

TOWN OF SEYMOUR, CONNECTICUT

COMPREHENSIVE ANNUAL FINANCIAL REPORT



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

TOWN OF SEYMOUR, CONNECTICUT

**COMPREHENSIVE
ANNUAL FINANCIAL REPORT**

FOR

**THE FISCAL YEAR ENDED
JUNE 30, 2016**

Prepared By:

THE FINANCE DEPARTMENT

DOUGLAS THOMAS, DIRECTOR OF FINANCE

Introductory Section

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January 3, 2017

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, 2016.

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.

RSM US LLP, Certified Public Accountants, has issued unmodified (“clean”) opinions on the Town of Seymour, Connecticut’s financial statements for the year ended June 30, 2016. 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 RSM US 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, 2016

BOARD OF SELECTMEN

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

BOARD OF FINANCE

Bill Sawicki, Chairman
Beverly Kennedy
Zani Imetovski
James Cretella
Heather McDaniel
Aileen Baldwin
John Stelma
Rob Pagliaro (Alt.)
Richard Demko (Alt.)

BOARD OF EDUCATION

Yashu Putorti, Chairman
Edward Strumello
Frederick Stanek
Kristen Harmeling
Allison Sobieski-McAndrew
Jen Magri
James Garofalo
Jay Hatfield
Pete Kubik



Government Finance Officers Association

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

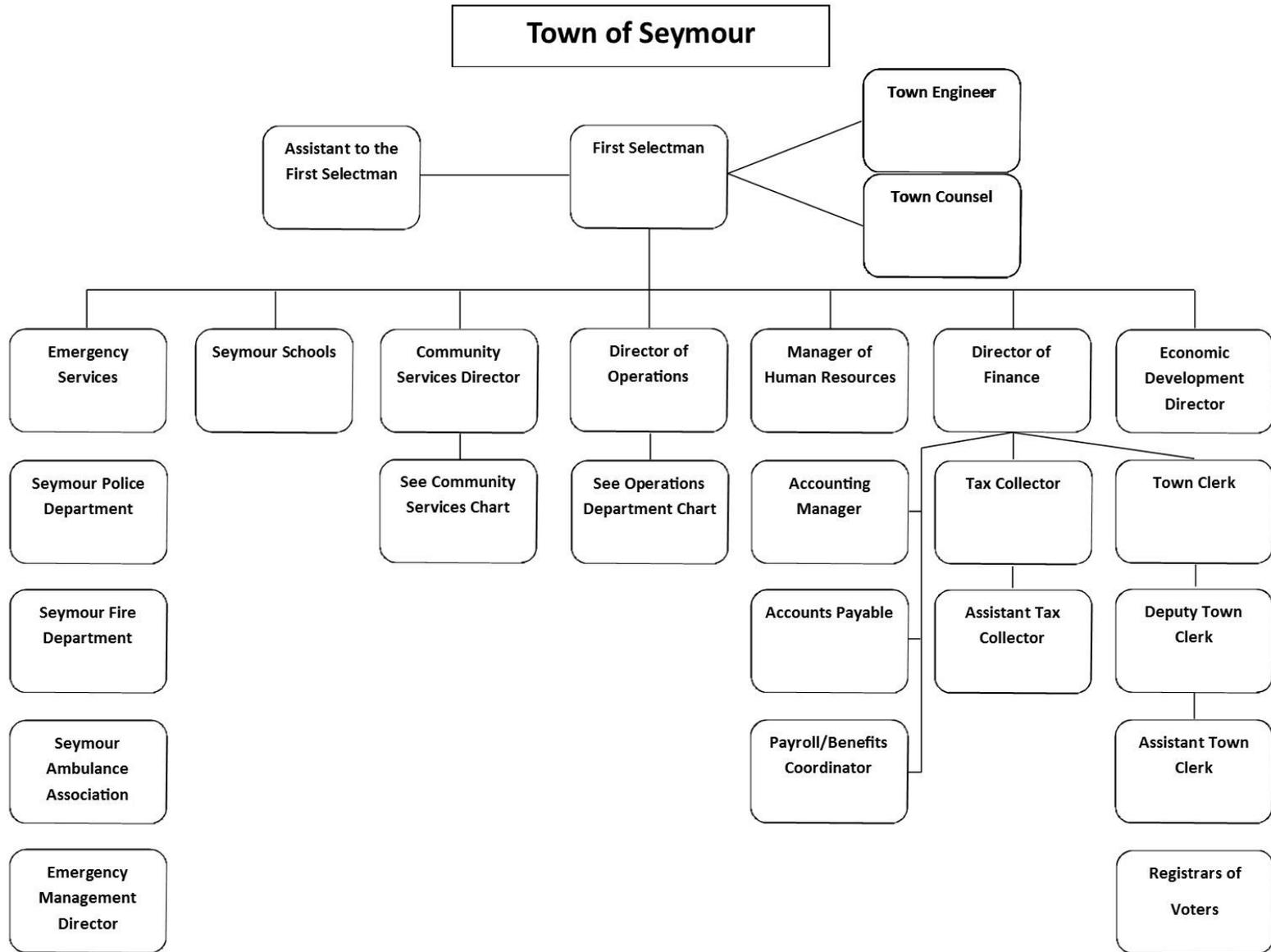
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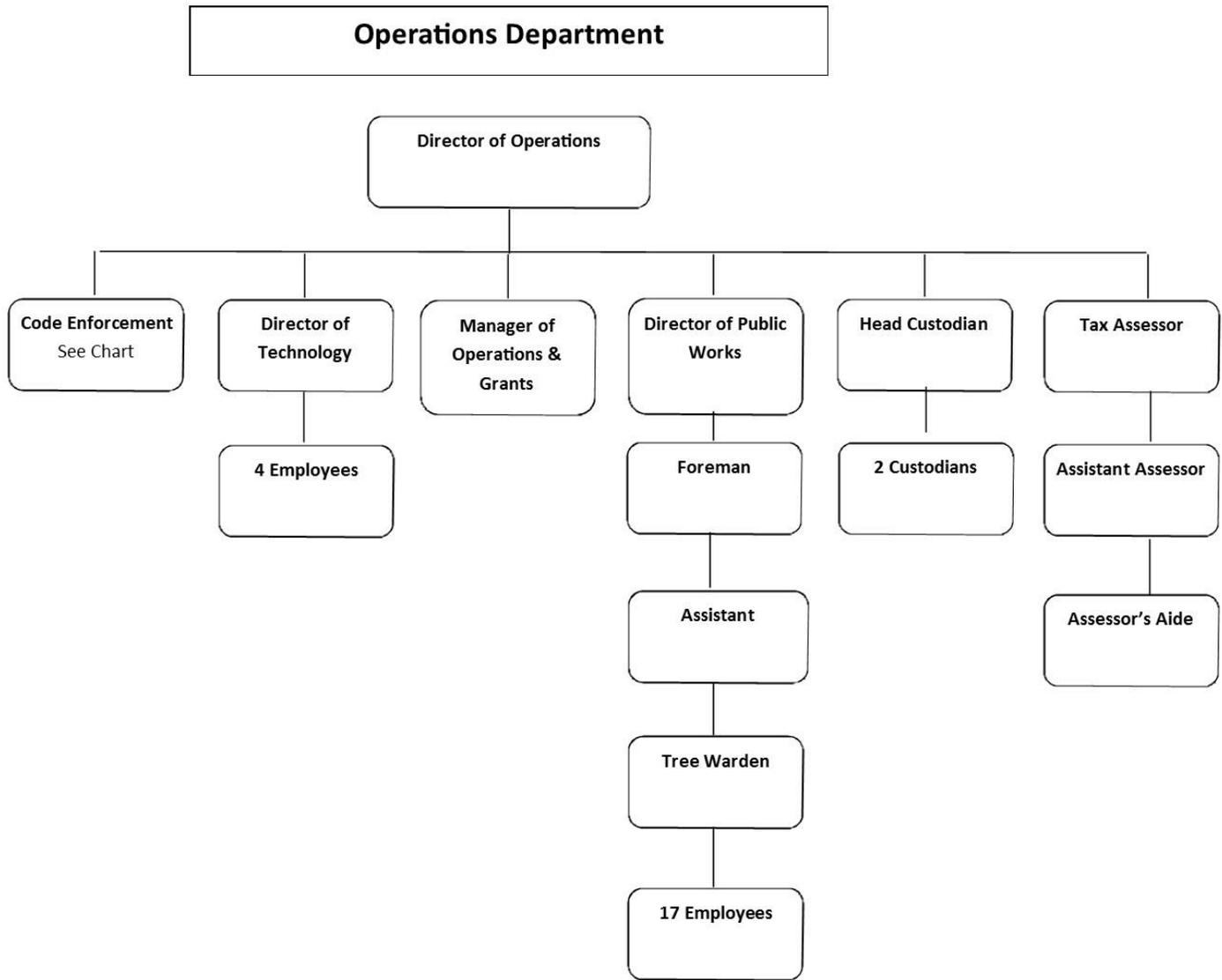
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Connecticut**

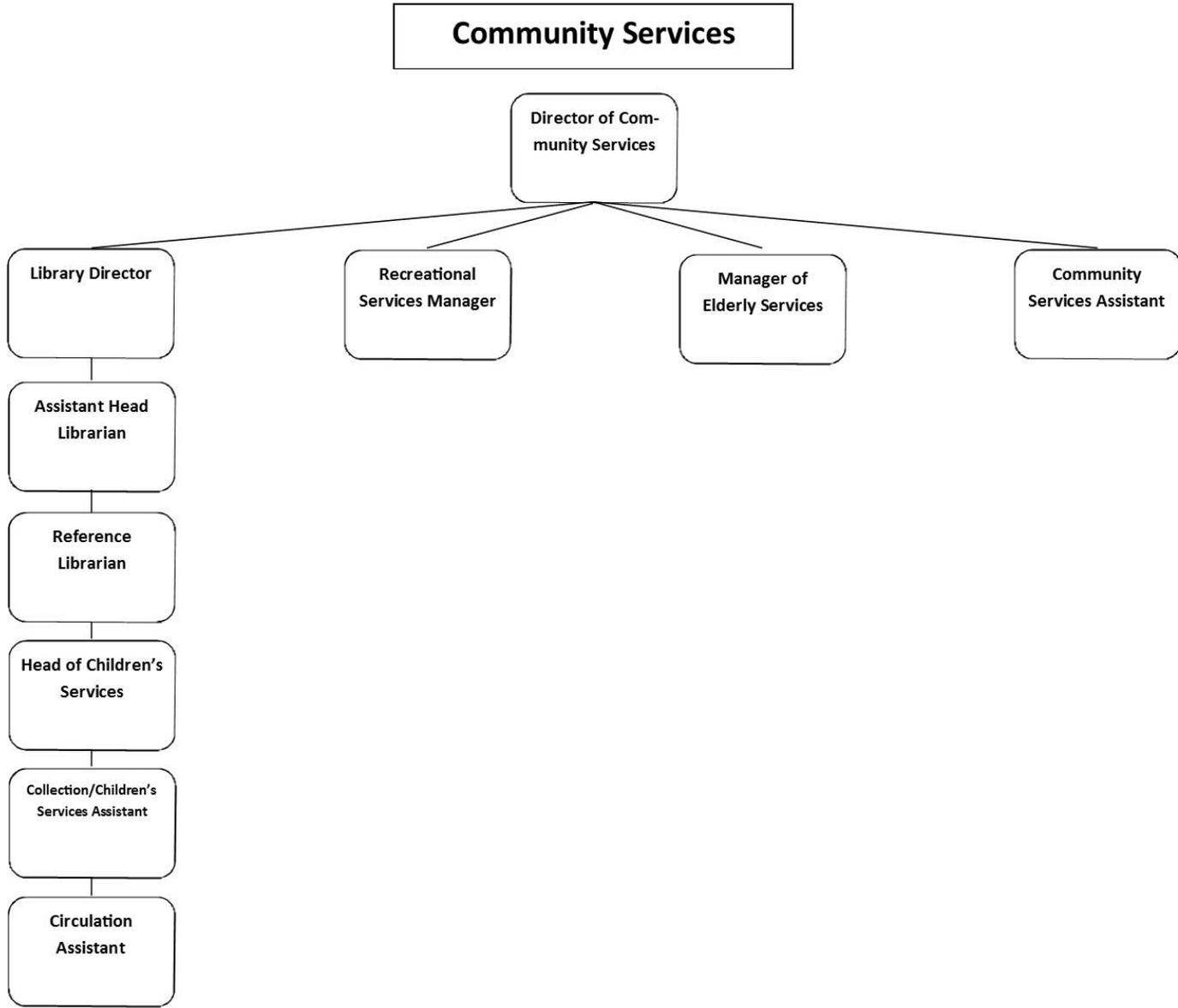
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Financial Report
for the Fiscal Year Ended

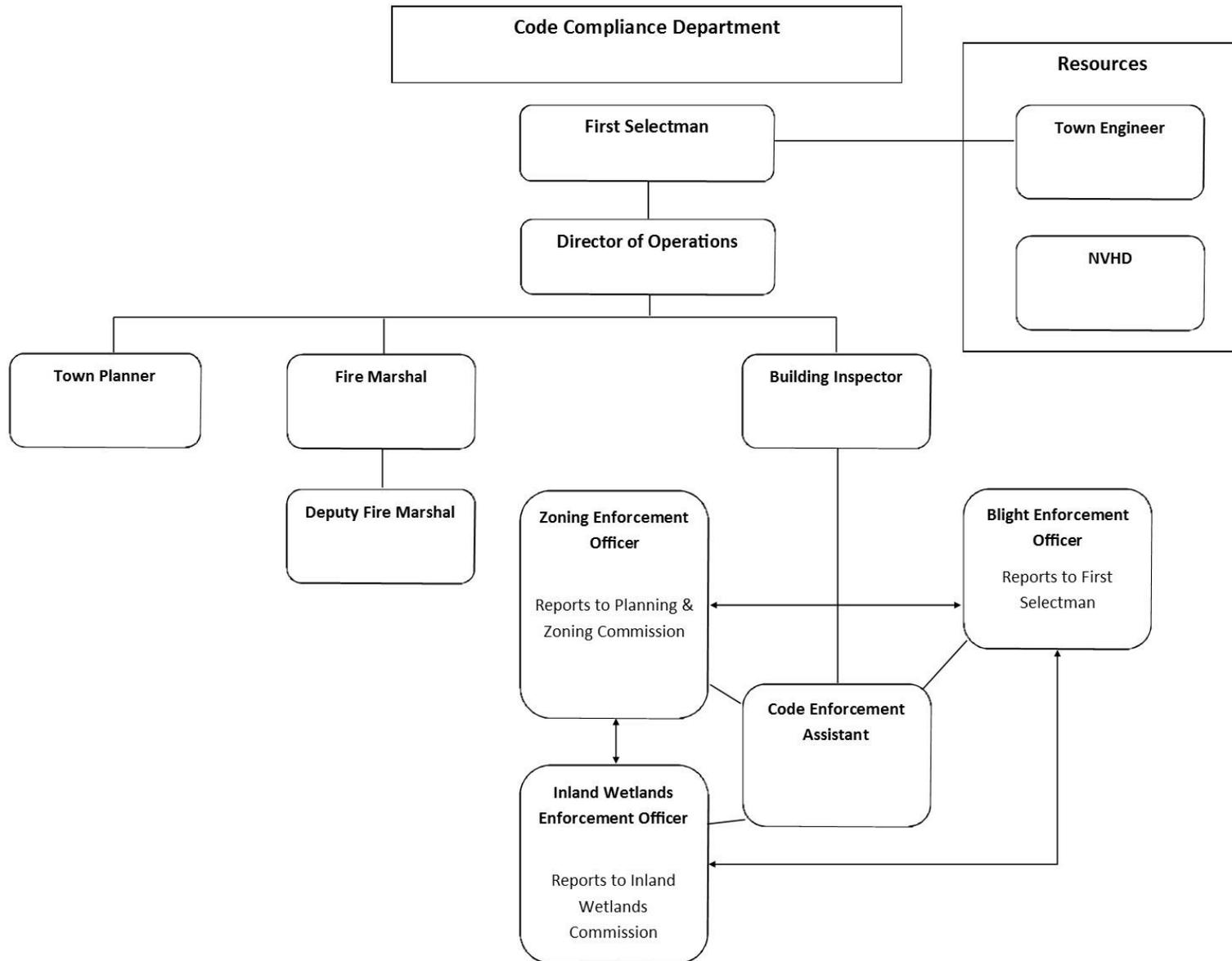
June 30, 2015

Executive Director/CEO









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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, 2016, 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, 2016 and the respective changes in financial position and, where applicable, cash flows thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter—Prior Period Adjustment

As discussed in Note 7 to the financial statements, certain balances were restated as of July 1, 2015 with respect to the Town's participation in the State of Connecticut Municipal Employees' Retirement System. The System had previously accounted for contributions receivables using present value rather than contract value and the Town's previously recorded net pension liability associated with the System was reduced due to this change. Our opinions are 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, the schedules of funding progress and employee contributions – OPEB, the schedules of contributions and Town's proportionate share of the net pension liability – Municipal Employees' Retirement System, and the schedule of Town's proportionate share of the net pension liability – Teachers' Retirement System, 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, who 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 January 3, 2017 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.

RSM US LLP

New Haven, Connecticut
January 3, 2017

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

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, 2016. 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 2016 are as follows:

- The total net position of the Town decreased \$2,480,804. Net position of governmental activities decreased \$2,416,110 or 4.5% over 2015 and net position of business-type activities decreased \$64,694 or 1.4% over 2015.
- As of July 1, 2015, the Town was required to restate unrestricted net position of the government-wide financial statements. Prior period adjustments were made with respect to the Town's participation in the State of Connecticut Municipal Employees' Retirement System. The System changed its method of accounting for receivables and the Town recognized the amount payable to the System for prior service costs, which resulted in an increase in the amount of \$3,940,141. The increase did not result from a change in benefits offered to employees, only the presentation of the liability on the balance sheet of the government-wide financial statements. See Note 7 for further details.
- General revenues accounted for \$43,259,271 or 67% of total governmental activities revenue. Program specific revenues accounted for \$21,358,591 or 33% of total governmental activities revenue.
- The Town had \$67,033,972 in expenses related to governmental activities: \$21,358,591 of these expenses was offset by program specific charges for services, grants or contributions. The remaining expenses of the governmental activities of \$45,675,021 were offset by general revenues (mainly by property taxes, unrestricted grants and entitlements) of \$43,259,271.
- The general fund had revenues of \$59,765,806 in 2016. This represents an increase of \$1,461,203 from 2015 revenues. The expenditures of the General Fund, which totaled \$58,766,471 in 2016, increased \$634,274 from 2015.
- Net position for the business-type activities, which are made up of the Sewer Enterprise Fund, decreased in 2016 by \$64,694. This decrease in net position was due primarily to a decrease in assets from depreciation.
- In the General Fund, budgeted revenues came in \$366,897 higher than the final budget and budgeted expenditures were \$155,786 lower than the final budget. The revenues exceed budget due to prior year tax payments and building permit fees higher than budget. Expenditures were below budget due to management's consistent budget monitoring and expenditure controls.

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 2016. 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 17-18 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 19.

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 19-22 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 23-25 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 26-27 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 28-62 of this report.

Government-Wide Financial Analysis

The table below provides a summary of the Town's net position for 2016 and 2015.

