-
Unassigned	-	-	(12,638)	-
Total fund balances	246,604	45,454	(12,638)	2,067
Total liabilities and fund balances	\$ 283,085	\$ 45,454	\$ 43,578	\$ 2,067

Special Revenue Funds							
HUD Cities Grant Fund	Dog Fund	Library Fund	Federal Grants Receivable ARRA	Education Grants Fund	School Lunch Fund	Police Seizure Fund	
\$ 123,686	\$ 4,360	\$ 148,002	\$ -	\$ 67,393	\$ 46,694	\$ 22,314	
-	-	-	-	-	-	-	-
-	-	-	-	2,652	70,216	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	14,641	-	-
<u>\$ 123,686</u>	<u>\$ 4,360</u>	<u>\$ 148,002</u>	<u>\$ -</u>	<u>\$ 70,045</u>	<u>\$ 131,551</u>	<u>\$ 22,314</u>	
\$ -	\$ -	\$ -	\$ -	\$ 8,250	\$ 15,925	\$ -	
-	675	-	9,439	3,948	-	-	-
-	-	-	-	57,847	-	-	-
-	-	-	-	-	-	-	-
-	675	-	9,439	70,045	15,925	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	14,641	-	-
123,686	3,685	-	-	-	-	22,314	-
-	-	148,002	-	-	100,985	-	-
-	-	-	(9,439)	-	-	-	-
<u>123,686</u>	<u>3,685</u>	<u>148,002</u>	<u>(9,439)</u>	<u>-</u>	<u>115,626</u>	<u>22,314</u>	
<u>\$ 123,686</u>	<u>\$ 4,360</u>	<u>\$ 148,002</u>	<u>\$ -</u>	<u>\$ 70,045</u>	<u>\$ 131,551</u>	<u>\$ 22,314</u>	

Town of Seymour, Connecticut

Combining Balance Sheet (Continued)

Nonmajor Governmental Funds

June 30, 2014

	Special Revenue Funds				
	Grants and Donations Fund	Strand Theater Fund	Community Policing Fund	Small Cities Fund	Ambulance Fund
Assets					
Cash	\$ 88,859	\$ -	\$ 77,950	\$ 9,678	\$ 4,183
Receivables					
Accounts and other	-	-	-	-	-
Due from other governments	-	-	-	-	-
Due from other funds	-	-	-	15,322	-
Inventory	-	-	-	-	-
Total assets	\$ 88,859	\$ -	\$ 77,950	\$ 25,000	\$ 4,183
Liabilities					
Accounts and other payables/due to State	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	37,001	-	25,000	-
Unearned revenue	-	-	-	-	-
Bond anticipation notes	-	-	-	-	-
Total liabilities	-	37,001	-	25,000	-
Deferred inflows of resources					
Unavailable revenues	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-
Fund Balances					
Nonspendable	-	-	-	-	-
Restricted	88,859	-	-	-	-
Committed	-	-	77,950	-	4,183
Unassigned	-	(37,001)	-	-	-
Total fund balances	88,859	(37,001)	77,950	-	4,183
Total liabilities and fund balances	\$ 88,859	\$ -	\$ 77,950	\$ 25,000	\$ 4,183

Capital Project Funds				Permanent Fund		
Capital Projects	High School Expansion	Middle School	Chatfield LoPresti	Charles Pine Fund	Eliminations	Totals
\$ 227,846	\$ 121,745	\$ 1,409,255	\$ 708,932	\$ 1,000	\$ -	\$ 3,179,348
-	-	-	-	-	-	20,447
-	-	-	-	-	-	254,090
18,785	-	-	-	-	-	89,171
-	-	-	-	-	-	14,641
<u>\$ 246,631</u>	<u>\$ 121,745</u>	<u>\$ 1,409,255</u>	<u>\$ 708,932</u>	<u>\$ 1,000</u>	<u>\$ -</u>	<u>\$ 3,557,697</u>
\$ -	\$ -	\$ -	\$ 1,586	\$ -	-	\$ 25,761
-	-	-	-	-	-	111,832
-	-	-	-	-	-	57,847
-	582,220	1,078,980	1,123,800	-	-	2,785,000
-	582,220	1,078,980	1,125,386	-	-	2,980,440
-	-	-	-	-	-	56,928
-	-	-	-	-	-	56,928
-	-	-	-	1,000	-	15,641
246,631	-	330,275	-	-	-	1,064,121
-	-	-	-	-	-	376,574
-	(460,475)	-	(416,454)	-	-	(936,007)
<u>246,631</u>	<u>(460,475)</u>	<u>330,275</u>	<u>(416,454)</u>	<u>1,000</u>	<u>-</u>	<u>520,329</u>
<u>\$ 246,631</u>	<u>\$ 121,745</u>	<u>\$ 1,409,255</u>	<u>\$ 708,932</u>	<u>\$ 1,000</u>	<u>\$ -</u>	<u>\$ 3,557,697</u>

Town of Seymour, Connecticut

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds

June 30, 2014

	Special Revenue Funds			
	LOCIP	Open Space	EDC Grants	Skate Park
Revenues				
Intergovernmental	\$ 201,499	\$ 4,748	\$ -	\$ 172,057
Charges for services	-	-	-	-
Investment income	-	-	-	-
Other	66,787	-	100	-
Total revenues	268,286	4,748	100	172,057
Expenditures				
Current:				
General government	-	3,931	-	-
Public safety	-	-	35,769	-
Sundry	-	-	-	-
Education	-	-	-	18
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Capital outlay	371,440	-	-	167,018
Total expenditures	371,440	3,931	35,769	167,036
Revenue over (under) expenditures	(103,154)	817	(35,669)	5,021
Other Financing Sources				
Issuance of bonds	-	-	-	-
Premium on bonds	-	-	-	-
Transfers in	125,000	-	-	-
Total other financing sources	125,000	-	-	-
Net change in fund balances	21,846	817	(35,669)	5,021
Fund Balance, beginning of year	224,758	44,637	23,031	(2,954)
Fund Balance, end of year	\$ 246,604	\$ 45,454	\$ (12,638)	\$ 2,067

Special Revenue Funds						
HUD Cities Grant Fund	Dog Fund	Library Fund	Federal Grants Receivable ARRA	Education Grants Fund	School Lunch Fund	Police Seizure Fund
\$ -	\$ 12,450	\$ -	\$ -	\$ 2,127,265	\$ 396,204	\$ 9,829
-	5,792	-	-	-	645,753	-
-	-	-	-	-	60	5
-	-	114,713	-	-	-	-
-	18,242	114,713	-	2,127,265	1,042,017	9,834
-	-	-	-	-	-	-
-	2,116	-	-	-	-	2,037
-	-	108,935	-	-	-	-
-	-	-	-	2,127,265	1,019,736	-
-	-	-	-	-	-	-
-	-	-	9,439	-	-	-
-	2,116	108,935	9,439	2,127,265	1,019,736	2,037
-	16,126	5,778	(9,439)	-	22,281	7,797
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	16,126	5,778	(9,439)	-	22,281	7,797
123,686	(12,441)	142,224	-	-	93,345	14,517
\$ 123,686	\$ 3,685	\$ 148,002	\$ (9,439)	\$ -	\$ 115,626	\$ 22,314