	Governmental Activities		Business-Type Activities		Total	
	2016	2015*	2016	2015	2016	2015
Current and other assets	\$ 16,726,522	\$ 20,061,970	\$ 1,974,367	\$ 1,574,276	\$ 18,700,889	\$ 21,636,246
Capital assets	93,594,073	93,673,607	6,396,564	6,841,338	99,990,637	100,514,945
Total assets	110,320,595	113,735,577	8,370,931	8,415,614	118,691,526	122,151,191
Deferred outflows of resources	2,415,948	1,674,482	-	-	2,415,948	1,674,482
Current liabilities	9,546,416	10,078,104	148,076	128,065	9,694,492	10,577,688
Noncurrent liabilities	52,383,076	50,670,552	-	-	52,383,076	54,239,184
Total liabilities	61,929,492	60,748,656	148,076	128,065	62,077,568	60,876,721
Deferred inflows of resources	-	1,438,242	-	-	-	1,438,242
Net position:						
Net Investment in capital assets	58,219,654	62,197,985	6,396,564	6,841,338	64,616,218	69,039,323
Restricted	-	1,000	-	-	-	1,000
Unrestricted	(7,412,603)	(8,975,824)	1,826,291	1,446,211	(5,586,312)	(11,469,764)
Total net position	\$ 50,807,051	\$ 53,223,161	\$ 8,222,855	\$ 8,287,549	\$ 59,029,906	\$ 61,510,710

* as restated see note 7

Over time, net position can serve as a useful indicator of a government's financial position. At June 30, 2016, the Town assets exceeded liabilities by \$59,029,906. At year-end, net position was \$50,807,051 and \$8,222,855 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, 2016, were \$58,219,654 and \$6,396,564 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.

In the governmental activities, the remaining balance is an unrestricted net deficit of \$(7,412,603).

The table below shows the changes in net position for the fiscal year 2016 and 2015.

TOWN OF SEYMOUR, CONNECTICUT CONDENSED STATEMENT OF ACTIVITIES						
	Governmental Activities		Business-Type Activities		Total	
	2016	2015*	2016	2015	2016	2015
Revenues						
Program revenues:						
Charges for services	\$ 1,953,391	\$ 1,747,813	\$ 1,938,604	\$ 1,883,588	\$ 3,891,995	\$ 3,631,401
Operating grants and contributions	17,377,646	18,213,129	-	-	17,377,646	18,213,129
Capital grants and contributions	2,027,554	676,082	-	-	2,027,554	676,082
General revenues:						
Property taxes	42,796,014	42,378,541	-	-	42,796,014	42,378,541
Grants and contributions not restricted to specific programs	449,079	642,756	-	-	449,079	642,756
Investment income	14,178	38,631	341	179	14,519	38,810
Total revenues	64,617,862	63,696,952	1,938,945	1,883,767	66,556,807	65,580,719
Expenses						
General government	3,721,928	2,941,602	-	-	3,721,928	2,941,602
Public Safety	7,822,574	9,484,350	-	-	7,822,574	9,484,350
Public Works	8,209,668	4,644,423	-	-	8,209,668	4,644,423
Recreation and Culture	2,735,696	2,653,140	-	-	2,735,696	2,653,140
Sanitation	1,070,523	1,216,348	-	-	1,070,523	1,216,348
Board of Education	42,382,760	38,399,942	-	-	42,382,760	38,399,942
Interest on long-term debt	1,090,823	1,097,273	-	-	1,090,823	1,097,273
Water	-	-	2,003,639	2,126,247	2,003,639	2,126,247
Total expenses	67,033,972	60,437,078	2,003,639	2,126,247	69,037,611	62,563,325
Change in net position	(2,416,110)	3,259,874	(64,694)	(242,480)	(2,480,804)	3,017,394
Net Position - July 1*	53,223,161	49,963,287	8,287,549	8,530,029	61,510,710	58,493,316
Net Position - June 30	\$ 50,807,051	\$ 53,223,161	\$ 8,222,855	\$ 8,287,549	\$ 59,029,906	\$ 61,510,710

* as restated see Note 7

Governmental Activities

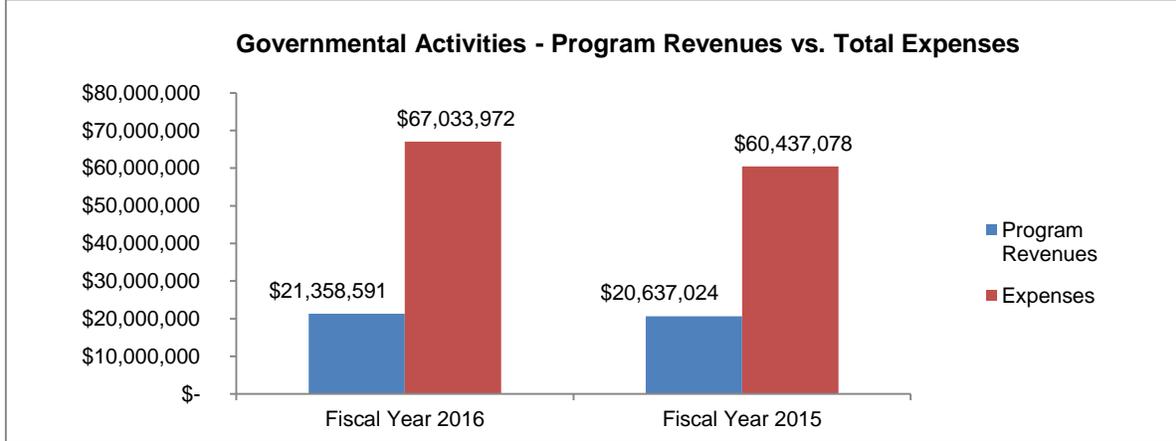
Governmental activities net position decreased \$2,416,110 in 2016. The decrease was due to the construction expenditures that were not yet bonded for.

Education accounted for \$42,382,760 of the total expenses of the Town. These expenses were partially funded by \$19,854,279 in state and federal grants.

The state and federal government contributed to the Town a total of \$19,854,279 in operating grants and contributions.

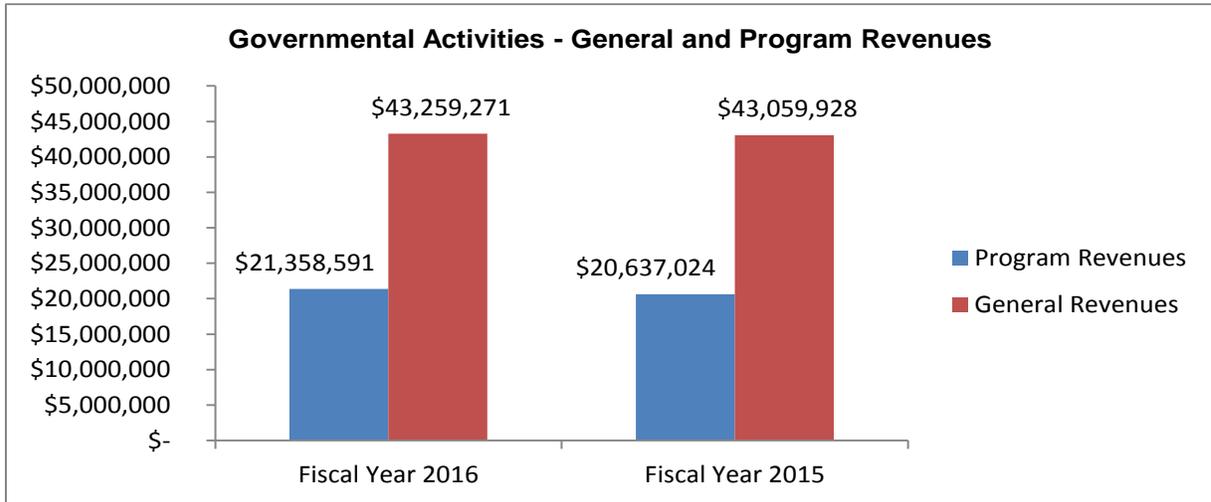
General revenues totaled \$43,259,271 and amount to 67% of total governmental revenues. These revenues primarily consist of property and income tax revenue of \$42,796,014. The other primary source of general revenues is grants and contributions not restricted to specific programs, making up \$449,079.

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.



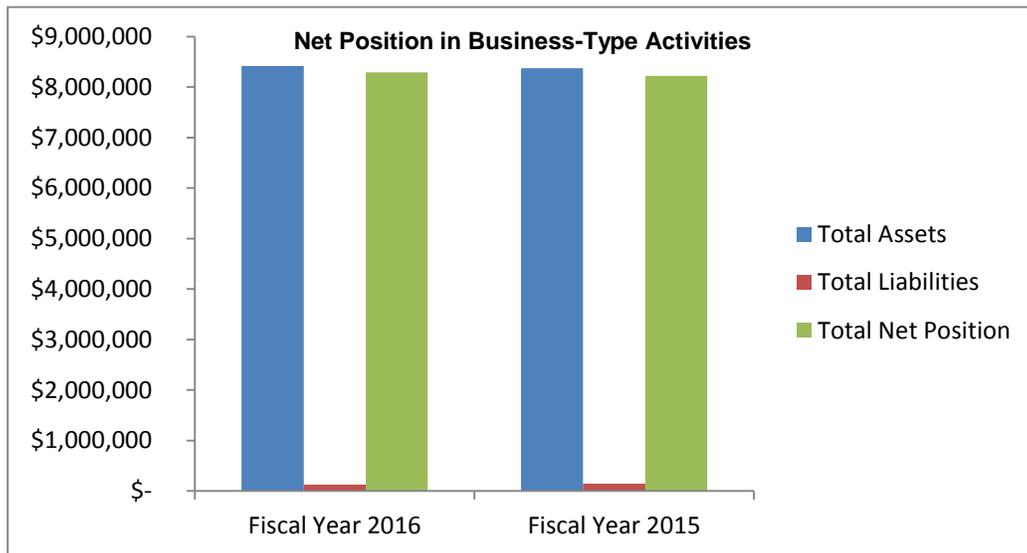
	Governmental Activities			
	2016	2015	2016	2015
	Total Cost of Services	Total Cost of Services	Net Cost of Services	Net Cost of Services
Program Expenses				
General government	\$ 3,721,928	\$ 2,941,602	\$ 2,903,845	\$ 2,035,381
Public safety	7,822,574	9,484,350	6,725,944	8,792,708
Public works	8,209,668	4,644,423	7,764,955	2,778,271
Recreation and culture	2,735,696	2,653,140	2,735,696	2,653,140
Sanitation	1,070,523	1,216,348	1,070,523	1,216,348
Education	42,382,760	38,399,942	23,383,595	21,598,452
Interest on long-term debt	1,090,823	1,097,273	1,090,823	1,097,273
Total expenses	\$ 67,033,972	\$ 60,437,078	\$ 45,675,381	\$ 40,171,573

The dependence upon general revenues for governmental activities is apparent, with 49% of expenses supported through taxes and other general revenues.



Business-Type Activities

Business-Type activities include the Town's Sewer enterprise. This enterprise had operating revenues of \$1,938,945 and operating expense of \$2,003,639 for the fiscal year 2016. The graph below shows the business-type activities assets, liabilities and net position at year-end 2016 and 2015.



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 19 reported a combined fund balance of \$7,002,122 which is \$1,550,944 less than last year's total of \$8,553,066. The schedule below indicates the fund balances and the total change in fund balances as of June 30, 2016 for all major and non-major governmental funds.

	Fund Balances June 30, 2016	Fund Balances June 30, 2015	Increase (Decrease)
General Fund	\$ 6,070,115	\$ 5,226,779	\$ 843,336
High School Bleacher Fund	(29,535)	(396,198)	366,663
Other Governmental Funds	961,542	3,722,485	(2,760,943)
Total	\$ 7,002,122	\$ 8,553,066	(1,550,944)

General Fund

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

	2016 Amount	2015 Amount	Percentage Change
Revenues			
Property taxes	\$ 42,849,313	\$ 41,703,296	2.75%
Interest and lien fees	480,074	365,893	31.21%
Intergovernmental	15,037,154	15,026,084	0.07%
Investment income	8,896	15,109	-41.12%
Permits, fees and other	1,353,569	1,157,146	16.97%
Other revenues	36,800	37,255	-1.22%
Total	\$ 59,765,806	\$ 58,304,783	2.51%

Tax revenue represents 72% of all General Fund revenue. Tax revenue increased by 2.75% over prior year. Tax increase was due to a tax rate increase of 1.6% and more aggressive tax collections. The interest and lien fees increased \$114,181, investment income decreased \$6,213 and other revenues decreased \$207,038 for a net increase of \$1,461,023.

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

	2016 Amount	2015 Amount	Percentage Change
Expenditures:			
General government	\$ 3,130,426	\$ 2,933,926	6.70%
Public safety	6,766,585	6,889,522	-1.78%
Public works	3,242,809	3,331,820	-2.67%
Sanitation	1,052,921	1,207,426	-12.80%
Sundry	2,671,869	2,573,866	3.81%
Board of Education	36,363,723	36,132,376	0.64%
Debt service	5,107,952	5,063,261	0.88%
Total	\$ 58,766,471	\$ 58,132,197	1.09%

All expenditures remained comparable to 2015 overall. Sanitation decreased due to a new collection service, utilizing a single stream pickup. 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.

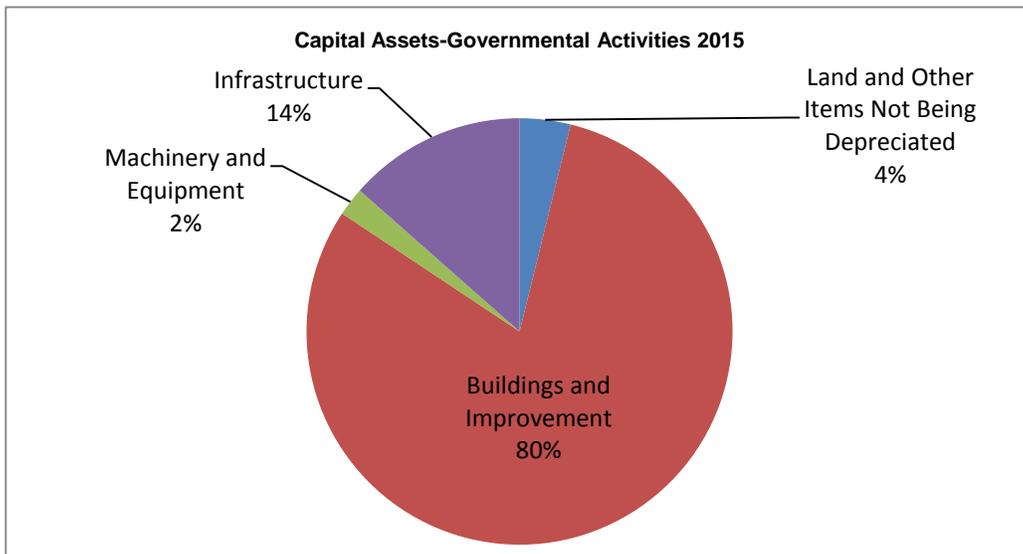
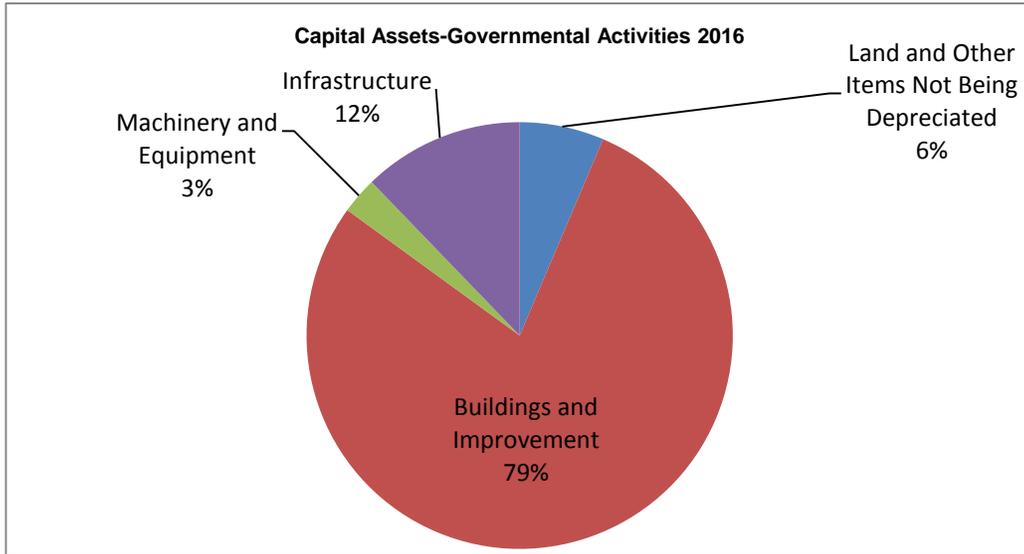
Capital Assets and Debt Administration

Capital Assets. At the end of fiscal year 2016, the Town had \$93,594,073 (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 2016 balances compared to fiscal year 2015 balances. See Note 2 for more information on Capital Assets.

Capital Assets at June 30, 2016 and 2015 (Net of Depreciation)

	2016	2015
Land and other items not being depreciated	\$ 5,993,484	\$ 3,619,172
Buildings and improvements	73,564,400	75,371,185
Machinery and equipment	2,593,419	2,028,054
Infrastructure	11,442,770	12,655,196
Total	\$ 93,594,073	\$ 93,673,607

The Town's largest capital asset category is Buildings which includes all the Town's buildings and schools (High School, Middle School, two elementary schools). The net book value of the Town's infrastructure (cost less accumulated depreciation) represents approximately 12% of the Town's total governmental capital assets. For more detail on capital assets please see notes in the financial statements starting on page 41.



Debt Administration

The Town had the following long-term obligations outstanding at June 30, 2016 and 2015. See Note 2 for more information on Debt.

	Governmental Activities	
	2016	2015
Retirement liability	\$ 28,610	\$ 53,132
Bonds, capital leases, claims and contracts	39,993,833	42,794,836
OPEB	11,540,477	9,901,926
Net pension liability	2,050,425	474,167
Compensated absences	3,452,688	3,371,572
Total	\$ 57,066,033	\$ 56,595,633

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.

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Basic Financial Statements

Statement of Net Position
June 30, 2016

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Cash	\$ 6,553,425	\$ 1,189,491	\$ 7,742,916
Property taxes receivable, net	1,394,544	-	1,394,544
Intergovernmental receivable	2,199,685	-	2,199,685
Accounts and other receivables, net	4,491,622	784,876	5,276,498
Inventories	551,753	-	551,753
Restricted cash	1,535,493	-	1,535,493
Capital assets, nondepreciable	5,993,484	-	5,993,484
Capital assets, net of accumulated depreciation	87,600,589	6,396,564	93,997,153
Total assets	110,320,595	8,370,931	118,691,526
Deferred outflows of resources:			
Deferred pension expense	2,122,753	-	2,122,753
Deferred charges on refunding	293,195	-	293,195
Total deferred outflows of resources	2,415,948	-	2,415,948
Liabilities			
Accounts payable	3,295,910	148,076	3,443,986
Accrued liabilities	434,452	-	434,452
Accrued interest payable	572,584	-	572,584
Unearned revenue	84,513	-	84,513
Bond anticipation notes payable	476,000	-	476,000
Noncurrent liabilities, due within one year	4,682,957	-	4,682,957
Noncurrent liabilities, due in more than one year	52,383,076	-	52,383,076
Total liabilities	61,929,492	148,076	62,077,568
Net position:			
Net investment in capital assets	58,219,654	6,396,564	64,616,218
Unrestricted (deficit)	(7,412,603)	1,826,291	(5,586,312)
Total net position	\$ 50,807,051	\$ 8,222,855	\$ 59,029,906

See notes to financial statements.

Town of Seymour, Connecticut

Exhibit II

Statement of Activities
For the Year Ended June 30, 2016

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	\$ (3,721,928)	\$ 577,333	\$ 240,750	\$ -	\$ (2,903,845)	\$ -	\$ (2,903,845)
Public safety	(7,822,574)	811,596	285,034	-	(6,725,944)	-	(6,725,944)
Public works	(8,209,668)	1,220	443,493	-	(7,764,955)	-	(7,764,955)
Recreation and culture	(2,735,696)	-	-	-	(2,735,696)	-	(2,735,696)
Sanitation	(1,070,523)	-	-	-	(1,070,523)	-	(1,070,523)
Board of education	(42,382,760)	563,242	16,408,369	2,027,554	(23,383,595)	-	(23,383,595)
Interest on long-term debt	(1,090,823)	-	-	-	(1,090,823)	-	(1,090,823)
Total governmental activities	(67,033,972)	1,953,391	17,377,646	2,027,554	(45,675,381)	-	(45,675,381)
Business-type activities:							
Sewer fund	(2,003,639)	1,938,604	-	-	-	(65,035)	(65,035)
Total business-type activities	(2,003,639)	1,938,604	-	-	-	(65,035)	(65,035)
Total primary government	\$ (69,037,611)	\$ 3,891,995	\$ 17,377,646	\$ 2,027,554	(45,675,381)	(65,035)	(45,740,416)
General revenues:							
Property taxes, interest and lien fees					42,796,014	-	42,796,014
Grants and contributions not restricted to specific programs					449,079	-	449,079
Unrestricted investment earnings					14,178	341	14,519
Total general revenues and transfers					43,259,271	341	43,259,612
Change in net position					(2,416,110)	(64,694)	(2,480,804)
Net Position, beginning of year (restated) - Note 7					53,223,161	8,287,549	61,510,710
Net Position, end of year					\$ 50,807,051	\$ 8,222,855	\$ 59,029,906

See notes to financial statements.

**Balance Sheet - Governmental Funds
June 30, 2016**

	General	High School Bleachers Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets				
Cash	\$ 5,103,088	\$ 22,446	\$ 2,752,949	\$ 7,878,483
Receivables, net:				
Property taxes	1,394,544	-	-	1,394,544
Intergovernmental	-	2,027,554	172,131	2,199,685
Accounts and other	2,892,508	-	814,683	3,707,191
Due from other funds	3,427,751	-	296,641	3,724,392
Inventories	-	-	13,188	13,188
Prepaid expense	56,000	-	482,565	538,565
Total assets	\$ 12,873,891	\$ 2,050,000	\$ 4,532,157	\$ 19,456,048
Liabilities				
Accounts and other payables	\$ 2,092,191	\$ 29,535	\$ 962,203	\$ 3,083,929
Due to other funds	287,297	2,050,000	1,387,095	3,724,392
Unearned revenues	2,433	-	82,080	84,513
Bond anticipation notes payable	-	-	476,000	476,000
Other liabilities	434,452	-	-	434,452
Total liabilities	2,816,373	2,079,535	2,907,378	7,803,286
Deferred inflows of resources:				
Unavailable revenue	3,987,403	-	663,237	4,650,640
Total deferred inflows of resources	3,987,403	-	663,237	4,650,640
Fund balances:				
Nonspendable	-	-	14,188	14,188
Restricted	-	-	1,694,147	1,694,147
Committed	-	-	833,918	833,918
Assigned	953,421	-	-	953,421
Unassigned	5,116,694	(29,535)	(1,580,711)	3,506,448
Total fund balances (deficits)	6,070,115	(29,535)	961,542	7,002,122
Total liabilities, deferred inflows of resources and fund balances (deficits)	\$ 12,873,891	\$ 2,050,000	\$ 4,532,157	\$ 19,456,048

(Continued)

Balance Sheet - Governmental Funds (Continued)
June 30, 2016

Reconciliation of the balance sheet - governmental funds to the statement of net position:

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

Total fund balances (Exhibit III)	\$	7,002,122
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:		
Governmental capital assets	\$	146,929,187
Less accumulated depreciation		<u>(53,335,114)</u>
		93,594,073
Deferred pension expense		2,122,753
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		1,112,005
Assessments and other receivables not currently available		3,538,635
Interest on property taxes and assessments		784,431
Internal service funds are used by management to charge the costs of risk management to individual funds. The assets and liabilities of the internal service funds are reported with governmental activities in the statement of net position		(1,546)
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		(34,780,000)
Notes payable		(525,000)
Compensated absences		(3,452,688)
Accrued interest payable		(572,584)
Early retirement incentives		(28,610)
Capital lease		(42,897)
Workers' compensation claims		(2,854,921)
Legal claims		(180,000)
Other post-employment obligation		(11,540,477)
Deferred amounts in refunding		293,195
Bond premium		(1,611,015)
Net pension liability		<u>(2,050,425)</u>
Net position of governmental activities (Exhibit I)	\$	<u>50,807,051</u>

See notes to financial statements.

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Year Ended June 30, 2016**

	General	High School Bleachers Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:				
Property taxes	\$ 42,849,313	\$ -	\$ -	\$ 42,849,313
Interest and lien fees	480,074	-	-	480,074
Intergovernmental	15,037,154	2,027,554	3,049,478	20,114,186
Investment income	8,896	-	5,282	14,178
Permits, fees and other	1,353,569	-	1,383,385	2,736,954
Other revenues	36,800	-	459,013	495,813
Total revenues	59,765,806	2,027,554	4,897,158	66,690,518
Expenditures:				
Current:				
General government	3,130,426	-	401,170	3,531,596
Public safety	6,766,585	-	915,689	7,682,274
Public works	3,242,809	-	4,344,051	7,586,860
Sanitation	1,052,921	-	-	1,052,921
Sundry	2,671,869	-	-	2,671,869
Board of education	36,363,723	-	3,184,049	39,547,772
Debt service	5,107,952	-	255,126	5,363,078
Capital outlay	430,186	1,664,486	1,033,356	3,128,028
Total expenditures	58,766,471	1,664,486	10,133,441	70,564,398
Revenues over (under) expenditures	999,335	363,068	(5,236,283)	(3,873,880)
Other financing sources (uses):				
Issuance of bonds	-	-	2,008,000	2,008,000
Premium on bonds	-	-	314,936	314,936
Transfers in	340,793	3,595	543,470	887,858
Transfers out	(496,792)	-	(391,066)	(887,858)
Total other financing sources (uses)	(155,999)	3,595	2,475,340	2,322,936
Net changes in fund balances	843,336	366,663	(2,760,943)	(1,550,944)
Fund balances (Deficits), beginning of year	5,226,779	(396,198)	3,722,485	8,553,066
Fund balances (Deficits), end of year	\$ 6,070,115	\$ (29,535)	\$ 961,542	\$ 7,002,122

(Continued)

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds (Continued)
For the Year Ended June 30, 2016

Reconciliation of the statement of revenues, expenditures and changes in fund balances - 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)	\$ (1,550,944)
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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	3,111,793
Depreciation expense	(3,191,327)

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	(339,278)
Changes in assessments collected after 60 days	(748,886)
Changes in intergovernmental revenues collected after 60 days	(790,396)
Changes in property taxes and assessments interest	(194,175)

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 bonds	(6,160,000)
Principal payments	8,168,000
Premium on debt issuance	(314,936)
Amortization of premium on general obligation bonds	311,981
Capital lease payments	41,725
Amortization of deferred amount in refunding	(46,685)

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:

Deferred pension expense	788,151
Deferred pension credit	1,066,803
Accrued interest	(50,766)
Change in other post-employment obligation	(1,638,551)
Net pension liability	(1,576,258)
Compensated absences	(81,116)
Claims and other	754,233
Early retirement incentives	24,522

Change in net position of governmental activities (Exhibit II)	\$ (2,416,110)
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See notes to financial statements.

**Statement of Net Position (Deficit) - Proprietary Funds
June 30, 2016**

	Business-Type Activities Enterprise Fund Sewer Fund	Governmental Activities Internal Service Fund
Assets		
Current assets:		
Cash and cash equivalents	\$ 1,189,491	\$ 210,435
Accounts receivable, net	784,876	-
Total current assets	1,974,367	210,435
Noncurrent assets:		
Capital assets, net of accumulated depreciation	6,396,564	-
Total noncurrent assets	6,396,564	-
Total assets	8,370,931	210,435
Liabilities		
Current liabilities:		
Accounts payable	148,076	-
Claims payable	-	52,996
Total current liabilities	148,076	52,996
Noncurrent liabilities:		
Claims payable	-	158,986
Total noncurrent liabilities	-	158,986
Total liabilities	148,076	211,981
Fund net position (deficit):		
Net investment in capital assets	6,396,564	-
Unrestricted	1,826,291	(1,546)
Total fund net position (deficit)	\$ 8,222,855	\$ (1,546)

See notes to financial statements.

**Statement of Revenues, Expenses and Changes in Fund Net Position (Deficit) - Proprietary Funds
For the Year Ended June 30, 2016**

	Business-Type Activities	
	Enterprise Fund	Governmental Activities
	Sewer Fund	Internal Service Fund
Operating revenues:		
Charges for services	\$ 1,938,604	\$ 773,666
Other	-	60,738
Total operating revenues	1,938,604	834,404
Operating expenses:		
Administration and operation	1,509,297	-
Depreciation	494,342	-
Claims	-	834,404
Total operating expenses	2,003,639	834,404
Operating (loss)	(65,035)	-
Nonoperating revenues:		
Interest income	341	-
Total nonoperating revenues	341	-
Change in fund net position (deficit)	(64,694)	-
Fund net position (deficit), beginning of year	8,287,549	(1,546)
Fund net position (deficit), end of year	\$ 8,222,855	\$ (1,546)

See notes to financial statements.

**Statement of Cash Flows - Proprietary Funds
For the Year Ended June 30, 2016**

	Business-Type	
	Activities Enterprise Fund	Governmental Activities
	Sewer Fund	Internal Service Fund
Cash flows from operating activities:		
Receipts from customers	\$ 1,896,660	\$ 1,157,429
Payments to suppliers	(1,489,286)	(1,446,994)
Net cash provided by (used in) operating activities	407,374	(289,565)
Cash flows from investing activities:		
Capital expenditures	(49,569)	-
Investment income	341	-
Net cash used in investing activities	(49,228)	-
Net increase (decrease) in cash and cash equivalents	358,146	(289,565)
Cash and cash equivalents:		
Beginning of year	831,345	500,000
End of year	\$ 1,189,491	\$ 210,435
Reconciliation of operating (loss) to net cash provided by (used in) operating activities:		
Operating loss	\$ (65,035)	\$ -
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities:		
Depreciation expense	494,342	-
Increase in accounts receivable	(41,944)	-
Increase (decrease) in accounts payable	20,011	(39,322)
(Decrease) in deferred revenue	-	(10,707)
Increase in claims payable	-	81,617
Decrease in due from other funds	-	323,025
(Decrease) in due to other funds	-	(644,178)
Net cash provided by (used in) operating activities	\$ 407,374	\$ (289,565)

See notes to financial statements.

Statement of Fiduciary Net Position - Fiduciary Funds
June 30, 2016

	Private Purpose Trust Funds	Agency Funds
Assets		
Cash	\$ 12,649	\$ 84,956
Investments	1,466,835	-
Total assets	1,479,484	84,956
Liabilities		
Accounts payable	140	-
Due to others	-	84,956
Total liabilities	140	84,956
Net position	\$ 1,479,344	\$ -

See notes to financial statements.

**Statement of Changes in Fiduciary Net Position - Fiduciary Funds
For the Year Ended June 30, 2016**

	Private Purpose Trust Funds
<hr/>	
Additions:	
Investment gain	\$ 7,947
Interest and dividends	36,688
Donations	2,795
Net additions	<u>47,430</u>
Deductions:	
Education	108,711
General government	3,220
Total deductions	<u>111,931</u>
Change in net position	(64,501)
Net position:	
Beginning of year	<u>1,543,845</u>
End of year	<u>\$ 1,479,344</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. 72, *Fair Value Measurement and Application*. This statement addresses accounting and financial reporting issues related to fair value measurements. The definition of fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This statement provides guidance for determining a fair value measurement for financial reporting purposes. This statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. The implementation of this statement added additional disclosures to Note 2.

GASB Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets that are not Within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statement Nos. 67 and 68*. This statement completes the suite of pension standards. Statement No. 73 establishes requirements for those pensions and pension plans that are not administered through a trust meeting specified criteria (in other words, those not covered by Statement Nos. 67 and 68). The requirements in Statement No. 73 for reporting pensions generally are the same as in Statement No. 68. However, the lack of a pension plan that is administered through a trust that meets specified criteria is reflected in the measurements. The implementation of this statement had no impact on the Town's financial statements.

GASB Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. This statement reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and nonauthoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP. The implementation of this statement had no impact on the Town's financial statements.

GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*. This standard establishes new criteria to continue amortization cost accounting for certain external investment pools in light of recent changes to money market fund criteria. The requirements of this statement are effective for financial statements for periods beginning after June 15, 2015. Portfolio quality and monthly shadow pricing are effective for periods beginning after December 15, 2015. The implementation of this statement had no impact on the Town's financial statements.

Town of Seymour, Connecticut

Notes to Financial Statements

Note 1. Significant Accounting Policies (Continued)

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.

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.

Town of Seymour, Connecticut

Notes to Financial Statements

Note 1. Significant Accounting Policies (Continued)

Internal service funds account for the financing of goods or services provided by one department to other departments or agencies of the Town on a cost-reimbursement basis. The Town reported one internal service fund used to account for the self-insurance activities of the Town.

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. The Town reports on agency fund to account for its student activity 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.

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 funds:

The General fund: is the Town's primary operating fund. It accounts for all financial resources of the Town, except those required to be accounted for in another fund. The 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 High School Bleacher fund: accounts for the high school bleacher project that is financed with grants, bonds and other short term obligations.

Town of Seymour, Connecticut

Notes to Financial Statements

Note 1. Significant Accounting Policies (Continued)

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.

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.

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."

Fair value: The Town uses fair value measurements to record fair value adjustments to certain assets and to determine fair value disclosures. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is best determined based upon quoted market prices. However, in certain instances, there are no quoted market prices for certain assets or liabilities. In cases where quoted market prices are not available, fair values are based on estimates using present value or other valuation techniques. Those techniques are significantly affected by the assumptions used, including the discount rate and estimates of future cash flows. Accordingly, the fair value estimates may not be realized in an immediate settlement of the asset or liability.

Fair value measurements focus on exit prices in an orderly transaction (that is, not a forced liquidation or distressed sale) between market participants at the measurement date under current market conditions. If there has been a significant decrease in the volume and level of activity for the asset or liability, a change in valuation technique or the use of multiple valuation techniques may be appropriate. In such instances, determining the price at which willing market participants would transact at the measurement date under current market conditions depends on the facts and circumstances and requires the use of significant judgment.

Town of Seymour, Connecticut

Notes to Financial Statements

Note 1. Significant Accounting Policies (Continued)

The Town's fair value measurements are classified into a fair value hierarchy based on the markets in which the assets and liabilities are traded and the reliability of the assumptions used to determine fair value.

The three categories within the hierarchy are as follows:

Level 1: Quoted prices in active markets for identical assets and liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, including quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, interest rates and yield curves observable at commonly quoted intervals, implied volatilities, credit spreads, and market-corroborated inputs.

Level 3: Unobservable inputs shall be used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flows methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgement.

See Note 2 for additional information regarding fair value.

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 July, 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 \$131,578 has been established as an allowance for uncollectible taxes. At June 30, 2016, this represents approximately 8% 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.

Town of Seymour, Connecticut

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

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.

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.

<u>Assets</u>	<u>Years</u>
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.

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

Town of Seymour, Connecticut

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

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.

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

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 a deferred inflow of resources related to pensions in the government-wide statement of net position. A deferred inflow of resources related to pension results from differences between expected and actual experience, changes in assumptions or other inputs. 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 property taxes, interest on property taxes, and charges for services. These amounts are deferred and recognized as an inflow of resources (revenue) in the period during which the amounts become available.

Pension plans: For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Municipal Employees' Retirement System plan (MERS) and the additions to/deductions from MERS' fiduciary net position have been determined on the same basis as they are reported by MERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Town of Seymour, Connecticut

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

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: The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, notes, or other borrowings that are attributable to the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are included in this component of net position.

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.

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 who has been delegated authority to assign amounts by the Board of Finance.

Town of Seymour, Connecticut

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

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, deferred outflow of resources and liabilities and deferred inflows of resources 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.

The Statutes (Sections 3-24f and 3-27f) also provide for investment in shares of the State Short-Term Investment Fund (STIF). 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. The cash portfolio adheres to GASB Statement No. 79, *Certain Investment Pools and Pool Participants*, which amends Statement No. 31 and establishes accounting and financial reporting standards for state and local governments that participate in a qualifying external investment pool that measures for financial reporting purposes all of its investments at amortized cost.

Town of Seymour, Connecticut

Notes to Financial Statements

Note 2. Detailed Notes on All Funds (Continued)

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, \$8,343,944 of the Town's bank balance of \$9,452,355 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 7,509,550
Uninsured and collateral held by the pledging bank's trust department, not in the Town's name	834,394
Total amount subject to custodial credit risk	<u>\$ 8,343,944</u>

Cash, cash equivalents and investments of the Town consist of the following at June 30, 2016:

Cash and cash equivalents:	
Deposits with financial institutions	\$ 9,376,014
Total cash and cash equivalents	<u>9,376,014</u>
Investments:	
Fiduciary fund:	
Mutual funds	1,466,835
Total investments	<u>1,466,835</u>
Total cash, cash equivalents and investments	<u>\$ 10,842,849</u>
Statement of net position:	
Cash and cash equivalents	<u>\$ 9,278,409</u>
Fiduciary funds:	
Cash and cash equivalents	97,605
Investments	1,466,835
Total cash, cash equivalents and investments	<u>1,564,440</u>
Total cash, cash equivalents and investments	<u>\$ 10,842,849</u>

Town of Seymour, Connecticut

Notes to Financial Statements

Note 2. Detailed Notes on All Funds (Continued)

Investments: As of June 30, 2016, 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	\$ 1,466,835	\$ -	\$ -	\$ -

N/A - not rated

Fair value: The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The Town has the following recurring fair value measurements as of June 30, 2016:

	Fair Value Measurements Using			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Other Observable Inputs (Level 3)	
Investments by fair value level:				
Mutual funds	\$ 1,466,835	\$ 892,414	\$ 574,421	\$ -
Total investments by fair value level	1,466,835	892,414	574,421	-

Debt and equity securities: Debt and equity securities, classified in Level 1 of the fair value hierarchy, are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

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.

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.