(Continued)

Town of Seymour, Connecticut

Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)

Nonmajor Governmental Funds

June 30, 2014

	Special Revenue Funds				
	Grants and Donations Fund	Strand Theater Fund	Community Policing Fund	Small Cities Fund	Ambulance Fund
Revenues					
Intergovernmental	\$ 87,447	\$ 8,332	\$ 10,210	\$ 20,763	\$ -
Charges for services	-	-	-	-	-
Investment income	-	-	66	-	-
Other	13,266	58,484	-	-	4,183
Total revenues	100,713	66,816	10,276	20,763	4,183
Expenditures					
Current:					
General government	124,490	-	-	23,824	-
Public safety	-	-	3,939	-	-
Sundry	-	9,474	-	-	-
Education	1,200	-	-	-	-
Principal	-	-	-	-	-
Interest and other charges	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	125,690	9,474	3,939	23,824	-
Revenue over (under) expenditures	(24,977)	57,342	6,337	(3,061)	4,183
Other Financing Uses					
Issuance of bonds	-	-	-	-	-
Premium on bonds	-	-	-	-	-
Transfers in	-	-	-	-	-
Total other financing sources	-	-	-	-	-
Net change in fund balances	(24,977)	57,342	6,337	(3,061)	4,183
Fund Balance, beginning of year	113,836	(94,343)	71,613	3,061	-
Fund Balance, end of year	\$ 88,859	\$ (37,001)	\$ 77,950	\$ -	\$ 4,183

Exhibit B-2

Capital Project Funds					Permanent Fund	
Capital Projects	High School Expansion	Middle School	Chatfield LoPresti	Charles Pine Fund		Totals
\$ -	\$ 30,253	\$ 242,718	\$ -	\$ -		\$ 3,323,775
-	-	-	-	-		651,545
29,705	4,974	6,601	30,264	-		71,675
-	-	-	-	-		257,533
<u>29,705</u>	<u>35,227</u>	<u>249,319</u>	<u>30,264</u>	<u>-</u>		<u>4,304,528</u>
-	-	-	-	-		152,245
-	-	-	-	-		43,861
-	-	-	-	-		118,409
-	-	-	-	-		3,148,219
-	19,639	210,000	-	-		229,639
41,634	-	44,291	99,226	-		185,151
124,911	-	-	40,853	-		713,661
<u>166,545</u>	<u>19,639</u>	<u>254,291</u>	<u>140,079</u>	<u>-</u>		<u>4,591,185</u>
<u>(136,840)</u>	<u>15,588</u>	<u>(4,972)</u>	<u>(109,815)</u>	<u>-</u>		<u>(286,657)</u>
1,538,000	108,500	136,500	1,927,000	-		3,710,000
67,514	15,905	26,091	120,732	-		230,242
100,000	-	-	11,753	-		236,753
<u>1,705,514</u>	<u>124,405</u>	<u>162,591</u>	<u>2,059,485</u>	<u>-</u>		<u>4,176,995</u>
1,568,674	139,993	157,619	1,949,670	-		3,890,338
<u>(1,322,043)</u>	<u>(600,468)</u>	<u>172,656</u>	<u>(2,366,124)</u>	<u>1,000</u>		<u>(3,370,009)</u>
<u>\$ 246,631</u>	<u>\$ (460,475)</u>	<u>\$ 330,275</u>	<u>\$ (416,454)</u>	<u>\$ 1,000</u>		<u>\$ 520,329</u>

This page intentionally left blank.

Fiduciary Funds

Fiduciary Funds

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

Private Purpose Trust Funds – Private Purpose Trust Funds are used to account for resource legally held in trust for the benefit of individuals, private organizations or other governments. The Town's Private Purpose Trust Funds are listed below:

Harold K Beach Fund – to account for funds held for Library purchases of historical works concerning the State of Connecticut and the Naugatuck Valley.

Charles B. Wooster Fund – to account for funds held in trust for the Library operations.

Richard Pearson Fund – to account for funds collected for Seymour veterans.

Special Book Fund – to account for funds collected for the purchase of Library books.

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

Student Activities: Accounts for the various student activities and clubs.

Combining Statement of Net Position - Private Purpose Trust Funds
June 30, 2014

	Private Purpose Trust Funds				Totals
	Harold K. Beach Fund	Charles B. Wooster Fund	Richard R. Pearson Memorial Fund	Library Special Book Fund	
Assets					
Cash	\$ 4,755	\$ -	\$ 10	\$ 700	\$ 5,465
Investments	-	1,579,522	-	-	1,579,522
Total assets	4,755	1,579,522	10	700	1,584,987
Net Position Held in Trust	\$ 4,755	\$ 1,579,522	\$ 10	\$ 700	\$ 1,584,987

**Combining Statement of Changes in Net Position - Private Purpose Trust Funds
For the Year Ended June 30, 2014**

	Private Purpose Trust Funds				Totals
	Harold K. Beach Fund	Charles B. Wooster Fund	Richard R. Pearson Memorial Fund	Library Special Book Fund	
Additions					
Investment gain	\$ -	\$ 172,595	\$ -	\$ -	\$ 172,595
Interest and dividends	-	70,020	-	-	70,020
Donations	-	-	1,150	-	1,150
Net additions	-	242,615	1,150	-	243,765
Deductions					
Education	\$ -	\$ 67,421	\$ -	\$ -	\$ 67,421
General government	699	14,598	2,070	-	17,367
Total deductions	699	82,019	2,070	-	84,788
Change in net position	(699)	160,596	(920)	-	158,977
Net Position, beginning of year	5,454	1,418,926	930	700	1,426,010
Net Position, end of year	\$ 4,755	\$ 1,579,522	\$ 10	\$ 700	\$ 1,584,987

**Statement of Changes in Fiduciary Assets and Liabilities - Agency Funds
For the Year Ended June 30, 2014**

	Balance July 1, 2013	Additions	Deductions	Balance June 30, 2014
Student Activity Fund				
Assets				
Cash	\$ 136,293	\$ 403,035	\$ 426,305	\$ 113,023
Total assets	\$ 136,293	\$ 403,035	\$ 426,305	\$ 113,023
Liabilities				
Due to Others	\$ 136,293	\$ 403,035	\$ 426,305	\$ 113,023
Total liabilities	\$ 136,293	\$ 403,035	\$ 426,305	\$ 113,023

This page intentionally left blank.

Other Schedules

This page intentionally left blank.

Town of Seymour, Connecticut

Report of Tax Collector
For the Year Ended June 30, 2014

Grand List Year	Uncollected Taxes July 1, 2013	Current Levy	Lawful Corrections		Transfers to Suspense	Adjusted Amount Collectible
			Additions	Deletions		
1998	\$ 9,357	\$ -	\$ -	\$ -	\$ -	\$ 9,357
1999	14,363	-	-	1,144	338	12,881
2000	30,457	-	-	1,142	415	28,900
2001	23,652	-	-	1,645	-	22,007
2002	25,060	-	-	80	-	24,980
2003	26,945	-	-	-	44	26,901
2004	38,858	-	-	169	-	38,689
2005	34,387	-	-	116	-	34,271
2006	50,095	-	-	1,317	1,130	47,648
2007	55,362	-	-	1,159	1,043	53,160
2008	95,992	-	179	1,232	2,016	92,923
2009	154,751	-	114	1,310	186	153,369
2010	367,665	-	28,376	1,756	4,384	389,901
2011	784,051	-	35,569	20,274	743	798,603
Total Prior Years	1,710,995	-	64,238	31,344	10,299	1,733,590
2012	-	40,261,062	82,881	99,679	300	40,243,964
	<u>\$ 1,710,995</u>	<u>\$ 40,261,062</u>	<u>\$ 147,119</u>	<u>\$ 131,023</u>	<u>\$ 10,599</u>	<u>\$ 41,977,554</u>

Exhibit D-1

Collections					Balance
Taxes	Interest and Lien Fees	Total	Unpaid Refunds	Uncollected June 30, 2014	
\$ 186	\$ 545	\$ 731	\$ -	\$ 9,171	
133	366	499	-	12,748	
1,000	2,214	3,214	-	27,900	
760	1,432	2,192	-	21,247	
281	778	1,059	-	24,699	
305	538	843	-	26,596	
3,687	4,922	8,609	-	35,002	
3,574	4,733	8,307	-	30,697	
3,281	3,784	7,065	-	44,367	
5,608	3,972	9,580	-	47,552	
12,403	8,072	20,475	-	80,520	
65,452	24,705	90,157	-	87,917	
171,220	65,088	236,308	(117)	218,798	
392,374	90,069	482,443	(891)	407,120	
660,264	211,218	871,482	(1,008)	1,074,334	
39,448,261	134,834	39,583,095	(555)	796,258	
<u>\$ 40,108,525</u>	<u>\$ 346,052</u>	<u>\$ 40,454,577</u>	<u>\$ (1,563)</u>	<u>\$ 1,870,592</u>	

This page intentionally left blank.

Statistical Section

Statistical Section - unaudited

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.

This page intentionally left blank.

Town of Seymour, Connecticut

**Net Position By Component
Last Ten Fiscal Years (unaudited)
(Accrual Basis of Accounting)**

	Fiscal Year			
	2005	2006	2007	2008
Governmental activities:				
Net investment in capital assets	\$ 25,163,227	\$ 37,398,610	\$ 32,512,696	\$ 34,048,251
Restricted	552,304	1,000	1,000	1,000
Unrestricted	8,672,143	1,786,908	9,934,351	8,671,268
Total governmental activities net position	34,387,674	39,186,518	42,448,047	42,720,519
Business-type activities:				
Net investment in capital assets	5,385,052	6,300,542	5,385,052	6,765,201
Restricted	-	-	-	-
Unrestricted	1,867,080	1,572,917	2,819,076	1,573,095
Total business-type activities net position	7,252,132	7,873,459	8,204,128	8,338,296
Primary government:				
Net investment in capital assets	30,548,279	43,699,152	37,897,748	40,813,452
Restricted	552,304	1,000	1,000	1,000
Unrestricted	10,539,223	3,359,825	12,753,427	10,244,363
Total primary government net position	\$ 41,639,806	\$ 47,059,977	\$ 50,652,175	\$ 51,058,815

Table 1

		Fiscal Year									
		2009	2010	2011	2012	2013	2014				
\$	38,089,381	\$	34,250,118	\$	38,478,505	\$	52,434,673	\$	56,237,258	\$	57,321,414
	1,000		1,000		1,000		1,000		1,000		1,000
	1,849,645		2,453,530		2,000,835		1,868,095		2,453,530		(2,560,828)
	39,940,026		36,704,648		40,480,340		54,303,768		58,691,788		54,761,586
	7,013,497		7,261,720		7,493,723		7,763,588		7,510,142		7,256,192
	-		-		-		-		-		-
	1,173,025		993,190		854,393		953,793		1,149,123		1,273,837
	8,186,522		8,254,910		8,348,116		8,717,381		8,659,265		8,530,029
	45,102,878		41,511,838		45,972,228		60,198,261		63,747,400		64,577,606
	1,000		1,000		1,000		1,000		1,000		1,000
	3,022,670		3,446,720		2,855,228		2,821,888		3,602,653		(1,286,991)
\$	48,126,548	\$	44,959,558	\$	48,828,456	\$	63,021,149	\$	67,351,053	\$	63,291,615

Town of Seymour, Connecticut

Changes In Net Position
Last Ten Fiscal Years (unaudited)
(accrual basis of accounting)

	Fiscal Year				
	2005	2006	2007	2008	2009
Expenses:					
Governmental activities:					
General government	\$ 2,772,841	\$ 3,258,387	\$ 2,746,357	\$ 3,130,515	\$ 4,932,835
Education	28,873,490	30,800,527	32,389,129	42,111,797	35,397,098
Public safety	4,876,089	5,145,125	5,306,664	5,845,005	7,182,018
Sanitation	1,182,079	1,341,336	1,315,815	1,201,983	1,249,160
Public works	2,693,285	2,893,937	2,967,883	3,253,735	3,691,414
Recreation, arts and cultural	1,932,094	2,066,539	2,211,211	2,756,468	2,549,155
Project Activities	107,167	439,805	47,271	-	-
Interest on debt	1,361,223	1,586,546	2,240,002	1,609,000	1,301,372
Total governmental activities expenses	43,798,268	47,532,202	49,224,332	59,908,503	56,303,052
Business-type activities:					
Water Pollution Control Authority	1,761,288	1,582,543	1,800,430	1,987,713	2,196,246
Total business-type activities expenses	1,761,288	1,582,543	1,800,430	1,987,713	2,196,246
Total primary government expenses	45,559,556	49,114,745	51,024,762	61,896,216	58,499,298
Program revenue:					
Governmental activities:					
General government	707,647	904,414	654,607	1,057,003	821,701
Education	713,036	767,280	750,276	837,412	747,847
Public safety	199,287	194,555	205,536	51,026	45,492
Sanitation	1,182,079	136,208	79,377	18,292	16,667
Public works	3,591,993	219,695	2,235,941	13,923	370
Recreation, arts and cultural	80,414	77,781	86,858	232,532	255,363
Project Activities	279,174	81,719	37,046	-	-
Operating grants and contributions:	12,728,829	15,310,168	14,913,611	23,506,123	14,856,851
Capital grants and contributions:	6,355,688	3,686,674	530,299	337,682	1,597,043
Total governmental activities program revenue	25,838,147	21,378,494	19,493,551	26,053,993	18,341,334