Town of Seymour, Connecticut

Notes to Financial Statements

Note 2. Detailed Notes on All Funds (Continued)

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	High School Bleachers	Nonmajor Governmental Funds	Sewer	Total
Receivables:					
Taxes	\$ 1,526,122	\$ -	\$ -	\$ -	\$ 1,526,122
Accounts and other	17,110	-	814,683	-	831,793
Sewer assessment	1,887,710	-	-	872,084	2,759,794
Water assessment	987,688	-	-	-	987,688
Intergovernmental	-	2,027,554	172,131	-	2,199,685
Gross receivables	<u>4,418,630</u>	<u>2,027,554</u>	<u>986,814</u>	<u>872,084</u>	<u>8,305,082</u>
Less allowance for collection losses	131,578	-	-	87,208	218,786
Net receivables	<u>\$ 4,287,052</u>	<u>\$ 2,027,554</u>	<u>\$ 986,814</u>	<u>\$ 784,876</u>	<u>\$ 8,086,296</u>

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	\$ 1,112,005	\$ -
Sewer and Water assessments receivable	2,875,398	-
Other revenues	-	2,433
Nonmajor governmental fund:		
Various education grants	-	82,080
Other revenues	663,237	-
	<u>\$ 4,650,640</u>	<u>\$ 84,513</u>

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, 2016 are as follows:

	General Fund	High School Bleachers Fund	Nonmajor Governmental Funds	Total
Fund balance:				
Nonspendable:				
Endowment	\$ -	\$ -	\$ 1,000	\$ 1,000
Inventory	-	-	13,188	13,188
	-	-	14,188	14,188
Restricted to:				
Grants	-	-	271,523	271,523
Bonds	-	-	1,274,398	1,274,398
User fees	-	-	148,226	148,226
	-	-	1,694,147	1,694,147
Committed to:				
Public works	-	-	348,482	348,482
Public safety	-	-	187,343	187,343
Education	-	-	123,868	123,868
Library	-	-	174,225	174,225
	-	-	833,918	833,918
Assigned to:				
Subsequent year's budget	80,000	-	-	80,000
General government various	113,198	-	-	113,198
Police department	301,659	-	-	301,659
Parks	28,858	-	-	28,858
Fire marshall	72,065	-	-	72,065
Safety	23,770	-	-	23,770
Town building data	41,918	-	-	41,918
Public works	175,731	-	-	175,731
Recreation	6,620	-	-	6,620
Education	109,602	-	-	109,602
	953,421	-	-	953,421
Unassigned	5,116,694	(29,535)	(1,580,711)	3,506,448
Total fund balances	\$ 6,070,115	\$ (29,535)	\$ 961,542	\$ 7,002,122

Significant encumbrances at June 30, 2016 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, 2016 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 3,212,873	\$ -	\$ -	\$ 3,212,873
Construction in progress	406,299	2,374,312	-	2,780,611
Total capital assets, not being depreciated	<u>3,619,172</u>	<u>2,374,312</u>	<u>-</u>	<u>5,993,484</u>
Capital assets, being depreciated:				
Buildings and improvements	97,524,939	118,568	-	97,643,507
Machinery and equipment	3,881,668	217,500	-	4,099,168
Vehicles	6,085,068	401,413	-	6,486,481
Infrastructure	32,706,547	-	-	32,706,547
Total capital assets being depreciated	<u>140,198,222</u>	<u>737,481</u>	<u>-</u>	<u>140,935,703</u>
Less accumulated depreciation for:				
Buildings and improvements	22,153,754	1,925,353	-	24,079,107
Machinery and equipment	2,821,656	204,501	-	3,026,157
Vehicles	4,683,741	282,332	-	4,966,073
Infrastructure	20,484,636	779,141	-	21,263,777
Total accumulated depreciation	<u>50,143,787</u>	<u>3,191,327</u>	<u>-</u>	<u>53,335,114</u>
Total capital assets, being depreciated, net	90,054,435	(2,453,846)	-	87,600,589
Governmental activities capital assets, net	<u>\$ 93,673,607</u>	<u>\$ (79,534)</u>	<u>\$ -</u>	<u>\$ 93,594,073</u>

	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	49,568	-	9,835,156
Licensed vehicles	479,847	-	-	479,847
Total capital assets, being depreciated	<u>19,946,714</u>	<u>49,568</u>	<u>-</u>	<u>19,996,282</u>
Less accumulated depreciation for:				
Buildings and improvements	4,778,590	186,046	-	4,964,636
Land improvements	222,630	-	-	222,630
Machinery and equipment	7,624,306	308,296	-	7,932,602
Licensed vehicles	479,850	-	-	479,850
Total accumulated depreciation	<u>13,105,376</u>	<u>494,342</u>	<u>-</u>	<u>13,599,718</u>
Business-type activities capital assets, net	<u>\$ 6,841,338</u>	<u>\$ (444,774)</u>	<u>\$ -</u>	<u>\$ 6,396,564</u>

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	\$ 31,913
Public works	861,658
Public safety	446,786
Sundry	63,827
Education	1,787,143
Total depreciation expense - governmental activities	<u>\$ 3,191,327</u>
Business-type activities:	
Sewer operating	<u>\$ 494,342</u>

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, 2016 is as follows:

	Due From Other Funds	Due To Other Funds
General fund	\$ 3,427,751	\$ 287,297
High school bleachers fund	-	2,050,000
Nonmajor governmental funds and other funds	296,641	1,387,095
	<u>\$ 3,724,392</u>	<u>\$ 3,724,392</u>

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:

	Transfers in			
	General Fund	High School Bleachers Fund	Nonmajor and Other Funds	Total
Transfers out:				
General fund	\$ -	\$ -	\$ 496,793	\$ 496,793
Nonmajor and other funds	340,793	3,595	46,677	391,065
	<u>\$ 340,793</u>	<u>\$ 3,595</u>	<u>\$ 543,470</u>	<u>\$ 887,858</u>

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, 2016 was as follows:

	Beginning Balance*	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable	\$ 32,305,000	\$ 6,160,000	\$ (3,685,000)	\$ 34,780,000	\$ 3,820,000
BANS	4,153,000	-	(4,153,000)	-	-
Premiums	1,608,060	314,936	(311,981)	1,611,015	-
Total bonds payable	38,066,060	6,474,936	(8,149,981)	36,391,015	3,820,000
Notes payable	855,000	-	(330,000)	525,000	105,000
Capital leases	84,622	-	(41,725)	42,897	42,897
Compensated absences	3,371,572	299,787	(218,671)	3,452,688	690,538
OPEB	9,901,926	1,638,551	-	11,540,477	-
Workers compensation/ dental claims	3,609,154	80,171	(834,404)	2,854,921	-
Net pension liability	474,167	1,576,258	-	2,050,425	-
Retirement obligations	53,132	-	(24,522)	28,610	24,522
Claims and other	180,000	-	-	180,000	-
Total governmental activities	\$ 56,595,633	\$ 10,069,703	\$ (9,599,303)	\$ 57,066,033	\$ 4,682,957

* restated see Note 7

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:

Town of Seymour, Connecticut

Notes to Financial Statements

Note 2. Detailed Notes on All Funds (Continued)

Description	Date of Issue	Maturity	Interest Rate (%)	Amount of Original Issue	Annual Principal	Balance Outstanding June 30, 2016
Refunding Bonds issued 2014	2014	2019	2%-5%	\$ 5,270,000	965,000-1,090,000	\$ 4,305,000
Refunding Bonds issued 2010B	2010	2025	2.0%-5.0%	12,145,000	520,000-945,000	8,565,000
Refunding Bonds issued 2011A	2011	2017	2.4%-4.45%	3,215,000	500,000-720,000	720,000
School Bonds issued 2011	2011	2032	2.5%-5.0%	5,995,000	220,000-325,000	5,175,000
Public and School Improvement	2007	2022	4.0%-4.375%	3,660,000	195,000-335,000	2,095,000
School Bonds issued 2010	2010	2031	2.0%-5.0%	6,000,000	300,000	4,800,000
Public equipment bonds issued 2013	2013	2022	2.5%-4.25%	3,460,000	100,000-250,000	2,960,000
Public and School Improvement	2015	2035	1.5%-4.0%	6,160,000	340,000-345,000	6,160,000
Total outstanding						<u>\$ 34,780,000</u>

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

Years ending June 30:	Governmental Activities	
	Principal	Interest
2017	\$ 3,820,000	\$ 1,280,432
2018	3,095,000	1,154,316
2019	3,480,000	1,023,210
2020	3,485,000	880,898
2021	2,395,000	763,030
2022-2026	10,330,000	2,524,524
2027-2031	5,225,000	1,055,118
2032-2036	2,950,000	200,437
	<u>\$ 34,780,000</u>	<u>\$ 8,881,965</u>

Town of Seymour, Connecticut

Notes to Financial Statements

Note 2. Detailed Notes on All Funds (Continued)

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	\$ 97,811,937	\$ 7,618,351	\$ 90,193,586
Schools	195,623,874	25,221,929	170,401,945
Sewers	163,019,895	3,092,738	159,927,157
Urban renewal	141,283,909	-	141,283,909
Pension deficit	130,415,916	-	130,415,916

The total overall statutory debt limit for the Town is equal to seven times annual receipts from taxation, or \$295,067,836. 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.

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
Years ending June 30:		
2017	\$ 105,000	\$ 9,315
2018	105,000	7,452
2019	105,000	5,589
2020	105,000	3,736
2021	105,000	1,863
	<u>\$ 525,000</u>	<u>\$ 27,955</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, 2016 were as follows:

Outstanding July 1, 2015	\$ 5,075,000
New borrowings	476,000
Repayments	<u>(5,075,000)</u>
Outstanding June 30, 2016	<u>\$ 476,000</u>
Reported as:	
Short-term debt	<u>\$ 476,000</u>

Town of Seymour, Connecticut

Notes to Financial Statements

Note 2. Detailed Notes on All Funds (Continued)

Bond anticipation notes in the amount of \$3,500,000 and \$1,575,000 were issued on April 30, 2015 and July 31, 2014, respectively, bearing a net interest cost of 1.0% and matured on July 30, 2015.

Subsequent events: On July 1, 2016, the Town issued \$7,225,000 of general obligation bonds with interest rates ranging from 2.0%-4.0%.

Authorized but unissued bonds: The total of authorized but unissued bonds at June 30, 2016 is \$152,018. 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.

The assets acquired through capital leases are as follows:

	Governmental Activities
Asset:	
Equipment	\$ 570,086
Less accumulated depreciation	546,407
Total	<u>\$ 23,679</u>

The future minimum lease obligation and the net present value of minimum lease payments as of June 30, 2016 were as follows:

	Amount
Capital lease future payments	
Years ending June 30:	
2017	\$ 44,100
Total	44,100
Less portion representing interest	1,203
Total future principal payments	<u>\$ 42,897</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, 2016, 3 individuals are receiving benefits under this plan through 2017. A liability of \$28,610 is accrued in the government-wide statement of net position.

Net pension liability: GASB Statement No. 68, Accounting and Financial Reporting for Pensions, an amendment of GASB Statement No. 27, and GASB Statement No. 71, Pension Transition for Contributions – an amendment of GASB 68, requires the Town to report a net pension liability, deferred pension credit and deferred pension expense. These amounts are recorded in the government wide statements and are paid out of the General Fund.

Town of Seymour, Connecticut

Notes to Financial Statements

Note 2. Detailed Notes on All Funds (Continued)

Deficit fund equity: For the year ended June 30, 2016, the following funds had deficit balances:

Nonmajor governmental funds:		
EDC grants	\$	356,563
Rimmon Road improvement		434,701
Education grants fund		54,110
Police private duty		127,616
Greenway trail fund		74,934
Downtown revitalization		11,774
High school bleachers		29,535
Chatfield LoPresti		115,674
Capital projects fund		405,339

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

Note 3. Employee Retirement Plans

Defined Benefit Pension Plan:

Plan description: Certain employees of the Town participate in a cost-sharing multiple-employer defined benefit pension plan administered by the State of Connecticut Municipal Employees' Retirement System (MERS). Under a cost-sharing plan, pension liabilities for employees of all employers are pooled and plan assets are available to pay the benefits of the employees of any participating employer providing pension benefits through the plan, regardless of the status of the employers' payment of its pension obligation to the plan. The plan provides retirement and disability benefits and death benefits to plan members and beneficiaries.

The System issues a publicly available financial report that includes financial statements and required supplementary information for the plans. The report may be obtained by writing to the State of Connecticut Retirement and Benefit Services Division, Office of the State Controller, 55 Elm Street, Hartford, CT 06106.

Benefit provisions: Plan provisions are set by Statute of the State of Connecticut. MERS provides retirement benefits, as well as death and disability benefits. Membership is mandatory for all regular full time employees of participating departments except Police and Fire hired after age 60.

Average final compensation: Average of the three highest paid years of service.

Normal form of benefit: Life annuity.

Year's breakpoint: With respect to the calendar year in which a member terminates service, \$10,700 increased by 6.0% each year after 1982, rounded to the nearest multiple of \$100. For 2014, the breakpoint is \$69,200.

Town of Seymour, Connecticut

Notes to Financial Statements

Note 3. Employee Retirement Plans (Continued)

Service retirement allowance:

Condition for allowance: Age 55 and 5 years of continuous service, or 15 years of active aggregate service, or 25 years of aggregate service. Compulsory retirement at age 65 for police and fire members.

Amount of allowance: For members not covered by Social Security: 2% of average final compensation times years of service. For members covered by Social Security: 1-1/2% of the average final compensation not in excess of the year's breakpoint plus 2% of average final compensation in excess of the year's breakpoint, times years of service. The maximum benefit is 100% of average final compensation and the minimum benefit is \$1,000 annually. Both the minimum and the maximum include Workers Compensation and Social Security benefits. If any member covered by Social Security retires before age 62, his/her benefit until he/she reaches age 62 or receives a Social Security disability award is computed as if he/she were not under Social Security.

Disability retirement allowance:

Condition for allowance: 10 years of service and permanently and totally disabled from engaging in any gainful employment in the service of the Municipality.

Amount of allowance: Calculated as a service retirement allowance based on compensation and service to the date of the disability.

Service connected disability:

Condition for allowance: Totally and permanently disabled from engaging in any gainful employment in the service of the Municipality provided such disability has arisen out of and in the course of his/her employment with the Municipality. Disability due to hypertension or heart disease, in the case of firemen and policemen, is presumed to have been suffered in the line of duty.

Amount of allowance: Calculated as a service retirement allowance based on compensation and service to the date of the disability with a minimum benefit (including Worker's Compensation benefits) of 50% of compensation at the time of the disability.

Vesting retirement allowance:

Condition for allowance: 5 years of continuous or 15 years of active aggregate service.

Amount of allowance: Calculated as a service retirement allowance on the basis of average final compensation and service to the date of termination. Deferred to normal retirement age, or an actuarially reduced allowance may begin at the time of separation.

Death benefit:

Condition for benefit: Eligible for service, disability retirement, or vested allowance, and married for at least 12 months preceding death.

Amount of benefit: Computed on the basis of the member's average final compensation and creditable service at date of death, payable to the spouse. Benefit is equal to 50% of the average of the life annuity allowance and the reduced 50% joint and survivor allowance.

Town of Seymour, Connecticut

Notes to Financial Statements

Note 3. Employee Retirement Plans (Continued)

Return of deductions: Upon the withdrawal of a member the amount of his accumulated deductions is payable to him/her on demand, with 5% interest from July 1, 1983.

Optional benefits: Prior to the retirement, a member may elect to convert his retirement allowance into a benefit of equivalent actuarial value in accordance with one of the optional forms described below: 1. A reduced retirement allowance payable during his life with the provision that after his death the beneficiary designated by him at the time of his retirement; or 2. A reduced retirement allowance payable during his life with the provision that after his death an allowance of one half of his reduced allowance will be continued for life to the beneficiary designated by him at the time of his retirement; 3. A reduced retirement allowance payable during his life with a guarantee of 120 or 240 monthly payments to the member or his designated beneficiary.

Cost-of-living adjustment: For those retired prior to January 1, 2002: (i) the benefits of disabled retirees, service retirees who have reached age 65, and beneficiaries of deceased retirees who would have reached age 65 are adjusted each July 1. The difference between the actual annual yield of the actuarial value of assets on a calendar year basis to a 6% yield is calculated. This difference is the adjustment applied the following July 1. The minimum adjustment is 3% and the maximum is 5%. (ii) The benefits for all others on the roll are adjusted on January 1, 2002 and on each subsequent July 1. The amount of each adjustment is 2.5%. For those retiring in or after January 1, 2002, benefits are adjusted each July 1. The adjustment is 60% of the annual increase in the CPI up to 6%. The minimum annual COLA is 2.5%; the maximum is 6%.

Contributions - by members: For members not covered by Social Security: 5% of compensation. For members covered by the Social Security: 2-1/4% of compensation up to the Social Security taxable wage base plus 5% of compensation, if any, in excess of such base.

Contributions - by municipalities: Participating Municipalities make annual contributions consisting of a normal cost contribution, a contribution for the amortization of the net unfunded accrued liability and a prior service amortization payment which covers the liabilities of the System not met by member contributions.

Assumptions: The total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation date	7/1/2014
Actuarial cost method	Entry Age Normal
Amortization method	Level dollar, closed
Remaining amortization period	27 years
Asset valuation method	5-year smoothed market with 20% recognition of investment gains and losses
Investment rate return*	8.00%, net of investment related expense
Projected salary increases*	4.25-11.00%
Social Security Wage Base	3.50%

* Includes inflation at 3.25%

Town of Seymour, Connecticut

Notes to Financial Statements

Note 3. Employee Retirement Plans (Continued)

Mortality

The RP2000 Mortality Table for Annuity and Non-Annuity (set forward one year for males and set back one year for females). For disabled retirees, the same table is used, adjusted with the male table set forward five years and the female table set forward one year

Discount rate: The discount rate used to measure the total pension liability was 8.00 percent. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at the actuarially determined rates in future years. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the net pension liability to changes in the discount rate: The following presents the net pension liability of the System, calculated using the discount rate of 8.00 percent, as well as what the System's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (7.00 percent) or 1-percentage-point higher (9.00 percent) than the current rate (\$ thousands):

	1% Decrease 7.00%	Current Discount Rate 8.00%	1% Increase 9.00%
Net pension liability (asset)	\$ 7,085,443	\$ 2,050,425	\$ (3,115,384)

Town of Seymour, Connecticut

Notes to Financial Statements

Note 3. Employee Retirement Plans (Continued)

The long-term expected rate of return: the long-term expected rate of return on pension plan investments was determined using a lognormal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and most recent best estimates of arithmetic real rates of return for each major asset class are to be provided by the Fiduciary of the Plan. The annual money weighted rate of return net of investment expenses measured on monthly inputs was 7.32%.

Asset Class	Target Allocation	Long-Term Expected Rate of Return
Large cap U.S. equities	16.0%	5.8%
Developed non-U.S. equities	14.0%	6.6%
Emerging markets (non-U.S.)	7.0%	8.3%
Core fixed income	8.0%	1.3%
Inflation linked bond fund	5.0%	1.0%
Emerging market bond	8.0%	3.7%
High yield bonds	14.0%	3.9%
Real estate	7.0%	5.1%
Private equity	10.0%	7.6%
Alternative investments	8.0%	4.1%
Liquidity fund	3.0%	0.4%
	100.00%	

Pension liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources: At June 30, 2016, the Town reported a liability of \$2,050,425 for its proportionate share of the net pension liability related to its participation in MERS. The net pension liability was measured as of June 30, 2015 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Town's proportion of the net pension liability was based on its share of contributions to the MERS for fiscal year 2015 relative to the total contributions of all participating employers for that fiscal year. At June 30, 2016, the Town's proportion was 5.5%.

Town of Seymour, Connecticut

Notes to Financial Statements

Note 3. Employee Retirement Plans (Continued)

For the year ended June 30, 2016, the Town recognized pension expense of \$1,175,984. At June 30, 2016, The Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual investment earnings	\$ 372,146	\$ -
Town contributions made subsequent to the measurement date	1,750,607	-
Total	\$ 2,122,753	\$ -

\$1,750,607 reported as deferred outflows of resources related to pensions resulting from the Town's contributions in fiscal year 2016 subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Years ending June 30:	
2017	\$ 30,741
2018	30,741
2019	30,741
2020	279,923

Connecticut Teachers' Retirement System:

Description of system: Teachers, principals, superintendents or supervisors within the Town's school system participate in a retirement system administered by the Connecticut State Teachers' Retirement Board. This Connecticut State Teachers' Retirement System (the System) is a cost sharing multiple employer defined benefit pension system with a special funding situation.