Table 2

		Fiscal Year							
		2010	2011	2012	2013	2014			
\$	3,318,654	\$	3,262,683	\$	3,212,595	\$	3,496,359	\$	3,486,981
	33,273,139		36,604,217		38,517,530		37,366,413		40,937,310
	6,017,066		6,884,401		7,149,115		7,418,542		8,072,815
	1,241,916		1,232,394		1,254,771		1,253,537		1,271,893
	3,439,030		3,953,978		4,837,758		4,100,306		4,182,171
	2,407,071		2,406,095		2,428,925		2,638,434		-
	-		-		-		-		-
	1,338,547		1,765,127		1,453,677		1,479,775		1,601,667
	51,035,423		56,108,895		58,854,371		57,753,366		59,552,837
	1,224,509		2,019,950		1,975,932		1,883,814		1,916,033
	1,224,509		2,019,950		1,975,932		1,883,814		1,916,033
	52,259,932		58,128,845		60,830,303		59,637,180		61,468,870
	617,231		602,400		785,909		712,525		491,837
	786,750		1,152,045		660,423		618,268		645,753
	52,779		47,128		36,695		69,383		92,630
	15,625		18,900		21,359		18,442		-
	5,645		478,103		316,164		480,613		399,291
	132,227		8,470		3,680		23,511		-
	-		-		-		-		-
	14,167,110		14,547,813		31,885,437		19,259,974		17,873,293
	750,009		481,261		117,907		187,538		172,057
	16,527,376		17,336,120		33,827,574		21,370,254		19,674,861

(Continued)

Town of Seymour, Connecticut

Changes In Net Position, Continued
Last Ten Fiscal Years (unaudited)
(accrual basis of accounting)

	Fiscal Year				
	2005	2006	2007	2008	2009
Business-type activities:					
Charges for services:					
Water Pollution Control Authority	1,344,522	1,386,906	1,338,944	1,283,327	1,220,360
Total business-type activities program revenues	1,344,522	1,386,906	1,338,944	1,283,327	1,220,360
Total primary government program revenues	27,182,669	22,765,400	20,832,495	27,337,320	19,561,694
Net (expense) revenue:					
Governmental activities	(17,960,121)	(26,153,708)	(29,730,781)	(33,854,510)	(37,961,718)
Business-type activities	(416,766)	(195,637)	(461,486)	(704,386)	(975,886)
Total primary government net expense	(18,376,887)	(26,349,345)	(30,192,267)	(34,558,896)	(38,937,604)
General revenues and other changes in net position:					
Governmental activities:					
Property taxes	\$ 28,264,076	\$ 30,484,539	\$ 31,690,183	\$ 33,646,550	\$ 35,067,058
Grants and contributions not restricted to specific programs	846,474	894,052	1,011,392	809,134	730,716
Unrestricted investment earnings	(219,919)	728,314	830,934	442,002	162,793
Transfers and other	(906,065)	(830,477)	(814,889)	(770,711)	(779,342)
Total governmental activities	27,984,566	31,276,428	32,717,620	34,126,975	35,181,225
Business-type activities:					
Unrestricted investment earnings	5,534	37,622	12,813	10,093	22,770
Transfers and other	906,065	890,477	874,889	828,461	779,342
Total business-type activities	911,599	928,099	887,702	838,554	802,112
Total primary government	28,896,165	32,204,527	33,605,322	34,965,529	35,983,337
Changes in net position:					
Governmental activities	10,024,445	5,122,720	2,986,839	272,465	(2,780,493)
Business-type activities	494,833	732,462	426,216	134,168	(173,774)
Total primary government	\$ 10,519,278	\$ 5,855,182	\$ 3,413,055	\$ 406,633	\$ (2,954,267)

Table 2, Cont'd.

Fiscal Year				
2010	2011	2012	2013	2014
1,224,509	1,299,865	1,631,837	1,545,668	1,514,981
1,224,509	1,299,865	1,631,837	1,545,668	1,514,981
17,751,885	18,635,985	35,459,411	22,915,922	21,189,842
(34,508,047)	(38,772,775)	(25,026,797)	(36,383,112)	(39,877,976)
-	(720,085)	(344,095)	(338,146)	(401,052)
(34,508,047)	(39,492,860)	(25,370,892)	(36,721,258)	(40,279,028)
\$ 35,554,413	\$ 37,930,455	\$ 38,587,563	\$ 39,600,518	\$ 40,669,725
944,850	818,451	955,620	935,210	614,771
108,776	53,967	19,450	53,475	94,200
(828,130)	(762,549)	(712,408)	(279,974)	(271,596)
35,779,909	38,040,324	38,850,225	40,309,229	41,107,100
3,603	642	952	56	220
828,130	812,549	712,408	279,974	271,596
831,733	813,191	713,360	280,030	271,816
36,611,642	38,853,515	39,563,585	40,589,259	41,378,916
1,271,862	(732,451)	13,823,428	3,926,117	1,229,124
831,733	93,106	369,265	(58,116)	(129,236)
\$ 2,103,595	\$ (639,345)	\$ 14,192,693	\$ 3,868,001	\$ 1,099,888

Town of Seymour, Connecticut

Fund Balances (Deficits), Governmental Funds
Last Ten Fiscal Years (unaudited)
(Modified Accrual Basis of Accounting)

	Fiscal Year				
	2005	2006	2007	2008	2009
General Fund:					
Assigned	\$ -	\$ -	\$ -	\$ -	\$ -
Unassigned	-	-	-	-	-
Reserved	232,827	271,182	387,126	544,319	1,138,589
Unreserved, designated	-	-	-	4,239,540	2,562,555
Unreserved, undesignated	2,969,333	3,722,387	4,231,278	-	-
Total general fund	3,202,160	3,993,569	4,618,404	4,783,859	3,701,144
All Other Governmental Funds:					
Nonspendable	-	-	-	13,926	13,926
Restricted	-	-	-	-	-
Committed	-	-	-	-	-
Unassigned	-	-	-	-	-
Reserved	9,050	11,228	11,773	-	-
Unreserved, reported in:					
Capital projects funds	1,172,744	524,318	427,738	587,322	262,270
Total all other governmental fund	\$ 1,181,794	\$ 535,546	\$ 439,511	\$ 601,248	\$ 276,196

Note: Information for years prior to the implementation of GASB Statement No. 54 has not been restated.