The System is considered a part of the State of Connecticut financial reporting entity and is included in the State's financial reports as a pension trust fund. Those reports may be obtained by writing to the State of Connecticut, Office of the State Comptroller, 55 Elm Street, Hartford, Connecticut 06106 or by calling (860) 702-3480.

The System is administered under the provisions of Chapter 167a of the Connecticut General Statutes (CGS). Participation in the System is restricted to certified staff employed in the public schools of Connecticut and members of the professional staff of the State Department of Education or the board of Governors of Higher Education and their constituent units. Participation in the System is mandatory for certified personnel of local boards of education who are employed for an average of at least one-half of a school day. Members of the professional staff of the State Department of Education or the Board of Governors of Higher Education and their constituent units may elect to participate in this system, the State Employees' Retirement System, or the Alternate Retirement System (TIAA-CREF).

Town of Seymour, Connecticut

Notes to Financial Statements

Note 3. Employee Retirement Plans (Continued)

Benefits provided: The benefits provided to participants by the System are as follows:

Normal benefit: A member at age 60 with 20 years of Credited Service in Connecticut, or 35 years of Credited Service including at least 25 years of service in Connecticut is eligible for vested benefits of 2% of average annual salary times years of credited service (maximum benefit is 75% of average annual salary.)

Prorated benefit: A member who completes 10 years of Connecticut public school service is eligible for a vested benefit commencing at age 60. The benefit is 2% less 0.1% for each year less than 20 years of average annual salary times years of credited service.

Minimum benefit: Effective January 1, 1999, Public Act 98-251 provides a minimum monthly retirement benefit of \$1,200 to teachers who retire under the Normal Benefit provisions and who have completed at least 25 years of full time Connecticut service at retirement.

Contribution requirements: The pension contributions made by the State to the System are determined on an actuarial reserve basis as described in CGS Sections 10-1831 and 10-183z. Participants are required to contribute 6.00% of their annual salary rate to the System as required by CGS Section 10-183b (7). For the 2015/2016 school year, \$1,155,220 mandatory contributions were deducted from the salaries of teachers who were participants of the System during that school year. The estimated covered payroll for the Town is \$15,934,000. The School District is not required to make contributions to the plan.

Actuarial assumptions: The actuarial assumptions used in the June 30, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2005 – June 30, 2010. The total pension liability was determined by an actuarial valuation as of June 30, 2014, using the following key actuarial assumptions:

Inflation	3.00 percent
Salary increases, including inflation	3.75-7.00 percent
Long-term investment rate of return, net of pension investment expense, including inflation	8.50 percent

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

Town of Seymour, Connecticut

Notes to Financial Statements

Note 3. Employee Retirement Plans (Continued)

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Large cap U.S. equities	21.0%	5.8%
Developed non-U.S. equities	18.0%	6.6%
Emerging markets (non-U.S.)	9.0%	8.3%
Core Fixed Income	7.0%	1.3%
Inflation linked bond fund	3.0%	1.0%
Emerging market bond	5.0%	3.7%
High yield bonds	5.0%	3.9%
Real estate	7.0%	5.1%
Private equity	11.0%	7.6%
Alternative investments	8.0%	4.1%
Cash	6.0%	0.4%
	100.0%	

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

Sensitivity of the proportionate share of the net pension liability to changes in the discount rate:

The following presents the State's proportionate share of the net pension liability associated with the Town, calculated using the discount rate of 8.50 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (7.50 percent) or 1-percentage-point higher (9.50 percent) than the current rate.

	1% Decrease 7.50%	Current Discount Rate 8.50%	1% Increase 9.50%
State's share of NPL associated with the Town	\$ 55,117,119	\$ 43,706,244	\$ 34,006,917

Town of Seymour, Connecticut

Notes to Financial Statements

Note 3. Employee Retirement Plans (Continued)

Pension liabilities, pension expense, and deferred inflows/outflows of resources: The State makes all contributions to the System on behalf of employees of the participating districts. Therefore, participating employers are considered to be in a special funding situation as defined by GASB No. 68 and the State is treated as a non-employer contributing entity in the System. Since the districts do not contribute directly to the System, there is no net pension liability or deferred inflows or outflows to report in the financial statements of the Town. The portion of the net pension liability that was associated with the Town was \$43,706,244 and 100% of the collective net pension liability is allocated to the State.

The Town recognized the total pension expense associated with the Town as well as revenue in an amount equal to the non-employer contributing entities' total proportionate share of the collective pension expense associated with the Town. For the fiscal year ended June 30, 2016, the Town recognized \$3,501,971 as the amount expended by the State on behalf of the Town to meet the State's funding requirements.

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

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.

At July 1, 2015, plan membership consisted of the following:

	Medical Benefit Plan
Retired members	95
Spouses of retired members	45
Active plan members	242
Total participants	<u>382</u>

Town of Seymour, Connecticut

Notes to Financial Statements

Note 4. Other Post-Employment Benefits (Continued)

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.

For the year ended June 30, 2016, plan members contributed \$261,368 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 \$1,418,938 were made in accordance with actuarially determined requirements based on the July 1, 2013 valuation report. Of this amount, \$999,500 represents premium payments, \$429,438 represents implicit rate subsidy and \$0 was contributed to prefund benefits.

Town of Seymour, Connecticut

Notes to Financial Statements

Note 4. Other Post-Employment Benefits (Continued)

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 ARC was based off of the July 1, 2013 actuarial valuation. 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)	\$ 3,143,092
Interest on net OPEB obligation	396,077
Adjustment to annual required contribution	(447,739)
Annual OPEB cost	<u>3,091,430</u>
Contributions made	<u>1,452,879</u>
Increase in net OPEB obligation	1,638,551
Net OPEB obligation - beginning of year	<u>9,901,926</u>
Net OPEB obligation - end of year	<u><u>\$ 11,540,477</u></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 OPEB Obligation
6/30/16	\$ 3,091,430	\$ 1,452,879	47.00%	11,540,477
6/30/15	2,924,515	1,418,938	48.52%	9,901,926
6/30/14	3,104,725	1,667,618	53.71%	8,396,349

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	7/1/2015
Actuarial cost method	Projected Unit Credit
Amortization method	Level Percent
Amortization growth	4.00%
Remaining amortization period	25 years, decreasing
Asset valuation method	N/A
Actuarial assumptions:	
Health care cost trend rate	4.40%-5.24%
Investment rate of return	4.00%
Inflation rate	2.75%

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, 2015	\$ -	\$ 36,935,842	\$ 36,935,842	0%	\$ 17,076,000	216.30%

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, 2016.

The Town is partially self-insured for worker's compensation and dental. 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, 2016, this amount was \$2,854,921.

Town of Seymour, Connecticut

Notes to Financial Statements

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

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
2016	\$ 3,609,154	\$ 80,171	\$ 834,404	\$ 2,854,921
2015	2,497,797	2,618,441	1,507,084	3,609,154

Commitment: The Town's Water Pollution Control Authority (WPCA) has contracted with an outside firm to operate its water treatment plant through June 30, 2026. The contract calls for an annual operating cost plus adjustments for the consumer price index and new dwellings added to the system. At June 30, 2016, the base contract commitment is approximately \$1,364,000 per year.

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.

Note 6. Recently Issued 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, except for GASB 75, which will most likely have a material impact, though the amount has not yet been determined:

- GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, addresses reporting by OPEB plans that administer benefits on behalf of governments. Statement 74 addresses the financial reports of defined benefit OPEB plans that are administered through trusts that meet specified criteria. The Statement follows the framework for financial reporting for defined benefit OPEB plans in Statement 45 by requiring a statement of fiduciary net position and a statement of changes in fiduciary net position. The Statement requires more extensive note disclosures and RSI related to the measurement of the OPEB liabilities for which assets have been accumulated, including information about the annual money-weighted rates of return on plan investments. Statement 74 also sets forth note disclosure requirements for defined contribution OPEB plans. The provisions of this Statement are effective for fiscal years beginning after June 15, 2016.

Town of Seymour, Connecticut

Notes to Financial Statements

Note 6. Recently Issued GASB Statements (Continued)

- GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, addresses reporting by governments that provide OPEB to their employees and for governments that finance OPEB for employees of other governments. Statement 75 requires governments to report a liability on the face of the financial statements for the OPEB that they provide:
 - Governments that are responsible only for OPEB liabilities related to their own employees and that provide OPEB through a defined benefit OPEB plan administered through a trust that meets specified criteria will report a net OPEB liability—the difference between the total OPEB liability and assets accumulated in the trust and restricted to making benefit payments.
 - Governments that participate in a cost-sharing OPEB plan that is administered through a trust that meets the specified criteria will report a liability equal to their proportionate share of the collective OPEB liability for all entities participating in the cost-sharing plan.
 - Governments that do not provide OPEB through a trust that meets specified criteria will report the total OPEB liability related to their employees.

Statement 75 carries forward from Statement 45 the option to use a specified alternative measurement method in place of an actuarial valuation for purposes of determining the total OPEB liability for benefits provided through OPEB plans in which there are fewer than 100 plan members (active and inactive). This option was retained in order to reduce costs for smaller governments. The provisions of this Statement are effective for fiscal years beginning after June 15, 2017.

- GASB Statement No. 77, *Tax Abatement Disclosures*. Financial statements prepared by state and local governments in conformity with generally accepted accounting principles provide citizens and taxpayers, legislative and oversight bodies, municipal bond analysts, and others with information they need to evaluate the financial health of governments, make decisions, and assess accountability. This information is intended, among other things, to assist these users of financial statements in assessing (1) whether a government's current-year revenues were sufficient to pay for current-year services (known as interperiod equity), (2) whether a government complied with finance-related legal and contractual obligations, (3) where a government's financial resources come from and how it uses them, and (4) a government's financial position and economic condition and how they have changed over time. This Statement requires governments that enter into tax abatement agreements to disclose the following information about the agreements:
 - Brief descriptive information, such as the tax being abated, the authority under which tax abatements are provided, eligibility criteria, the mechanism by which taxes are abated, provisions for recapturing abated taxes, and the types of commitments made by tax abatement recipients
 - The gross dollar amount of taxes abated during the period
 - Commitments made by a government, other than to abate taxes, as part of a tax abatement agreement.

Town of Seymour, Connecticut

Notes to Financial Statements

Note 6. Recently Issued GASB Statements (Continued)

Governments should organize those disclosures by major tax abatement program and may disclose information for individual tax abatement agreements within those programs. Tax abatement agreements of other governments should be organized by the government that entered into the tax abatement agreement and the specific tax being abated. Governments may disclose information for individual tax abatement agreements of other governments within the specific tax being abated. For those tax abatement agreements, a reporting government should disclose:

- The names of the governments that entered into the agreements
- The specific taxes being abated
- The gross dollar amount of taxes abated during the period.

The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2015. Earlier application is encouraged.

- GASB Statement No. 78, *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*. This standard narrows the scope and applicability of GASB Statement No. 68, Accounting and Financial Reporting for Pensions, to exclude pensions provided to employees of state or local governmental employers through a cost-sharing multiple-employer defined benefit pension plan meeting specific criteria; establishes new guidance for these employers, including separate requirements for recognition and measurement of pension expense or expenditures and liabilities, note disclosures and required supplementary information (RSI). The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2015. Earlier application is encouraged.
- GASB Statement No. 80, *Blending Requirements for Certain Component Units – An Amendment of GASB Statement No. 14*. The objective of this Statement is to improve financial reporting by clarifying the financial statement presentation requirements for certain component units. This Statement amends the blending requirements established in paragraph 53 of Statement No. 14, The Financial Reporting Entity, as amended. This Statement amends the blending requirements for the financial statement presentation of component units of all state and local governments. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. The additional criterion does not apply to component units included in the financial reporting entity pursuant to the provisions of Statement No. 39, Determining Whether Certain Organizations Are Component Units. The requirements of this Statement are effective for reporting periods beginning after June 15, 2016. Earlier application is encouraged.
- GASB Statement No. 81, *Irrevocable Split-Interest Agreements*. This Statement requires that a government that receives resources pursuant to an irrevocable split-interest agreement recognize assets, liabilities, and deferred inflows of resources at the inception of the agreement. Furthermore, this Statement requires that a government recognize assets representing its beneficial interests in irrevocable split-interest agreements that are administered by a third party, if the government controls the present service capacity of the beneficial interests. This Statement requires that a government recognize revenue when the resources become applicable to the reporting period. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2016, and should be applied retroactively. Earlier application is encouraged.

Town of Seymour, Connecticut

Notes to Financial Statements

- GASB Statement No. 82, *Pension Issues—an amendment of GASB Statements No. 67, No. 68, and No. 73*. The requirements of this Statement are effective for reporting periods beginning after June 15, 2016, except for the requirements of paragraph 7 in a circumstance in which an employer's pension liability is measured as of a date other than the employer's most recent fiscal year-end. In that circumstance, the requirements of paragraph 7 are effective for that employer in the first reporting period in which the measurement date of the pension liability is on or after June 15, 2017. Earlier application is encouraged.

Note 7. Restatement

The fiduciary net position of the State of Connecticut's MERS plan was restated due to a change in the recording of contributions receivable from a present value method to a gross method. The result of the restatement was to reduce the net pension liability recorded on the State's financial statement and increase the July 1, 2015 fiduciary net position of the State MERS plan by \$139,565,000. The effect on the Town of Seymour's financial statements was to decrease the net pension liability and deferred pension items and increase the governmental activities' net position as shown below.

The following restatement was recorded:

	Net Position	Net Pension Liability	Deferred Pension Expense
Balance at June 30, 2015, as previously reported	\$ 49,283,010	\$ 4,042,879	\$ 1,438,242
Adjustments:			
Change in method of accounting for contributions	3,940,151	(3,568,712)	(371,439)
Balance at July 1, 2015, as Restated	<u>\$ 53,223,161</u>	<u>\$ 474,167</u>	<u>\$ 1,066,803</u>

**Required Supplementary
Information- *unaudited***

**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, 2016**

	General Fund			
	Original	Final	Actual Budgetary Basis	Variance With Final Budget
Revenues:				
Property taxes	\$ 42,736,050	\$ 42,736,050	\$ 42,849,310	\$ 113,260
Interest and lien fees	350,000	350,000	480,074	130,074
Intergovernmental	11,221,101	11,221,101	11,259,947	38,846
Investment income	12,000	12,000	8,896	(3,104)
Permits, fees and other	992,551	992,551	1,353,569	361,018
Other	35,000	35,000	36,803	1,803
Total revenues	55,346,702	55,346,702	55,988,599	641,897
Expenditures:				
Current:				
General government	2,436,636	3,138,485	3,086,498	51,987
Public safety	5,013,606	6,729,845	6,668,786	61,059
Public works	2,620,065	3,538,357	3,532,475	5,882
Sanitation	1,179,332	1,223,951	1,218,679	5,272
Sundry	6,353,546	3,143,547	3,112,083	31,464
Education	32,580,447	32,580,447	32,580,325	122
Debt service	5,492,070	5,492,070	5,492,070	-
Total expenditures	55,675,702	55,846,702	55,690,916	155,786
Revenues over expenditures	(329,000)	(500,000)	297,683	797,683
Other financing sources (uses):				
Unassigned fund balance	500,000	500,000	225,000	(275,000)
Total financing sources (uses)	500,000	500,000	225,000	(275,000)
Net increase in budgetary fund balance	\$ 171,000	\$ -	522,683	\$ 522,683
Budgetary fund balance, beginning			4,674,011	
Budgetary fund balance, ending			\$ 5,196,694	

See note to required supplementary information.

Required Supplementary Information - Unaudited
Other Post Retirement Benefits
Schedules of Funding Progress and Employer Contributions
Last Eight Fiscal Years

Schedule of Funding Progress

Actuarial Valuation	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) Entry Age	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a % of Covered Payroll
July 1, 2007	\$ -	\$ 34,949,000	\$ 34,949,000	0%	N/A	N/A
July 1, 2009	-	38,401,000	38,401,000	0%	N/A	N/A
July 1, 2011	-	42,954,575	42,954,575	0%	N/A	N/A
July 1, 2013	-	39,393,101	39,393,101	0%	16,854,738	233.72%
July 1, 2015	-	36,935,842	36,935,842	0%	17,076,000	216.30%

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%
June 30, 2015	2,952,503	1,418,938	48.06%
June 30, 2016	3,143,092	1,452,879	46.22%

**Schedule of Contributions - Municipal Employees' Retirement System
 Required Supplementary Information - *unaudited*
 Last Three Fiscal Years**

Measurement Period Ended June 30,	2016	2015	2014
Actuarially determined contribution	\$ 1,750,607	\$ 1,334,602	\$ 1,103,981
Contribution in relation to the actuarially determined contribution	1,750,607	1,334,602	1,102,981
Contribution deficiency (excess)	\$ -	\$ -	\$ 1,000
Covered-employee Payroll	\$ 10,223,171	\$ 10,080,165	\$ 10,080,165
Contributions as a percentage of covered-employee payroll	17.12%	13.24%	10.95%
Valuation date:	June 30, 2014		
Measurement date:	June 30, 2015		

Actuarially determined contribution rates are calculated as of June 30, each biennium for the fiscal years ending two and three years after the valuation date.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age
Amortization method	Level dollar, closed
Single equivalent amortization period	27 years
Asset valuation method	5 years smoothed market (20% write up)
Inflation	3.25%
Salary increases	4.25% - 11%, including inflation
Investment rate of return	8%, net of investment related expense
Changes in assumptions:	In 2013, rates of mortality, withdrawal, retirement and assumed rates of salary increases were adjusted to more closely reflect actual and anticipated experience.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the Town will present information for those years for which information is available.

**Schedule of the Town's Proportionate Share of the Net Pension Liability -
Municipal Employees' Retirement System
Required Supplementary Information - *unaudited*
Last Two Fiscal Years**

	2016	2015*
Town's proportion of the net pension liability	5.513270%	5.605805%
Town's proportionate share of the net pension liability	<u>\$ 2,052,425</u>	<u>\$ 474,167</u>
Town's covered-employee payroll	<u>\$ 10,223,171</u>	<u>\$ 10,080,165</u>
Town's proportionate share of the net pension liability as a percentage of its covered payroll	<u>20.08%</u>	<u>4.70%</u>
System fiduciary net position as a percentage of the total pension liability	<u>92.72%</u>	<u>92.72%</u>

*restated

Note to Schedule

Valuation date	June 30, 2014
Actuarial cost method	Entry age
Investment rate of return	8.00%
Salary increase	4.25-11.00 percent, including inflation
Amortization method	Level dollar, closed
Remaining amortization period	27 years
Asset valuation method	5-year smoothed market (20% write up)
Assumption changes	None
Benefit changes	None

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the Town will present information for those years for which information is available.

**Schedule of the Town's Proportionate Share of the Net Pension Liability -
 Teachers' Retirement System
 Required Supplementary Information - *unaudited*
 Last Two Fiscal Years**

	2016	2015
Town's proportion of the net pension liability	0%	0%
Town's proportionate share of the net pension liability	\$ -	\$ -
State's proportionate share of the net pension liability associated with the Town	43,706,244	40,397,644
Total	<u>\$ 43,706,244</u>	<u>\$ 40,397,644</u>
Town's covered-employee payroll	<u>\$ 15,934,000</u>	<u>\$ 15,591,000</u>
Town's proportionate share of the net pension liability as a percentage of its covered payroll	<u>0%</u>	<u>0%</u>
System fiduciary net position as a percentage of the total pension liability	<u>59.50%</u>	<u>61.51%</u>

Note to Schedule:

Changes in assumptions: In 2011, rates of withdrawal, retirement and assumed rates of salary increase were adjusted to more closely reflect actual and anticipated experience. These assumptions were recommended as part of the Experience Study for the System for the five year period ended June 30, 2010.

Method and assumptions used in calculations of actuarially determined contributions: The actuarially determined contributions in the schedule of employer contributions are calculated as of June 30 each biennium for the fiscal years ending two and three years after the valuation date. The following actuarial methods and assumptions were used to determine the most recent contributions reported in that schedule:

Note to Schedule

Actuarial cost method	Entry age
Amortization method	Level percent of pay, closed
Single equivalent amortization period	22.4 years
Asset valuation method	4-year smoothed market
Inflation	3.00 percent
Salary increase	3.75-7.00 percent, including inflation
Investment rate of return	8.50 percent, net of investment related expense

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the Town will present information for those years for which information is available.

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 and departments 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. Transfer requests less than \$50,000 require both Boards' approvals. Transfer requests more than \$50,000 per Board/department and aggregate requests of \$50,000 or more per Board/department require both Boards' approval and the approval of the 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 \$171,000 were made during fiscal year ended June 30, 2016.

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

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	\$ 56,213,599	\$ 55,690,916	\$ 5,196,694
Encumbrances outstanding at June 30, 2015, liquidated during the year ended June 30, 2016	-	552,768	-
Encumbrances outstanding at June 30, 2016, charged to budgetary expenditures during the year ended June 30, 2016	-	(873,421)	873,421
State teachers' retirement on-behalf payment	3,893,000	3,893,000	-
Balance, GAAP basis	\$ 60,106,599	\$ 59,263,263	\$ 6,070,115

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**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, 2016

	General Fund			
	Original	Final	Actual Budgetary Basis	Variance With Final Budget
Revenues:				
Property taxes	\$ 42,736,050	\$ 42,736,050	\$ 42,849,310	\$ 113,260
Interest and lien fees	350,000	350,000	480,074	130,074
Intergovernmental:				
Education:				
Education transportation	121,777	121,777	116,067	(5,710)
Education Block Grant	10,072,953	10,072,953	10,167,982	95,029
Total education	10,194,730	10,194,730	10,284,049	89,319
Other:				
State provided highway	297,024	297,024	296,883	(141)
Enterprise Zone program	5,600	5,600	5,735	135
Mashantucket Pequot fund	77,536	77,536	70,475	(7,061)
Property tax loss	67,306	67,306	34,658	(32,648)
State distribution of a telephone tax	30,000	30,000	28,559	(1,441)
Local capital projects	115,793	115,793	115,793	-
Circuit Breaker program	141,000	141,000	114,143	(26,857)
Judicial fines	-	-	6,165	6,165
Hold Harmless grant	264,455	264,455	281,186	16,731
Property tax relief	5,257	5,257	-	(5,257)
Veterans exemption	19,000	19,000	19,370	370
Disabled exemption	3,400	3,400	2,931	(469)
Total other	1,026,371	1,026,371	975,898	(50,473)
Total intergovernmental	11,221,101	11,221,101	11,259,947	38,846
Permits, fees and other:				
Parking stickers	3,500	3,500	3,495	(5)
Valley Health District rent	17,500	17,500	18,375	875
Pistol permits	7,000	7,000	15,040	8,040
Raffle permits	30	30	30	-
Zoning & state permits	-	-	100	100
Parking fines	5,000	5,000	6,485	1,485
Ordinance fines	100	100	4,099	3,999
Police reports	750	750	1,707	957
Building inspector	130,000	130,000	250,138	120,138
Miscellaneous	5,000	5,000	6,736	1,736
Real estate conveyance tax	100,000	100,000	114,757	14,757
Dog licenses	850	850	-	(850)
Dog Warden receipts	2,500	2,500	2,170	(330)
Seymour Recreation Department	35,000	35,000	124,145	89,145
Inland Wetlands	3,000	3,000	1,080	(1,920)
Skate park land	300	300	-	(300)
Dept. of Public Works	1,000	1,000	2,533	1,533

(Continued)

Schedule of Revenues and Other Financing Sources - Budget and Actual - Budgetary Basis (Continued)
General Fund
For the Year Ended June 30, 2016

	General Fund			
	Original	Final	Actual Budgetary Basis	Variance With Final Budget
Permits, fees and other (Continued):				
Commercial transfer station	\$ 35,000	\$ 35,000	\$ 26,344	\$ (8,656)
Residential transfer station	12,500	12,500	13,408	908
Town Clerk	130,000	130,000	131,809	1,809
Zoning Board of Appeals	521	521	1,910	1,389
Fire Marshal permits	2,000	2,000	4,502	2,502
Planning and Zoning	11,000	11,000	7,822	(3,178)
Sewer assessments	295,000	295,000	299,259	4,259
Water assessments	100,000	100,000	161,465	61,465
Water assessment interest	8,000	8,000	94,990	86,990
WPCA Liens	6,500	6,500	6,500	-
Revenue from recycling	15,000	15,000	9,857	(5,143)
Senior center trips	30,000	30,000	25,130	(4,870)
Senior center programs	5,500	5,500	1,578	(3,922)
Seymour recreation trips	30,000	30,000	14,130	(15,870)
Boys and girls club receivables	-	-	3,975	3,975
Total permits, fees and other	992,551	992,551	1,353,569	361,018
Interest and dividends:				
Interest General Fund	12,000	12,000	8,896	(3,104)
Total interest and dividends	12,000	12,000	8,896	(3,104)
Other:				
Sale of surplus property	-	-	3,500	3,500
Police administration fees	35,000	35,000	33,303	(1,697)
Total other	35,000	35,000	36,803	1,803
Other financing sources:				
Use of fund balance	275,000	275,000	-	(275,000)
Capital Project Fund Reimbursement	225,000	225,000	225,000	-
Total other financing sources	500,000	500,000	225,000	(275,000)
Total revenues and other financing sources	\$ 55,846,702	\$ 55,846,702	\$ 56,213,599	\$ 366,897

Schedule of Expenditures and Other Financing Uses - Budget and Actual - Budgetary Basis
General Fund
For the Year Ended June 30, 2016

	Budgeted Amount		Actual Budgetary Basis	Variance With Final Budget
	Original	Final		
General Government:				
Selectmen's Office	\$ 230,930	\$ 369,537	\$ 367,108	\$ 2,429
Probate Court	13,000	13,000	13,000	-
Registrar of Voters	85,300	87,289	73,013	14,276
Board of Finance	67,900	68,114	68,114	-
Assessors Office	194,315	272,454	268,684	3,770
Town Treasurer	5,200	5,598	5,598	-
Town Counsel	330,000	330,000	329,975	25
Town Clerk	202,632	305,826	300,477	5,349
Tax Collector	160,855	240,272	239,044	1,228
Town buildings	510,256	633,515	620,828	12,687
Town computers	70,000	70,000	69,845	155
Planning and Zoning	22,740	24,197	22,838	1,359
Board of Zoning Appeals	800	861	546	315
Economic Development	67,080	70,370	68,769	1,601
Economic Development Commission	8,000	8,077	7,477	600
Printing and legal ads	15,000	15,000	15,000	-
Town Meetings and Public Hearings	4,200	4,200	1,445	2,755
Finance Department	249,635	408,294	407,349	945
Office of Compliance	100,150	107,142	103,135	4,007
Senior citizens tax freeze	50,000	50,000	50,000	-
Town Planner	36,218	42,464	41,978	486
Seymour Downtown Committee	12,275	12,275	12,275	-
Assessment Appeals	150	-	-	-
Total general government	2,436,636	3,138,485	3,086,498	51,987
Public Safety:				
Fire Department	400,411	403,601	400,829	2,772
Police Department:	4,111,141	5,762,815	5,722,360	40,455
Dog Warden	47,654	49,743	36,882	12,861
Communications Commission	203,599	203,599	202,431	1,168
Fire Marshal	123,989	182,686	179,679	3,007
Emergency Management	25,669	25,669	25,064	605
Blight Officer	8,700	9,274	9,264	10
Ambulance	61,443	61,558	61,377	181
Valley Emergency Medical Service	30,900	30,900	30,900	-
EMS Oversight Commission	100	-	-	-
Total public safety	5,013,606	6,729,845	6,668,786	61,059
Public Works:				
Highway wages/maintenance	1,840,265	2,748,257	2,745,966	2,291
Street lighting	170,000	170,000	170,000	-
Town engineer	99,307	99,307	99,307	-
Highway materials	365,793	376,093	376,041	52
Parks	144,700	144,700	141,161	3,539
Total public works	2,620,065	3,538,357	3,532,475	5,882

(Continued)

Schedule of Expenditures and Other Financing Uses - Budget and Actual - Budgetary Basis (Continued)
General Fund
For the Year Ended June 30, 2016

	Budgeted Amount		Actual Budgetary Basis	Variance With Final Budget
	Original	Final		
Sanitation:				
Waste collection	\$ 980,886	\$ 980,886	\$ 980,817	\$ 69
Sanitation	99,020	143,639	138,436	5,203
Valley Health Department	99,426	99,426	99,426	-
Total sanitation	1,179,332	1,223,951	1,218,679	5,272
Sundry:				
Library	352,493	541,412	536,682	4,730
Recreation Commission	213,517	262,035	260,978	1,057
Town health contributions	12,610	12,610	12,607	3
Town miscellaneous contributions	28,725	50,918	47,283	3,635
Town recreation contributions	34,500	34,500	34,500	-
Town contributions	-	25,775	25,775	-
Culture and Arts Commission	20,600	20,600	17,390	3,210
Services to the elderly	142,082	171,570	157,005	14,565
Town insurance program	1,589,056	1,589,056	1,588,055	1,001
Inland Wetlands	9,570	10,014	8,257	1,757
Lake Authority	15,000	15,000	15,000	-
Fire Hydrants Water	376,200	398,558	398,558	-
Valley Council of Governments	6,804	6,804	6,804	-
Conservation Aquifer Protection Age	4,695	4,695	3,189	1,506
Personnel benefits	3,547,694	-	-	-
Total sundry	6,353,546	3,143,547	3,112,083	31,464
Capital Non-Recurring	100,000	-	-	-
Town Contingency	71,000	-	-	-
Debt Service	5,492,070	5,492,070	5,492,070	-
Education	32,580,447	32,580,447	32,580,325	122
Total expenditures and other financing uses	\$ 55,846,702	\$ 55,846,702	\$ 55,690,916	\$ 155,786

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 Grant 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.

Rimmon Road Improvement Fund

To account for Federal grant and local funds restricted for the reconstruction of Rimmon road.

Education Grants 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 Policing 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.

Special Revenue Funds (Continued)

Ambulance Fund

To account for Ambulance funds designated for specific capital expenditures.

Private Duty

To account for police private duty activity, including paying wages, invoicing for services and invoice collections.

Greenway Trail Fund

To account for the amounts restricted to state grant requirements.

Building Maintenance

To account for Town Building repairs as determined by the 1st Selectman.

Police Canine Fund

To account for funds to be spent on police canine, created by benefactor.

BRRFOC Fund

To account for Board of Selectman designated environmental purposes and transfer station improvements.

Capital Projects Fund

Capital Projects

To account for 2015-2016 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.

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.

Road Project Fund

To account for funds associated with road repairs and maintenance.

Permanent Fund

Charles Pine Fund

To account for the donation from Charles Pine.

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Town of Seymour, Connecticut

Combining Balance Sheet
 Nonmajor Governmental Funds
 June 30, 2016

	Special Revenue Funds			
	LOCIP	Open Space	EDC Grants	Skate Park Fund
Assets				
Cash	\$ 129,311	\$ 28,436	\$ 49	\$ 9,344
Receivables:				
Accounts and other	-	-	370,309	-
Due from other governments	-	-	-	-
Due from other funds	-	-	9,344	-
Inventory	-	-	-	-
Prepaid expense	-	-	-	-
Total assets	\$ 129,311	\$ 28,436	\$ 379,702	\$ 9,344
Liabilities				
Accounts and other payables/due to State	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	365,956	9,344
Unearned revenue	-	-	-	-
Bond anticipation notes	-	-	-	-
Total liabilities	-	-	365,956	9,344
Deferred inflows of resources:				
Unavailable revenues	-	-	370,309	-
Total deferred inflows of resources	-	-	370,309	-
Fund balances (deficits):				
Nonspendable	-	-	-	-
Restricted	129,311	-	-	-
Committed	-	28,436	-	-
Unassigned	-	-	(356,563)	-
Total fund balances (deficits)	129,311	28,436	(356,563)	-
Total liabilities, deferred inflows of of resources and fund balances (deficits)	\$ 129,311	\$ 28,436	\$ 379,702	\$ 9,344

Special Revenue Funds							
HUD Small Cities Grant Fund	Dog Fund	Library Fund	Rimmon Road Improvement Fund	Education Grants Fund	School Lunch Fund	Police Seizure Fund	
\$ 123,686	\$ 6,809	\$ 174,224	\$ 17,710	\$ 5,880	\$ 88,618	\$ 18,819	
-	-	-	247,507	-	-	-	-
-	-	-	-	116,090	56,041	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	13,188	-	-
-	-	-	-	-	-	-	-
<u>\$ 123,686</u>	<u>\$ 6,809</u>	<u>\$ 174,224</u>	<u>\$ 265,217</u>	<u>\$ 121,970</u>	<u>\$ 157,847</u>	<u>\$ 18,819</u>	
\$ 685	\$ 765	\$ -	\$ -	\$ 71,679	\$ 20,791	\$ -	
-	5,652	-	452,411	22,321	-	-	-
-	-	-	-	82,080	-	-	-
-	-	-	-	-	-	-	-
<u>685</u>	<u>6,417</u>	<u>-</u>	<u>452,411</u>	<u>176,080</u>	<u>20,791</u>	<u>-</u>	<u>-</u>
-	-	-	247,507	-	-	-	-
-	-	-	247,507	-	-	-	-
-	-	-	-	-	13,188	-	-
123,001	392	-	-	-	-	18,819	-
-	-	174,224	-	-	123,868	-	-
-	-	-	(434,701)	(54,110)	-	-	-
<u>123,001</u>	<u>392</u>	<u>174,224</u>	<u>(434,701)</u>	<u>(54,110)</u>	<u>137,056</u>	<u>18,819</u>	
<u>\$ 123,686</u>	<u>\$ 6,809</u>	<u>\$ 174,224</u>	<u>\$ 265,217</u>	<u>\$ 121,970</u>	<u>\$ 157,847</u>	<u>\$ 18,819</u>	

(Continued)

Town of Seymour, Connecticut

Combining Balance Sheet (Continued)
 Nonmajor Governmental Funds
 June 30, 2016

	Special Revenue Funds				
	Grants and Donations Fund	Strand Theater Fund	Community Policing Fund	Ambulance Fund	Private Duty
Assets					
Cash	\$ 163,022	\$ -	\$ 88,042	\$ 61,679	\$ -
Receivables:					
Accounts and other	-	-	-	-	196,867
Due from other governments	-	-	-	-	-
Due from other funds	-	-	37,622	-	-
Inventory	-	-	-	-	-
Prepaid expense	-	-	-	-	-
Total assets	\$ 163,022	\$ -	\$ 125,664	\$ 61,679	\$ 196,867
Liabilities					
Accounts and other payables/due to State	\$ 14,796	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	279,062
Unearned revenue	-	-	-	-	-
Bond anticipation notes	-	-	-	-	-
Total liabilities	14,796	-	-	-	279,062
Deferred inflows of resources:					
Unavailable revenues	-	-	-	-	45,421
Total deferred inflows of resources	-	-	-	-	45,421
Fund balances (deficits):					
Nonspendable	-	-	-	-	-
Restricted	148,226	-	-	-	-
Committed	-	-	125,664	61,679	-
Unassigned	-	-	-	-	(127,616)
Total fund balances (deficits)	148,226	-	125,664	61,679	(127,616)
Total liabilities, deferred inflows of resources and fund balances (deficits)	\$ 163,022	\$ -	\$ 125,664	\$ 61,679	\$ 196,867

Special Revenue Funds					Capital Project Funds	
Greenway Trail Fund	Building Maintenance	Police Canine Fund	BRRFOC Fund	Downtown Revitalization	Capital Projects	High School Expansion Fund
\$ -	\$ 2,735	\$ -	\$ 317,312	\$ 3,226	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
\$ -	\$ 2,735	\$ -	\$ 317,312	\$ 3,226	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 247,208	\$ -
74,934	-	-	-	15,000	158,131	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
74,934	-	-	-	15,000	405,339	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	2,735	-	317,312	-	-	-
(74,934)	-	-	-	(11,774)	(405,339)	-
(74,934)	2,735	-	317,312	(11,774)	(405,339)	-
\$ -	\$ 2,735	\$ -	\$ 317,312	\$ 3,226	\$ -	\$ -

(Continued)

**Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
June 30, 2016**

	Capital Projects Funds			Permanent Fund	Totals
	Middle School Fund	Chatfield LoPresti Building Fund	Road Projects	Charles Pine Fund	
Assets					
Cash	\$ -	\$ -	\$ 1,513,047	\$ 1,000	\$ 2,752,949
Receivables:					
Accounts and other	-	-	-	-	814,683
Due from other governments	-	-	-	-	172,131
Due from other funds	-	100,000	149,675	-	296,641
Inventory	-	-	-	-	13,188
Prepaid expense	-	482,565	-	-	482,565
Total assets	\$ -	\$ 582,565	\$ 1,662,722	\$ 1,000	\$ 4,532,157
Liabilities					
Accounts and other payables/due to State	\$ -	\$ 222,239	\$ 384,040	\$ -	\$ 962,203
Due to other funds	-	-	4,284	-	1,387,095
Unearned revenue	-	-	-	-	82,080
Bond anticipation notes	-	476,000	-	-	476,000
Total liabilities	-	698,239	388,324	-	2,907,378
Deferred inflows of resources:					
Unavailable revenues	-	-	-	-	663,237
Total deferred inflows of resources	-	-	-	-	663,237
Fund balances (deficits):					
Nonspendable	-	-	-	1,000	14,188
Restricted	-	-	1,274,398	-	1,694,147
Committed	-	-	-	-	833,918
Unassigned	-	(115,674)	-	-	(1,580,711)
Total fund balances (deficits)	-	(115,674)	1,274,398	1,000	961,542
Total liabilities, deferred inflows of resources and fund balances (deficits)	\$ -	\$ 582,565	\$ 1,662,722	\$ 1,000	\$ 4,532,157

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Town of Seymour, Connecticut

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits)
Nonmajor Governmental Funds
For the Year Ended June 30, 2016**