Table 3

		Fiscal Year							
		2010	2011	2012	2013	2014			
\$	-	\$	520,594	\$	434,196	\$	951,965	\$	458,652
	-		2,528,999		3,977,834		4,391,954		4,611,302
	868,948		-		-		-		-
	2,879,331		-		-		-		-
	-		-		-		-		-
	<u>3,748,279</u>		<u>3,049,593</u>		<u>4,412,030</u>		<u>5,343,919</u>		<u>5,069,954</u>
	13,926		21,099		11,717		15,015		15,641
	-		536,072		612,056		675,545		1,064,121
	-		290,406		379,890		337,804		376,574
	-		(835,856)		(1,339,873)		(2,032,249)		(936,007)
	-		-		-		-		-
	<u>(121,998)</u>		<u>(1,663,322)</u>		<u>(1,715,948)</u>		<u>(2,366,124)</u>		<u>-</u>
\$	<u>(108,072)</u>	\$	<u>(1,651,601)</u>	\$	<u>(2,052,158)</u>	\$	<u>(3,370,009)</u>	\$	<u>520,329</u>

Town of Seymour, Connecticut

Changes in Fund Balances, Governmental Funds
 Last Ten Fiscal Years (unaudited)
 (Modified Accrual Basis of Accounting)

	Fiscal Year				
	2005	2006	2007	2008	2009
Revenues					
Property taxes, interest and liens	\$ 28,876,283	\$ 31,013,606	\$ 32,060,086	\$ 34,139,861	\$ 35,225,188
Special Assessments	652,952	558,062	757,819	745,695	635,854
Intergovernmental	20,079,796	19,914,555	16,369,426	24,090,777	16,899,870
Interest and lien fees	3,665	8,043	5,727	10,220	10,994
Permits, fees and other	10,522	21,990	14,164	8,243	1,389,498
Charges for Services	1,337,114	1,353,001	1,308,709	1,651,822	1,382,794
Interest	127,784	503,208	617,780	398,275	115,395
Other revenues	589,427	634,026	496,046	144,183	183,232
Total revenues	51,677,543	54,006,491	51,629,757	61,189,076	55,842,825
Expenditures					
General government	2,775,894	3,335,979	2,788,660	3,515,219	4,703,125
Public Safety	4,510,862	5,571,078	5,054,632	5,442,474	5,755,531
Public Works	1,938,119	2,158,405	2,229,567	2,381,479	2,695,476
Sanitation	1,156,630	1,313,716	1,288,892	1,201,983	1,249,160
Sundry	2,010,254	2,103,582	2,303,906	2,867,217	2,433,849
Board of Education	27,828,065	30,240,983	31,165,707	40,086,870	33,113,511
Debt service	3,878,471	3,845,971	4,417,589	4,809,037	4,787,112
Project activities	13,082,206	-	-	-	-
Capital outlay	-	10,142,371	914,101	432,567	436,447
Total expenditures	57,180,501	58,712,085	50,163,054	60,736,846	55,174,211
Excess of revenues (under) expenditures	(5,502,958)	(4,705,594)	1,466,703	452,230	668,614
Other Financing Sources (Uses)					
Issuance of note payable	-	10,000,000	-	3,660,000	-
Issuance of bonds	-	-	-	-	-
Refunding bond issuance	-	-	-	-	-
Bond Premiums	17,503,000	15,270	-	196,602	-
Payments to refunding bond escrow	-	-	-	-	-
Capital lease issuance	810,970	-	-	-	-
Transfers in	268,949	567,693	363,006	57,750	-
Transfers out	(1,175,014)	(1,398,170)	(1,177,895)	(828,461)	(779,342)
Total other financing sources (uses)	17,407,905	9,184,793	(814,889)	3,085,891	(779,342)
Net changes in fund balance	\$ 11,904,947	\$ 4,479,199	\$ 651,814	\$ 3,538,121	\$ (110,728)
Debt Service as a Percentage of Noncapital Expenditures	9.64%	8.60%	9.85%	8.67%	9.58%

Table 4

		Fiscal Year							
		2010	2011	2012	2013	2014			
\$	35,459,287	\$	36,683,224	\$	38,214,375	\$	39,416,217	\$	40,127,961
	756,357								-
	15,389,304		15,852,239		32,957,905		20,323,930		18,426,191
	10,297		226,867		257,818		403,948		339,840
	6,871		1,192,981		1,413,066		1,170,081		1,792,599
	1,258,003		-		-		-		-
	41,366		87,741		41,456		48,261		94,200
	118,804		955,416		769,600		1,046,612		315,509
	53,040,289		54,998,468		73,654,220		62,409,049		61,096,300
	3,575,484		2,684,857		2,983,014		3,386,245		3,128,125
	5,572,474		6,233,927		6,461,630		6,750,945		6,909,853
	2,557,658		2,943,768		3,061,261		3,381,070		3,102,918
	1,241,916		1,220,125		1,248,505		1,249,305		1,254,272
	2,209,249		2,342,795		2,577,920		2,638,434		2,623,022
	32,690,305		34,379,601		35,948,785		35,706,442		38,235,510
	4,500,659		4,165,035		4,274,452		4,676,033		5,181,212
	-		-		-		-		-
	1,200,395		9,513,704		18,327,149		6,084,871		713,661
	53,548,140		63,483,812		74,882,716		63,873,345		61,148,573
	(507,851)		(8,485,344)		(1,228,496)		(1,464,296)		(52,273)
	-		6,000,000		5,995,000		1,150,000		-
	-		-		-		-		3,710,000
	-		12,145,000		3,215,000		-		-
	-		1,353,777		426,313		-		230,242
	-		(13,240,358)		(3,359,860)		-		-
	-		-		-		208,308		-
	393,106		-		59,847		337,619		236,753
	(1,221,236)		(812,549)		(772,255)		(617,593)		(508,349)
	(828,130)		5,445,870		5,564,045		1,078,334		3,668,646
\$	(1,335,981)	\$	(3,039,474)	\$	4,335,549	\$	(385,962)	\$	3,616,373
	9.41%		8.36%		8.18%		8.80%		9.38%

Tax Revenues by Source, Governmental Funds
Last Ten Fiscal Years (unaudited)
(Modified Accrual Basis of Accounting)

Fiscal Year	Real Estate	Personal Property	Motor Vehicle	Total
2005	\$ 1,156,646	\$ 53,471	\$ 98,254	\$ 1,308,371
2006	1,178,981	55,896	101,605	1,336,482
2007	1,200,288	61,267	110,781	1,372,336
2008	1,204,091	59,758	98,052	1,361,901
2009	1,211,207	59,758	100,336	1,371,301
2010	1,211,102	60,183	100,015	1,371,300
2011	1,217,850	60,655	102,373	1,380,878
2012	1,029,248	58,711	105,628	1,193,587
2013	1,037,417	62,912	106,542	1,206,871
2014	1,059,251	51,068	108,841	1,219,160
Change 2005-2014	(0.08)	(0.04)	0.11	(0.07)

Source: Town records.