	Special Revenue Funds			
	LOCIP	Open Space	EDC Grants	Skate Park Fund
Revenues:				
Intergovernmental	\$ 139,429	\$ -	\$ -	\$ -
Charges for services	-	-	-	-
Investment income	-	-	-	-
Other	-	-	-	-
Total revenues	139,429	-	-	-
Expenditures:				
Current:				
General government	-	1,800	-	-
Public safety	-	-	-	-
Public works	103,415	-	-	-
Education	-	-	-	-
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Capital outlay	10,100	-	25,886	9,344
Total expenditures	113,515	1,800	25,886	9,344
Revenue over (under) expenditures	25,914	(1,800)	(25,886)	(9,344)
Other financing sources:				
Issuance of bond anticipation notes	-	-	-	-
Bond premium	-	-	-	-
Transfers in	-	-	31,704	-
Transfers out	-	-	-	-
Total other financing sources	-	-	31,704	-
Net change in fund balances (deficits)	25,914	(1,800)	5,818	(9,344)
Fund balance (deficit), beginning of year	103,397	30,236	(362,381)	9,344
Fund balance (deficit), end of year	\$ 129,311	\$ 28,436	\$ (356,563)	\$ -

Special Revenue Funds						
HUD Small Cities Grant Fund	Dog Fund	Library Fund	Rimmon Road Improvement Fund	Education Grants Fund	School Lunch Fund	Police Seizure Fund
\$ 215,420	\$ -	\$ -	\$ 339	\$ 2,127,368	\$ 462,874	\$ 902
-	7,542	-	-	-	563,242	-
-	-	-	-	-	-	6
-	-	155,990	-	-	-	-
215,420	7,542	155,990	339	2,127,368	1,026,116	908
216,105	-	-	-	-	-	-
-	2,661	107,759	-	-	-	-
-	-	-	178,094	-	-	-
-	-	-	-	2,169,724	1,014,325	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	10,084	-	-	-	-	26,514
216,105	12,745	107,759	178,094	2,169,724	1,014,325	26,514
(685)	(5,203)	48,231	(177,755)	(42,356)	11,791	(25,606)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
(685)	(5,203)	48,231	(177,755)	(42,356)	11,791	(25,606)
123,686	5,595	125,993	(256,946)	(11,754)	125,265	44,425
\$ 123,001	\$ 392	\$ 174,224	\$ (434,701)	\$ (54,110)	\$ 137,056	\$ 18,819

(Continued)

Town of Seymour, Connecticut

Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits) (Continued)
Nonmajor Governmental Funds
For the Year Ended June 30, 2016

	Special Revenue Funds				
	Grants and Donations Fund	Strand Theater Fund	Community Policing Fund	Ambulance Fund	Private Duty
Revenues:					
Intergovernmental	\$ 24,146	\$ -	\$ 41,724	\$ -	\$ -
Charges for services	3,869	-	-	-	808,732
Investment income	-	-	73	-	-
Other	73,604	-	9,870	60,950	-
Total revenues	101,619	-	51,667	60,950	808,732
Expenditures:					
Current:					
General government	6,449	114	-	454	8,936
Public safety	-	-	-	-	789,162
Public works	-	-	-	-	-
Education	-	-	-	-	-
Principal	-	-	-	-	-
Interest and other charges	-	-	-	-	-
Capital outlay	87,363	-	23,116	-	-
Total expenditures	93,812	114	23,116	454	798,098
Revenue over (under) expenditures	7,807	(114)	28,551	60,496	10,634
Other financing uses:					
Issuance of bond anticipation notes	-	-	-	-	-
Bond premium	-	-	-	-	-
Transfers in	-	-	19,925	-	-
Transfers out	-	-	-	-	-
Total other financing sources	-	-	19,925	-	-
Net change in fund balances (deficits)	7,807	(114)	48,476	60,496	10,634
Fund balance (deficit), beginning of year	140,419	114	77,188	1,183	(138,250)
Fund balance (deficit), end of year	\$ 148,226	\$ -	\$ 125,664	\$ 61,679	\$ (127,616)

Special Revenue Funds					Capital Projects Funds	
Greenway Trail Fund	Building Maintenance	Police Canine Fund	BRRFOC Fund	Downtown Revitalization	Capital Projects	High School Expansion Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	15,598	143,000	1	-	-
-	-	15,598	143,000	1	-	-
54,407	-	-	15,000	11,775	86,130	-
-	-	16,107	-	-	-	-
-	-	-	101,019	-	25,000	-
-	-	-	-	-	-	-
-	-	-	-	-	125,000	-
-	-	-	-	-	-	1,210
-	248,553	15,623	-	-	555,493	-
54,407	248,553	31,730	116,019	11,775	791,623	1,210
(54,407)	(248,553)	(16,132)	26,981	(11,774)	(791,623)	(1,210)
-	-	-	-	-	-	-
-	-	-	-	-	-	229,175
-	-	-	-	-	342,166	-
-	-	-	-	-	(80,900)	-
-	-	-	-	-	261,266	229,175
(54,407)	(248,553)	(16,132)	26,981	(11,774)	(530,357)	227,965
(20,527)	251,288	16,132	290,331	-	125,018	(227,965)
\$ (74,934)	\$ 2,735	\$ -	\$ 317,312	\$ (11,774)	\$ (405,339)	\$ -

(Continued)

Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits) (Continued)
Nonmajor Governmental Funds
For the Year Ended June 30, 2016

	Capital Project Funds			Permanent Fund	Totals
	Middle School Fund	Chatfield LoPresti Building Fund	Road Projects	Charles Pine Fund	
Revenues:					
Intergovernmental	\$ -	\$ 37,276	\$ -	\$ -	\$ 3,049,478
Charges for services	-	-	-	-	1,383,385
Investment income	-	162	5,041	-	5,282
Other	-	-	-	-	459,013
Total revenues	-	37,438	5,041	-	4,897,158
Expenditures:					
Current:					
General government	-	-	-	-	401,170
Public safety	-	-	-	-	915,689
Public works	-	-	3,936,523	-	4,344,051
Education	-	-	-	-	3,184,049
Principal	-	-	-	-	125,000
Interest and other charges	-	40,614	88,302	-	130,126
Capital outlay	-	21,280	-	-	1,033,356
Total expenditures	-	61,894	4,024,825	-	10,133,441
Revenue over (under) expenditures	-	(24,456)	(4,019,784)	-	(5,236,283)
Other financing uses:					
Issuance of bonds	-	-	2,008,000	-	2,008,000
Bond premium	-	21,911	63,850	-	314,936
Transfers in	-	-	149,675	-	543,470
Transfers out	(17,166)	(293,000)	-	-	(391,066)
Total other financing sources	(17,166)	(271,089)	2,221,525	-	2,475,340
Net change in fund balances (deficits)	(17,166)	(295,545)	(1,798,259)	-	(2,760,943)
Fund balance (deficit), beginning of year	17,166	179,871	3,072,657	1,000	3,722,485
Fund balance (deficit), end of year	\$ -	\$ (115,674)	\$ 1,274,398	\$ 1,000	\$ 961,542

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, 2016**

	Private Purpose Trust Funds			Totals
	Harold K. Beach Fund	Charles B. Wooster Fund	Richard R. Pearson Memorial Fund	
Assets				
Cash	\$ 5,456	7,048	\$ 145	\$ 12,649
Investments	-	1,466,835	-	1,466,835
Total assets	5,456	1,473,883	145	1,479,484
Liabilities				
Accounts payable	-	-	140	140
Total liabilities	-	-	140	140
Net position held in trust	\$ 5,456	\$ 1,473,883	\$ 5	\$ 1,479,344

**Combining Statement of Changes in Net Position - Private Purpose Trust Funds
For the Year Ended June 30, 2016**

	Private Purpose Trust Funds			Totals
	Harold K. Beach Fund	Charles B. Wooster Fund	Richard R. Pearson Memorial Fund	
Additions:				
Investment gain	\$ -	\$ 7,947	\$ -	\$ 7,947
Interest and dividends	-	36,688	-	36,688
Other	-	-	2,795	2,795
Net additions	-	44,635	2,795	47,430
Deductions:				
Education	-	108,711	-	108,711
General government	-	-	3,220	3,220
Total deductions	-	108,711	3,220	111,931
Change in net position	-	(64,076)	(425)	(64,501)
Net position, beginning of Year	5,456	1,537,959	430	1,543,845
Net position, end of year	<u>\$ 5,456</u>	<u>\$ 1,473,883</u>	<u>\$ 5</u>	<u>\$ 1,479,344</u>

**Statement of Changes in Fiduciary Assets and Liabilities - Agency Funds
For the Year Ended June 30, 2016**

	Balance July 1, 2015	Additions	Deductions	Balance June 30, 2016
Student Activity Fund				
Assets				
Cash	\$ 168,114	\$ 499,660	\$ 582,818	\$ 84,956
Total assets	\$ 168,114	\$ 499,660	\$ 582,818	\$ 84,956
Liabilities				
Due to others	\$ 168,114	\$ 499,660	\$ 582,818	\$ 84,956
Total liabilities	\$ 168,114	\$ 499,660	\$ 582,818	\$ 84,956

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Other Schedules

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Town of Seymour, Connecticut

Report of Tax Collector
For the Year Ended June 30, 2016

Grand List Year	Uncollected Taxes July 1, 2015	Current Levy	Lawful Corrections		Transfers to Suspende	Adjusted Amount Collectible
			Additions	Deletions		
2000	\$ 26,467	\$ -	\$ -	\$ 82	\$ -	\$ 26,385
2001	20,412	-	-	-	4,456	15,956
2002	23,564	-	-	-	4,921	18,643
2003	25,320	-	-	-	4,762	20,558
2004	32,691	-	-	1,931	1,571	29,189
2005	28,062	-	-	2,195	2,327	23,540
2006	42,327	-	-	2,274	12,620	27,433
2007	46,460	-	-	3,602	14,178	28,680
2008	41,231	-	791	3,729	3,196	35,097
2009	56,896	-	51	4,373	1,440	51,134
2010	146,207	-	169	4,574	986	140,816
2011	215,215	-	1,111	5,573	4,870	205,883
2012	332,571	-	1,916	5,457	6,082	322,948
2013	783,591	-	7,426	12,818	4,185	774,014
Total Prior Years	1,821,014	-	11,464	46,608	65,594	1,720,276
2014	-	42,904,502	40,440	271,662	1,824	42,671,456
	<u>\$ 1,821,014</u>	<u>\$ 42,904,502</u>	<u>\$ 51,904</u>	<u>\$ 318,270</u>	<u>\$ 67,418</u>	<u>\$ 44,391,732</u>

Exhibit D-1

Collections					Balance
Taxes	Interest and Lien Fees	Total	Unpaid Refunds	Uncollected June 30, 2016	
\$ -	\$ -	\$ -	\$ -	\$	26,385
235	595	830	-		15,721
-	-	-	-		18,643
77	193	270	-		20,481
748	1,146	1,894	-		28,441
535	1,155	1,690	-		23,005
827	1,661	2,488	-		26,606
475	798	1,273	-		28,205
13,996	5,772	19,768	-		21,101
21,342	18,609	39,951	-		29,792
90,860	61,179	152,039	-		49,956
121,805	69,095	190,900	-		84,078
193,712	71,884	265,596	1,036		128,200
479,035	117,246	596,281	927		294,052
923,647	349,333	1,272,980	1,963		794,666
41,941,962	142,888	42,084,850	3,434		726,060
\$ 42,865,609	\$ 492,221	\$ 43,357,830	\$ 5,397	\$	1,520,726

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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.

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Town of Seymour, Connecticut

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

	Fiscal Year				
	2007	2008	2009	2010	2011
Governmental activities:					
Net investment in capital assets	\$ 32,512,696	\$ 34,048,251	\$ 38,089,381	\$ 34,250,118	\$ 38,478,505
Restricted	1,000	1,000	1,000	1,000	1,000
Unrestricted	9,934,351	8,671,268	1,849,645	2,453,530	2,000,835
Total governmental activities net position	42,448,047	42,720,519	39,940,026	36,704,648	40,480,340
Business-type activities:					
Net investment in capital assets	5,385,052	6,765,201	7,013,497	7,261,720	7,493,723
Restricted	-	-	-	-	-
Unrestricted	2,819,076	1,573,095	1,173,025	993,190	854,393
Total business-type activities net position	8,204,128	8,338,296	8,186,522	8,254,910	8,348,116
Primary government:					
Net investment in capital assets	37,897,748	40,813,452	45,102,878	41,511,838	45,972,228
Restricted	1,000	1,000	1,000	1,000	1,000
Unrestricted	12,753,427	10,244,363	3,022,670	3,446,720	2,855,228
Total primary government net position	\$ 50,652,175	\$ 51,058,815	\$ 48,126,548	\$ 44,959,558	\$ 48,828,456

Table 1

		Fiscal Year							
		2012	2013	2014	2015	2016			
\$	52,434,673	\$	49,963,287	\$	57,321,414	\$	62,197,985	\$	58,219,654
	1,000		1,000		1,000		1,000		-
	1,868,095		2,453,530		(2,560,828)		(12,915,975)		(7,412,603)
	54,303,768		52,417,817		54,761,586		49,283,010		50,807,051
	7,763,588		7,510,142		7,256,192		6,841,338		6,396,564
	-		-		-		-		-
	953,793		1,149,123		1,273,837		1,446,211		1,826,291
	8,717,381		8,659,265		8,530,029		8,287,549		8,222,855
	60,198,261		57,473,429		64,577,606		69,039,323		64,616,218
	1,000		1,000		1,000		1,000		-
	2,821,888		3,602,653		(1,286,991)		(11,469,764)		(5,586,312)
\$	63,021,149	\$	61,077,082	\$	63,291,615	\$	57,570,559	\$	59,029,906

Town of Seymour, Connecticut

Changes in Net Position
Last Ten Fiscal Years - *unaudited*
(Accrual Basis of Accounting)

	Fiscal Year				
	2007	2008	2009	2010	2011
Expenses:					
Governmental activities:					
General government	\$ 2,746,357	\$ 3,130,515	\$ 4,932,835	\$ 3,318,654	\$ 3,262,683
Education	32,389,129	42,111,797	35,397,098	33,273,139	36,604,217
Public safety	5,306,664	5,845,005	7,182,018	6,017,066	6,884,401
Sanitation	1,315,815	1,201,983	1,249,160	1,241,916	1,232,394
Public works	2,967,883	3,253,735	3,691,414	3,439,030	3,953,978
Recreation, arts and cultural	2,211,211	2,756,468	2,549,155	2,407,071	2,406,095
Project activities	47,271	-	-	-	-
Interest on debt	2,240,002	1,609,000	1,301,372	1,338,547	1,765,127
Total governmental activities expenses	49,224,332	59,908,503	56,303,052	51,035,423	56,108,895
Business-type activities:					
Water Pollution Control Authority	1,800,430	1,987,713	2,196,246	1,224,509	2,019,950
Total business-type activities expenses	1,800,430	1,987,713	2,196,246	1,224,509	2,019,950
Total primary government expenses	51,024,762	61,896,216	58,499,298	52,259,932	58,128,845
Program revenue:					
Governmental activities:					
General government	654,607	1,057,003	821,701	617,231	602,400
Education	750,276	837,412	747,847	786,750	1,152,045
Public safety	205,536	51,026	45,492	52,779	47,128
Sanitation	79,377	18,292	16,667	15,625	18,900
Public works	2,235,941	13,923	370	5,645	478,103
Recreation, arts and cultural	86,858	232,532	255,363	132,227	8,470
Project activities	37,046	-	-	-	-
Operating grants and contributions	14,913,611	23,506,123	14,856,851	14,167,110	14,547,813
Capital grants and contributions	530,299	337,682	1,597,043	750,009	481,261
Total governmental activities program revenue	19,493,551	26,053,993	18,341,334	16,527,376	17,336,120

Table 2

		Fiscal Year							
		2012	2013	2014	2015	2016			
\$	3,212,595	\$	3,496,359	\$	3,486,981	\$	3,262,778	\$	3,721,928
	38,517,530		37,366,413		40,937,310		40,948,360		42,382,760
	7,149,115		7,418,542		8,072,815		10,198,076		7,822,574
	1,254,771		1,253,537		1,271,893		1,216,348		1,070,523
	4,837,758		4,100,306		4,182,171		5,001,254		8,209,668
	2,428,925		2,638,434		2,704,796		2,653,140		2,735,696
	-		-		-		-		-
	1,453,677		1,479,775		1,601,667		1,097,273		1,090,823
	58,854,371		57,753,366		62,257,633		64,377,229		67,033,972
	1,975,932		1,883,814		1,916,033		2,126,247		2,003,639
	1,975,932		1,883,814		1,916,033		2,126,247		2,003,639
	60,830,303		59,637,180		64,173,666		66,503,476		69,037,611
	785,909		712,525		491,837		542,214		577,333
	660,423		618,268		645,753		567,948		563,242
	36,695		69,383		92,630		528,754		811,596
	21,359		18,442		-		-		-
	316,164		480,613		399,291		108,897		1,220
	3,680		23,511		-		-		-
	-		-		-		-		-
	31,885,437		19,259,974		17,873,293		18,213,129		17,377,646
	117,907		187,538		172,057		676,082		2,027,554
	33,827,574		21,370,254		19,674,861		20,637,024		21,358,591

(Continued)

Town of Seymour, Connecticut

Changes in Net Position, Continued
Last Ten Fiscal Years - *unaudited*
(Accrual Basis of Accounting)

	Fiscal Year				
	2007	2008	2009	2010	2011
Business-type activities:					
Charges for services:					
Water Pollution Control Authority	\$ 1,338,944	\$ 1,283,327	\$ 1,220,360	\$ 1,224,509	\$ 1,299,865
Total business-type activities					
program revenues	1,338,944	1,283,327	1,220,360	1,224,509	1,299,865
Total primary government					
program revenues	20,832,495	27,337,320	19,561,694	17,751,885	18,635,985
Net (expense) revenue:					
Governmental activities	(29,730,781)	(33,854,510)	(37,961,718)	(34,508,047)	(38,772,775)
Business-type activities	(461,486)	(704,386)	(975,886)	-	(720,085)
Total primary government					
net expense	(30,192,267)	(34,558,896)	(38,937,604)	(34,508,047)	(39,492,860)
General revenues and other changes in net position:					
Governmental activities:					
Property taxes	31,690,183	33,646,550	35,067,058	35,554,413	37,930,455
Grants and contributions not restricted to specific programs	1,011,392	809,134	730,716	944,850	818,451
Unrestricted investment earnings	830,934	442,002	162,793	108,776	53,967
Transfers and other	(814,889)	(770,711)	(779,342)	(828,130)	(762,549)
Total governmental activities	32,717,620	34,126,975	35,181,225	35,779,909	38,040,324
Business-type activities:					
Unrestricted investment earnings	12,813	10,093	22,770	3,603	642
Transfers and other	874,889	828,461	779,342	828,130	812,549
Total business-type activities	887,702	838,554	802,112	831,733	813,191
Total primary government	33,605,322	34,965,529	35,983,337	36,611,642	38,853,515
Changes in net position:					
Governmental activities	2,986,839	272,465	(2,780,493)	1,271,862	(732,451)
Business-type activities	426,216	134,168	(173,774)	831,733	93,106
Total primary government	\$ 3,413,055	\$ 406,633	\$ (2,954,267)	\$ 2,103,595	\$ (639,345)

Table 2, Cont'd.