This page intentionally left blank.

Town of Seymour, Connecticut

**Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years (unaudited)**

Fiscal Year	Residential Property	Commercial and Industrial Property	Miscellaneous Land	Personal Property	Motor Vehicle	Less Exemptions
2005	\$ 1,025,312	\$ 114,963	\$ 42,777	\$ 53,471	\$ 98,254	\$ (26,406)
2006	1,051,110	114,518	38,173	55,896	101,605	(24,819)
2007	1,062,431	116,965	38,988	61,267	110,781	(18,096)
2008	1,056,188	119,516	54,199	59,758	98,052	(25,812)
2009	1,063,788	119,516	54,199	59,758	100,336	(26,296)
2010	1,063,701	120,366	54,585	60,183	100,015	(27,549)
2011	1,072,047	118,489	55,013	60,655	102,373	(27,699)
2012	905,127	124,761	26,909	58,711	105,628	(27,549)
2013	912,846	124,591	24,672	62,912	106,542	(24,691)
2014	936,665	124,557	22,420	51,068	108,841	(24,391)

Source: Town Records

Note: The above information presents the information for each period for which it is levied. A tax levy provides taxes remitted in the following year. There are no overlapping governments that collect property taxes from Town residents.

Table 6

	Total Taxable Assessed Value	Percent Growth	General Fund Mill Rate		Estimated Actual Value	Value as a Percentage of Actual Value
\$	1,308,371	0.00%	30.49	\$	1,871,966	0.70
	1,336,482	2.15%	32.04		1,912,126	0.70
	1,372,336	2.68%	24.62		1,963,347	0.70
	1,361,901	-0.76%	25.03		1,948,441	0.70
	1,371,301	0.69%	25.52		1,961,871	0.70
	1,371,300	0.00%	25.80		1,961,871	0.70
	1,380,878	0.70%	26.78		1,975,556	0.70
	1,193,587	-13.56%	27.62		1,707,999	0.70
	1,206,871	1.11%	32.83		1,726,977	0.70
	1,219,160	1.02%	33.23		1,744,534	0.70

**Principal Property Taxpayers
Current Year and Nine Years Ago (unaudited)**

Taxpayer	2014			2005		
	Taxable Assessed Value	Rank	Percentage of Total Town Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Town Taxable Assessed Value
Connecticut Light & Power	\$ 9,133,480	1	0.75%	\$ 4,272,880	3	0.46%
Lawrence M. & Wendy S. Janesky	8,265,790	\$2	0.68%	n/a	n/a	n/a
Aquarion Water Co. of CT	6,542,990	\$3	0.53%	3,511,608	7	0.38%
Klarides Family Assoc LLC	6,113,940	\$4	0.50%	4,072,250	5	0.44%
Thule Inc	5,498,140	5	0.45%	5,321,566	2	0.58%
LCP Supermarkets Remainder 2000 LLC	5,302,710	6	0.43%	4,072,180	6	0.44%
The Kerite Company	4,618,540	7	0.38%	13,683,015	1	1.49%
Shady Knoll Health Care Center	4,509,640	8	0.37%	4,229,610	4	0.46%
Rafferty Realty Co. Inc.	2,785,790	9	0.23%	2,820,160	8	0.31%
Baker Residential Limited Partnership	2,562,140	10	0.21%	n/a	n/a	n/a
Shaw, William H.J., Jr.	n/a	-	n/a	3,784,970	9	0.41%
R&R Manufacturing Co.	n/a	-	n/a	2,615,097	10	0.28%
Total	<u>\$ 55,333,160</u>		<u>4.53%</u>	<u>\$ 48,383,336</u>		<u>5.25%</u>

Source: Town Records

This page intentionally left blank.

Town of Seymour, Connecticut

**Property Tax Levies And Collections
Last Ten Fiscal Years (unaudited)**

Fiscal Year Ended June 30:	Grand List Year	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy	
			Amount	Percentage of Levy
2005	2003	\$ 26,791,581	\$ 26,362,916	98.40%
2006	2004	30,154,878	29,702,555	98.50%
2007	2005	31,734,332	31,099,645	98.00%
2008	2006	33,537,238	32,967,105	98.30%
2009	2007	34,909,539	34,176,439	97.90%
2010	2008	35,092,415	34,390,567	98.00%
2011	2009	36,643,424	35,947,199	98.10%
2012	2010	38,213,590	37,372,891	98.79%
2013	2011	39,328,024	38,541,464	98.00%
2014	2012	40,246,048	39,448,261	98.02%

Source: Town Tax Records

Note: The above information presents the information for each period for which it is levied. A tax levy provides taxes remitted in the following year.

Table 8

Collections in Subsequent Years	Total Collections to Date	
	Amount	Percentage of Levy
\$ -	\$ 26,362,916	98.40%
-	29,702,555	98.50%
-	31,099,645	98.00%
-	32,967,105	98.30%
-	34,176,439	97.90%
-	34,390,567	98.00%
-	35,947,199	98.10%
-	37,372,891	97.80%
-	38,541,464	98.00%
-	39,448,261	98.02%

**Ratios of General Bonded Debt Outstanding by Type
Last Ten Fiscal Years (unaudited)**

Fiscal Year	Governmental Activities			Capital Leases	Total Primary Government	Percentage of Per Capita Income ⁽¹⁾	Per Capita
	General Purpose Bonds	School Purpose Bonds	Sewer Purpose Bonds				
2005	\$ 4,885,894	\$ 15,852,363	\$ 11,761,743	\$ 1,128,508	\$ 33,628,508	139792.601%	\$ -
2006	4,361,409	24,776,522	11,062,069	844,378	41,044,378	170620.128%	-
2007	3,848,381	23,696,117	10,340,502	599,146	38,484,146	159977.328%	-
2008	3,453,896	25,129,624	10,096,480	480,304	39,160,304	162788.094%	-
2009	3,116,065	23,512,367	9,351,568	365,911	36,345,911	151088.755%	-
2010	2,864,123	21,722,543	8,603,334	247,850	33,437,850	139000.042%	2,163.70
2011	3,583,150	17,566,998	7,059,681	125,894	28,335,723	117790.668%	1,713.16
2012	5,518,854	28,813,025	5,013,121	-	39,345,000	163555.870%	-
2013	5,169,877	27,961,711	4,645,008	164,689	37,941,285	114869.164%	-
2014	3,996,195	27,579,348	4,604,457	-	36,180,000	109536.785%	-

⁽¹⁾ See the Schedule of Demographic and Economic Statistics on page 99 for personal income and population data

Note: Details regarding the Town's outstanding debt may be found in the notes to the basic financial statements.

**Direct Governmental Activities Debt
For the Year Ended June 30, 2014 (unaudited)**

Governmental Unit	Debt Outstanding
General obligation debt	\$ 36,465,000
Less school construction grants receivable - principal portion only	<u>-</u>
Total direct debt	<u><u>\$ 36,465,000</u></u>

Sources: Town Records

Note: The Town is not subject to the debt of overlapping governments.

Note: School construction grants are receivable in substantially equal installments over the life of outstanding school bonds, obtained from the Office of Policy and Management, State of Connecticut.

Town of Seymour, Connecticut

**Legal Debt Margin Information
Last Ten Fiscal Years (unaudited)
(dollars in thousands)**

	Fiscal Years			
	2005	2006	2007	2008
General Debt				
Debt Limit	61,158,454	68,498,910	71,606,014	76,158,272
Total net debt applicable to limit	6,884,925	5,807,335	4,826,116	3,934,200
Legal Debt Margin	54,273,529	62,691,575	66,779,898	72,224,072
Total net debt applicable to the limit as percentage of debt limit	11.26%	8.48%	6.74%	5.17%
Schools				
Debt Limit	122,316,908	129,386,830	135,255,804	152,316,545
Total net debt applicable to limit	53,723,093	41,856,667	30,669,027	27,769,624
Legal Debt Margin	68,593,815	87,530,163	104,586,777	124,546,921
Total net debt applicable to the limit as percentage of debt limit	43.92%	32.35%	22.67%	18.23%
Sewers				
Debt Limit	101,930,756	114,164,850	119,343,356	126,930,454
Total net debt applicable to limit	18,976,670	12,450,047	10,983,480	10,096,480
Legal Debt Margin	82,954,086	101,714,803	108,359,876	116,833,974
Total net debt applicable to the limit as percentage of debt limit	18.62%	10.91%	9.20%	7.95%
Urban Renewal				
Debt Limit	88,339,989	98,942,870	103,430,909	110,006,393
Total net debt applicable to limit	-	-	-	-
Legal Debt Margin	88,339,989	98,942,870	103,430,909	110,006,393
Total net debt applicable to the limit as percentage of debt limit	0.00%	0.00%	0.00%	0.00%
Pension Funding				
Debt Limit	81,544,605	91,331,880	95,474,685	101,544,363
Total net debt applicable to limit	-	-	-	-
Legal Debt Margin	81,544,605	91,331,880	95,474,685	101,544,363
Total net debt applicable to the limit as percentage of debt limit	0.00%	0.00%	0.00%	0.00%
Total				
Debt Limit	455,290,712	502,325,340	525,110,768	566,956,027
Total net debt applicable to limit	79,584,688	60,114,049	46,478,623	41,800,304
Legal Debt Margin	375,706,024	442,211,291	478,632,145	525,155,723
Total net debt applicable to the limit as percentage of debt limit	17.48%	11.97%	8.85%	7.37%

Table 11

Fiscal Years					
2009	2010	2011	2012	2013	2014
78,329,898	79,481,450	82,940,211	86,361,145	89,213,472	91,311,426
3,481,976	3,111,973	3,842,739	5,778,443	5,429,466	15,833,155
74,847,922	76,369,477	79,097,472	80,582,702	83,784,006	75,478,271
4.45%	3.92%	4.63%	6.69%	6.09%	17.34%
156,659,796	158,962,901	165,880,422	172,722,290	178,426,944	182,622,852
26,152,367	27,037,543	52,476,440	53,459,379	70,376,153	19,387,574
130,507,429	131,925,358	113,403,982	119,262,911	108,050,791	163,235,278
16.69%	17.01%	31.64%	30.95%	39.44%	10.62%
130,549,830	132,469,084	138,233,685	143,935,241	148,689,120	152,185,710
9,351,568	8,603,334	15,006,830	5,165,099	4,796,986	5,566,838
121,198,262	123,865,750	123,226,855	138,770,142	143,892,134	146,618,872
7.16%	6.49%	10.86%	3.59%	3.23%	3.66%
113,143,186	114,806,539	119,802,527	124,743,876	128,863,904	131,894,282
-	-	-	-	-	-
113,143,186	114,806,539	119,802,527	124,743,876	128,863,904	-
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
104,439,864	105,975,267	110,586,948	115,148,193	118,951,296	121,748,568
-	-	-	-	-	-
104,439,864	105,975,267	110,586,948	115,148,193	118,951,296	-
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
583,122,574	591,695,241	617,443,793	642,910,745	664,144,736	679,762,838
38,985,911	38,752,850	71,326,009	64,402,921	80,602,605	40,787,567
544,136,663	552,942,391	546,117,784	578,507,824	583,542,131	638,975,271
6.69%	6.55%	11.55%	10.02%	12.14%	6.00%

**Computation of Legal Debt Limitation (unaudited)
June 30, 2014**

Total tax collections (including interest and lien fees) for the year ended June 30, 2014	\$ 40,454,576
Reimbursement for revenue loss: Tax relief for elderly	<u>128,280</u>
Base	<u>\$ 40,582,856</u>
Debt limit	<u><u>\$ 284,079,992</u></u>

	General Purpose	Schools	Sewer	Urban Renewal	Unfunded Pension Benefit Obligation
Debt Limitation					
2-1/4 times base	\$ 91,311,426	\$ -	\$ -	\$ -	\$ -
4-1/2 times base	-	182,622,852	-	-	-
3-3/4 times base	-	-	152,185,710	-	-
3-1/4 times base	-	-	-	131,894,282	-
3 times base	-	-	-	-	121,748,568
Total debt limitation	<u>91,311,426</u>	<u>182,622,852</u>	<u>152,185,710</u>	<u>131,894,282</u>	<u>121,748,568</u>
Debt as defined by statute:					
Bonds payable	15,583,155	15,466,985	5,414,860	-	-
Clean water notes	-	-	-	-	-
BANS	-	2,785,000	-	-	-
Installment note	250,000	940,000	-	-	-
Bonds authorized but not issued, issue dates not yet established	-	-	-	-	-
	-	195,589	151,978	-	-
Total indebtedness	<u>15,833,155</u>	<u>19,387,574</u>	<u>5,566,838</u>	<u>-</u>	<u>-</u>
Debt Limitation in excess of indebtedness	<u><u>\$ 75,478,271</u></u>	<u><u>\$ 163,235,278</u></u>	<u><u>\$ 146,618,872</u></u>	<u><u>\$ 131,894,282</u></u>	<u><u>\$ 121,748,568</u></u>

**Demographic and Economic Statistics
Last Ten Fiscal Years (unaudited)**

Fiscal Year Ended June 30	Population(1)	Personal Income	Per Capita Income(1)	Median Family Income	Median Age(1)	School Enrollment (2)	Unemployment Rate (3)
2005	15,454	\$ 24,056.00	\$ 65,012.00	\$ 52,408.00	39	2,674	5%
2006	15,454	\$ 24,056.00	\$ 65,012.00	\$ 52,408.00	39	2,691	5%
2007	15,454	\$ 24,056.00	\$ 65,012.00	\$ 52,408.00	39	2,710	4%
2008	15,454	\$ 24,056.00	\$ 65,012.00	\$ 52,408.00	39	2,620	5%
2009	15,454	\$ 24,056.00	\$ 65,012.00	\$ 52,408.00	39	2,568	6%
2010	15,454	\$ 24,056.00	\$ 65,012.00	\$ 52,408.00	39	2,422	8%
2011	16,540	\$ 24,056.00	\$ 65,012.00	\$ 52,408.00	42	2,379	9%
2012	16,540	\$ 24,056.00	\$ 65,012.00	\$ 52,408.00	42	2,289	8.7%
2013	16,540	\$ 33,030.00	\$ 92,350.00	\$ 73,099.00	42	2,289	8%
2014	16,540	\$ 33,030.00	\$ 92,350.00	\$ 73,099.00	42	2,296	8%
	16,540	\$ 33,030.00	\$ 92,350.00	\$ 73,099.00	42	2,309	-

Sources:

- (1) Bureau of Census-Based on census data.
- (2) Office of the Superintendent of Schools
- (3) Connecticut Department of Labor, By Town, Not Seasonally Adjusted.

**Principal Employers
Current Year and Nine Years Ago (unaudited)**

Employer	2014			2005		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Town of Seymour	440	1	**	440	1	**
Stop & Shop	200	2	**	200	2	**
Basement Systems	200	3	**	N/A		**
Microboard Processing, Inc	170	4	**	170	3	**
The Kerite Company	165	5	**	165	4	**
Thule of Sweden	155	6	**	155	5	**
R&R Manufacturing Company	159	7	**	159	6	**
Haynes Construction Co.	146	8	**	146	7	**
Shady knoll Health Center	135	9	**	135	8	**
Town of Seymour	93	10	**	93	9	**
Caspari, Inc.	84	11	**	84	10	**
New Haven Copper Co.	-	12	**	84	11	**

Sources: Town Records 8/1/14 Official statement and the Assessor's office

** - not available

This page intentionally left blank.

Town of Seymour, Connecticut

**Full-Time Equivalent Town Government Employees By Functions/Programs
Last Ten Fiscal Years (unaudited)**

	Full-Time Equivalent Employees as of June 30			
	2005	2006	2007	2008
<u>Functions/Program</u>				
General Government	21	21	21	21
Finance	4	4	4	4
Health & Welfare	1	1	1	1
Police	40	40	40	40
Fire	2	2	2	2
Public works & traffic	20	20	20	20
Education	316	315	311	307
Recreation, arts & cultural	1	1	1	1
Total	405	404	400	396

Source: Town Records

Table 15

Full-Time Equivalent Employees as of June 30					
2009	2010	2011	2012	2013	2014
21	21	21	21	22	22
4	4	4	4	3	3
1	1	1	1	1	1
40	40	40	40	40	40
2	2	2	2	2	2
20	20	20	20	20	20
302	298	292	291	289	285
1	1	1	1	1	1
391	387	381	380	378	374

Town of Seymour, Connecticut

**Operating Indicators By Function/Program
Last Ten Fiscal Years (unaudited)**

Function/Program	Calendar Year			
	2005	2006	2007	2008
General Government:				
Land records recorded	5,953	6,126	5,409	5,237
Vital records recorded	557	549	508	528
Dog licenses issued	n/a	n/a	929	910
Absentee ballots issued	98	108	77	119
Police:				
Police Cars	20	20	20	20
Calls for service	14,111	13,354	15,307	16,452
Criminal arrests	685	535	602	793
Traffic citations issued	665	574	1,239	1,006
Medical emergencies responded to	991	1,122	1,136	1,167
Fire:				
Fire calls	**	**	**	**
Medical calls	**	**	**	**
Fire alarms	**	**	**	**
Fire alarms answered	**	**	**	**
Combined Dispatch:				
Emergency calls received	**	**	**	**
Non-emergency calls received	**	**	**	**
Public works:				
Lane miles of roadways swept	**	**	**	**
Tons of solid waste collected and disposed	**	**	**	**
Tons of recyclable materials collected and disposed	**	**	**	**
Recreation, arts and cultural:				
Visitors to library	**	**	**	**

Source: Town Records

Note: ** - not available

Table 16

Calendar Year						
2009	2010	2011	2012	2013	2014	
4,238	4,472	4,582	4,116	4,575	4,771	
510	462	479	528	501	539	
881	874	842	835	815	747	
513	93	257	133	384	95	
20	20	20	20	20	20	
16,730	13,745	16,210	15,028	13,638	14,905	
731	755	779	748	606	658	
524	570	814	449	469	515	
1,329	1,362	1,412	1,405	1,352	1,518	
**	**	**	**	**	**	
**	**	**	**	**	**	
**	**	**	**	**	**	
**	**	**	**	**	**	
**	**	**	**	**	**	
**	**	**	**	**	**	
**	**	**	**	**	**	
**	**	**	**	**	**	
**	**	**	**	**	**	

Town of Seymour, Connecticut

Capital Asset Statistics By Function/Program
Last Ten Fiscal Years (unaudited)
(Unaudited)

Function/Program	Fiscal Year			
	2005	2006	2007	2008
Education	**	\$ 58,067,637	\$ 58,352,478	\$ 58,992,019
General Government	**	306,685	306,685	306,685
Public Safety	**	10,071,159	10,654,478	10,826,591
Public Works	**	34,363,091	34,396,091	34,628,704
Sundry	**	2,546,122	2,546,122	2,740,664

Source: Town Records

Note: ** Indicator not available

Table 17

		Fiscal Year									
		2009	2010	2011	2012	2013	2014				
\$	59,344,153	\$	60,305,506	\$	69,653,475	\$	86,626,234	\$	91,905,956	\$	92,152,824
	327,767		327,767		349,004		349,004		447,716		486,873
	11,432,709		11,438,234		11,520,897		11,910,346		12,583,141		12,714,891
	34,701,702		34,696,177		34,717,329		34,939,081		35,270,300		35,526,844
	2,792,233		2,792,233		2,806,281		2,874,459		2,888,009		2,984,529

This page intentionally left blank.