		Fiscal Year							
		2012	2013	2014	2015	2016			
\$	1,631,837	\$	1,545,668	\$	1,514,981	\$	1,883,588	\$	1,938,604
	1,631,837		1,545,668		1,514,981		1,883,588		1,938,604
	35,459,411		22,915,922		21,189,842		22,520,612		23,297,195
	(25,026,797)		(36,383,112)		(42,582,772)		(43,740,205)		(45,675,381)
	(344,095)		(338,146)		(401,052)		(242,659)		(65,035)
	(25,370,892)		(36,721,258)		(42,983,824)		(43,982,864)		(45,740,416)
	38,587,563		39,600,518		40,669,725		42,378,541		42,796,014
	955,620		935,210		614,771		642,756		449,079
	19,450		53,475		94,200		38,631		14,178
	(712,408)		(279,974)		(271,596)		-		-
	38,850,225		40,309,229		41,107,100		43,059,928		43,259,271
	952		56		220		179		341
	712,408		279,974		271,596		-		-
	713,360		280,030		271,816		179		341
	39,563,585		40,589,259		41,378,916		43,060,107		43,259,612
	13,823,428		3,926,117		(1,475,672)		(680,277)		(2,416,110)
	369,265		(58,116)		(129,236)		(242,480)		(64,694)
\$	14,192,693	\$	3,868,001	\$	(1,604,908)	\$	(922,757)	\$	(2,480,804)

Town of Seymour, Connecticut

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

	Fiscal Year				
	2007	2008	2009	2010	2011
General fund:					
Assigned	\$ -	\$ -	\$ -	\$ -	\$ 520,594
Unassigned	-	-	-	-	2,528,999
Reserved	387,126	544,319	1,138,589	868,948	-
Unreserved, designated	-	4,239,540	2,562,555	2,879,331	-
Unreserved, undesignated	4,231,278	-	-	-	-
Total general fund	\$ 4,618,404	\$ 4,783,859	\$ 3,701,144	\$ 3,748,279	\$ 3,049,593
All other governmental funds:					
Nonspendable	\$ -	\$ 13,926	\$ 13,926	\$ 13,926	\$ 21,099
Restricted	-	-	-	-	536,072
Committed	-	-	-	-	290,406
Unassigned	-	-	-	-	(835,856)
Reserved	11,773	-	-	-	-
Unreserved, reported in:					
Capital projects funds	427,738	587,322	262,270	(121,998)	(1,663,322)
Total all other governmental fund	\$ 439,511	\$ 601,248	\$ 276,196	\$ (108,072)	\$ (1,651,601)

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

Table 3

		Fiscal Year							
		2012	2013	2014	2015	2016			
\$	434,196	\$	951,965	\$	458,652	\$	552,768	\$	953,421
	3,977,834		4,391,954		4,611,302		4,674,011		5,116,694
	-		-		-		-		-
	-		-		-		-		-
	-		-		-		-		-
\$	4,412,030	\$	5,343,919	\$	5,069,954	\$	5,226,779	\$	6,070,115
\$	11,717	\$	15,015	\$	15,641	\$	12,117	\$	14,188
	612,056		675,545		1,064,121		765,053		1,694,147
	379,890		337,804		376,574		3,963,138		804,383
	(1,339,873)		(2,032,249)		(936,007)		(1,414,021)		(1,580,711)
	-		-		-		-		-
	(1,715,948)		(2,366,124)		-		-		-
\$	(2,052,158)	\$	(3,370,009)	\$	520,329	\$	3,326,287	\$	932,007

Town of Seymour, Connecticut

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

	Fiscal Year				
	2007	2008	2009	2010	2011
Revenues:					
Property taxes, interest and liens	\$ 32,060,086	\$ 34,139,861	\$ 35,225,188	\$ 35,459,287	\$ 36,683,224
Special assessments	757,819	745,695	635,854	756,357	-
Intergovernmental	16,369,426	24,090,777	16,899,870	15,389,304	15,852,239
Interest and lien fees	5,727	10,220	10,994	10,297	226,867
Permits, fees and other	14,164	8,243	1,389,498	6,871	1,192,981
Charges for services	1,308,709	1,651,822	1,382,794	1,258,003	-
Interest	617,780	398,275	115,395	41,366	87,741
Other revenues	496,046	144,183	183,232	118,804	955,416
Total revenues	51,629,757	61,189,076	55,842,825	53,040,289	54,998,468
Expenditures:					
General government	2,788,660	3,515,219	4,703,125	3,575,484	2,684,857
Public safety	5,054,632	5,442,474	5,755,531	5,572,474	6,233,927
Public works	2,229,567	2,381,479	2,695,476	2,557,658	2,943,768
Sanitation	1,288,892	1,201,983	1,249,160	1,241,916	1,220,125
Sundry	2,303,906	2,867,217	2,433,849	2,209,249	2,342,795
Board of education	31,165,707	40,086,870	33,113,511	32,690,305	34,379,601
Principal payments	4,417,589	4,809,037	4,787,112	4,500,659	4,165,035
Interest expense	-	-	-	-	-
Project activities	-	-	-	-	-
Capital outlay	914,101	432,567	436,447	1,200,395	9,513,704
Total expenditures	50,163,054	60,736,846	55,174,211	53,548,140	63,483,812
Excess of revenues (under) expenditures	1,466,703	452,230	668,614	(507,851)	(8,485,344)
Other financing sources (uses):					
Issuance of note payable	-	3,660,000	-	-	6,000,000
Issuance of bonds	-	-	-	-	-
Refunding bond issuance	-	-	-	-	12,145,000
Bond premiums	-	196,602	-	-	1,353,777
Payments to refunding bond escrow agent	-	-	-	-	(13,240,358)
Capital lease issuance	-	-	-	-	-
Transfers in	363,006	57,750	-	393,106	-
Transfers out	(1,177,895)	(828,461)	(779,342)	(1,221,236)	(812,549)
Total other financing sources (uses)	(814,889)	3,085,891	(779,342)	(828,130)	5,445,870
Net changes in fund balance	\$ 651,814	\$ 3,538,121	\$ (110,728)	\$ (1,335,981)	\$ (3,039,474)
Debt service as a percentage of noncapital expenditures	9.85%	8.67%	9.58%	9.41%	8.36%

Table 4

		Fiscal Year							
		2012	2013	2014	2015	2016			
\$	38,214,375	\$	39,416,217	\$	40,127,961	\$	41,703,296	\$	42,849,313
	-		-		-		-		-
	32,957,905		20,323,930		18,426,191		18,292,154		20,114,186
	257,818		403,948		339,840		365,893		480,074
	1,413,066		1,170,081		1,792,599		2,069,208		2,736,954
	-		-		-		-		-
	41,456		48,261		94,200		38,631		14,178
	769,600		1,046,612		315,509		899,281		495,813
	73,654,220		62,409,049		61,096,300		63,368,463		66,690,518
	2,983,014		3,386,245		3,128,125		3,141,297		3,531,596
	6,461,630		6,750,945		6,909,853		7,838,079		7,682,274
	3,061,261		3,381,070		3,102,918		4,357,116		7,586,860
	1,248,505		1,249,305		1,254,272		1,207,426		1,052,921
	2,577,920		2,638,434		2,623,022		2,573,866		2,671,869
	35,948,785		35,706,442		38,235,510		39,297,473		39,547,772
	4,274,452		4,676,033		5,181,212		4,179,900		4,179,900
	-		-		-		1,360,834		1,183,178
	-		-		-		-		-
	18,327,149		6,084,871		713,661		686,929		3,128,028
	74,882,716		63,873,345		61,148,573		64,642,920		70,564,398
	(1,228,496)		(1,464,296)		(52,273)		(1,274,457)		(3,873,880)
	5,995,000		1,150,000		-		-		-
	-		-		3,710,000		4,153,000		2,008,000
	3,215,000		-		-		5,270,000		-
	426,313		-		230,242		546,888		314,936
	(3,359,860)		-		-		(5,732,649)		-
	-		208,308		-		-		-
	59,847		337,619		236,753		383,642		887,858
	(772,255)		(617,593)		(508,349)		(383,642)		(887,858)
	5,564,045		1,078,334		3,668,646		4,237,239		2,322,936
\$	4,335,549	\$	(385,962)	\$	3,616,373	\$	2,962,782	\$	(1,550,944)
	8.18%		8.80%		9.38%		9.49%		7.95%

**Tax Revenues by Source, Governmental Funds
Last Ten Fiscal Years - *unaudited*
(Modified Accrual Basis of Accounting)
in thousands (000)**

Fiscal Year	Real Estate	Personal Property	Motor Vehicle	Total
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
2015	1,030,683	75,416	111,109	1,217,208
2016	1,033,756	56,275	114,998	1,205,029
Change 2007-2016	-16.11%	-8.87%	3.67%	-13.88%

Source: Town records.

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Town of Seymour, Connecticut

**Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years - *unaudited*
in thousands (000)**

Fiscal Year	Residential Property	Commercial and Industrial Property	Miscellaneous Land	Personal Property	Motor Vehicle	Less Exemptions
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)
2015	921,330	109,353	37,708	75,416	111,109	(22,886)
2016	921,205	112,551	18,351	56,275	114,998	(22,423)

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
\$ 1,372,336	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
1,232,030	1.06%	34.04	1,762,921	0.70
1,200,957	-2.52%	36.00	1,715,653	0.70

Town of Seymour, Connecticut

Table 7

Principal Property Taxpayers
Current Year and Nine Years Ago - *unaudited*

Taxpayer	2016			2007		
	Taxable Assessed Value	Rank	Percentage of Total Town Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Town Taxable Assessed Value
Eversource (formerly Connecticut Light & Power)	\$ 11,057,890	1	0.92%	\$ 5,999,890	4	0.45%
Basement Seystems, Inc.	9,455,730	2	0.79%	n/a	n/a	n/a
Aquarion Water Co. of CT	7,190,780	3	0.60%	3,623,210	10	0.27%
Thule Inc.	6,834,370	4	0.57%	5,683,870	5	0.42%
Stop and Shop (LCP Supermarkets LLC)	6,298,810	5	0.53%	6,470,030	3	0.48%
Klarides Family Assoc LLC	5,569,690	6	-	5,408,970	7	0.40%
The Kerite Company	4,893,170	7	0.41%	12,769,480	1	0.95%
Shady Knoll Health Care Center	4,056,500	8	-	5,419,500	6	0.40%
Rafferty Realty Co. Inc.	2,802,240	9	0.23%	n/a	n/a	n/a
CVS Pharmacy	2,290,960	10	0.19%	n/a	n/a	n/a
Baker Residential Limited Partnership	n/a	n/a	n/a	9,033,080	2	0.67%
Shaw, William H.J., Jr.	n/a	n/a	n/a	5,110,000	8	0.38%
	n/a	n/a	n/a	-	5	-
Norwash Retained Annuity	n/a	n/a	n/a	4,273,050	9	-
Total	<u>\$ 60,450,140</u>		<u>4.24%</u>	<u>\$ 63,791,080</u>		<u>4.42%</u>

Source: Town Records

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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
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%
2015	2013	41,749,076	40,914,919	98.00%
2016	2014	42,904,502	42,865,609	99.91%

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
-	\$ 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%
-	40,914,919	98.00%
-	42,865,609	99.91%

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

Fiscal Year	Governmental Activities			Notes Payable	Capital Leases	Total Primary Government General Obligation Bonded Debt	Ratio of Total Net General Bonded Debt to Personal Income ⁽¹⁾	Ratio of Total Net General Bonded Debt to Taxable Grand List	Per Capita
	General Purpose Bonds	School Purpose Bonds	Sewer Purpose Bonds						
2007	\$ 3,848,381	\$ 23,696,117	\$ 10,340,502	\$ -	\$ 599,146	\$ 38,484,146	159977.328%	1960.129%	2,490.24
2008	3,453,896	25,129,624	10,096,480	-	480,304	39,160,304	162788.094%	2009.827%	2,533.99
2009	3,116,065	23,512,367	9,351,568	-	365,911	36,345,911	151088.755%	1852.614%	2,351.88
2010	2,864,123	21,722,543	8,603,334	-	247,850	33,437,850	139000.042%	1704.385%	2,163.70
2011	3,583,150	17,566,998	7,059,681	-	125,894	28,335,723	117790.668%	1434.317%	1,713.16
2012	5,518,854	28,813,025	5,013,121	-	-	39,345,000	163555.870%	2303.573%	2,378.78
2013	5,169,877	27,961,711	4,645,008	-	164,689	37,941,285	114869.164%	2196.977%	2,293.91
2014	3,996,195	27,579,348	4,604,457	1,190,000	125,209	37,495,209	113518.647%	2149.296%	2,266.94
2015	6,043,585	27,715,968	3,620,447	855,000	84,622	38,319,622	116014.599%	2173.643%	2,316.78
2016	7,618,351	24,696,889	2,940,760	525,000	42,897	35,823,897	108458.665%	2088.062%	2,165.89

⁽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, 2016 - *unaudited***

Governmental Unit	Debt Outstanding
Bonds, BANS and notes	\$ 35,781,000
Less school construction grants receivable - principal portion only	<u>-</u>
Total direct debt	<u>\$ 35,781,000</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			
	2007	2008	2009	2010
General Debt				
Debt limit	\$ 71,606,014	\$ 76,158,272	\$ 78,329,898	\$ 79,481,450
Total net debt applicable to limit	4,826,116	3,934,200	3,481,976	3,111,973
Legal debt margin	\$ 66,779,898	\$ 72,224,072	\$ 74,847,922	\$ 76,369,477
Total net debt applicable to the limit as percentage of debt limit	6.74%	5.17%	4.45%	3.92%
Schools				
Debt limit	\$ 135,255,804	\$ 152,316,545	\$ 156,659,796	\$ 158,962,901
Total net debt applicable to limit	30,669,027	27,769,624	26,152,367	27,037,543
Legal debt margin	\$ 104,586,777	\$ 124,546,921	\$ 130,507,429	\$ 131,925,358
Total net debt applicable to the limit as percentage of debt limit	22.67%	18.23%	16.69%	17.01%
Sewers				
Debt limit	\$ 119,343,356	\$ 126,930,454	\$ 130,549,830	\$ 132,469,084
Total net debt applicable to limit	10,983,480	10,096,480	9,351,568	8,603,334
Legal debt margin	\$ 108,359,876	\$ 116,833,974	\$ 121,198,262	\$ 123,865,750
Total net debt applicable to the limit as percentage of debt limit	9.20%	7.95%	7.16%	6.49%
Urban Renewal				
Debt limit	\$ 103,430,909	\$ 110,006,393	\$ 113,143,186	\$ 114,806,539
Total net debt applicable to limit	-	-	-	-
Legal debt margin	\$ 103,430,909	\$ 110,006,393	\$ 113,143,186	\$ 114,806,539
Total net debt applicable to the limit as percentage of debt limit	0.00%	0.00%	0.00%	0.00%
Pension Funding				
Debt limit	\$ 95,474,685	\$ 101,544,363	\$ 104,439,864	\$ 105,975,267
Total net debt applicable to limit	-	-	-	-
Legal debt margin	\$ 95,474,685	\$ 101,544,363	\$ 104,439,864	\$ 105,975,267
Total net debt applicable to the limit as percentage of debt limit	0.00%	0.00%	0.00%	0.00%
Total				
Debt limit	\$ 525,110,768	\$ 566,956,027	\$ 583,122,574	\$ 591,695,241
Total net debt applicable to limit	46,478,623	41,800,304	38,985,911	38,752,850
Legal debt margin	\$ 478,632,145	\$ 525,155,723	\$ 544,136,663	\$ 552,942,391
Total net debt applicable to the limit as percentage of debt limit	8.85%	7.37%	6.69%	6.55%

Table 11

		Fiscal Years									
		2011	2012	2013	2014	2015	2016				
\$	82,940,211	\$	86,361,145	\$	89,213,472	\$	91,311,426	\$	94,843,233	\$	97,811,937
	3,842,739		5,778,443		5,429,466		15,833,155		6,168,585		7,618,351
\$	79,097,472	\$	80,582,702	\$	83,784,006	\$	75,478,271	\$	88,674,648	\$	90,193,586
	4.63%		6.69%		6.09%		17.34%		6.50%		7.79%
\$	165,880,422	\$	172,722,290	\$	178,426,944	\$	182,622,852	\$	189,686,466	\$	195,623,874
	52,476,440		53,459,379		70,376,153		19,387,574		28,641,557		25,221,929
\$	113,403,982	\$	119,262,911	\$	108,050,791	\$	163,235,278	\$	161,044,909	\$	170,401,945
	31.64%		30.95%		39.44%		10.62%		15.10%		12.89%
\$	138,233,685	\$	143,935,241	\$	148,689,120	\$	152,185,710	\$	158,072,055	\$	163,019,895
	15,006,830		5,165,099		4,796,986		5,566,838		3,772,425		3,092,738
\$	123,226,855	\$	138,770,142	\$	143,892,134	\$	146,618,872	\$	154,299,630	\$	159,927,157
	10.86%		3.59%		3.23%		3.66%		2.39%		1.90%
\$	119,802,527	\$	124,743,876	\$	128,863,904	\$	131,894,282	\$	136,995,781	\$	141,283,909
	-		-		-		-		-		-
\$	119,802,527	\$	124,743,876	\$	128,863,904	\$	-	\$	-	\$	141,283,909
	0.00%		0.00%		0.00%		0.00%		0.00%		0.00%
\$	110,586,948	\$	115,148,193	\$	118,951,296	\$	121,748,568	\$	126,457,644	\$	130,415,916
	-		-		-		-		-		-
\$	110,586,948	\$	115,148,193	\$	118,951,296	\$	-	\$	-	\$	130,415,916
	0.00%		0.00%		0.00%		0.00%		0.00%		0.00%
\$	617,443,793	\$	642,910,745	\$	664,144,736	\$	679,762,838	\$	706,055,179	\$	728,155,531
	71,326,009		64,402,921		80,602,605		40,787,567		38,582,567		35,933,018
\$	546,117,784	\$	578,507,824	\$	583,542,131	\$	638,975,271	\$	667,472,612	\$	692,222,513
	11.55%		10.02%		12.14%		6.00%		5.46%		4.93%

**Computation of Legal Debt Limitation - *unaudited*
June 30, 2016**

<hr/>					
Total tax collections (including interest and lien fees) for the year ended June 30, 2016					\$ 43,357,829
Reimbursement for revenue loss:					
Tax relief for elderly					114,143
Base					<u>43,471,972</u>
Debt limit					<u><u>\$ 304,303,804</u></u>
	General Purpose	Schools	Sewer	Urban Renewal	Unfunded Pension Benefit Obligation
	<hr/>				
Debt limitation:					
2-1/4 times base	\$ 97,811,937	\$ -	\$ -	\$ -	\$ -
4-1/2 times base	-	195,623,874	-	-	-
3-3/4 times base	-	-	163,019,895	-	-
3-1/4 times base	-	-	-	141,283,909	-
3 times base	-	-	-	-	130,415,916
Total debt limitation	<u>97,811,937</u>	<u>195,623,874</u>	<u>163,019,895</u>	<u>141,283,909</u>	<u>130,415,916</u>
Debt as defined by statute:					
Bonds payable	7,618,351	24,220,889	2,940,760	-	-
Notes payable	-	525,000	-	-	-
BANS	-	476,000	-	-	-
Bonds authorized but not issued, issue dates not yet established	-	40	151,978	-	-
Total indebtedness	<u>7,618,351</u>	<u>25,221,929</u>	<u>3,092,738</u>	<u>-</u>	<u>-</u>
Debt limitation in excess of indebtedness	<u><u>\$ 90,193,586</u></u>	<u><u>\$ 170,401,945</u></u>	<u><u>\$ 159,927,157</u></u>	<u><u>\$ 141,283,909</u></u>	<u><u>\$ 130,415,916</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)
2007	15,454	24,056	65,012	52,408	39	2,710	4%
2008	15,454	24,056	65,012	52,408	39	2,620	5%
2009	15,454	24,056	65,012	52,408	39	2,568	6%
2010	15,454	24,056	65,012	52,408	39	2,422	8%
2011	16,540	24,056	65,012	52,408	42	2,379	9%
2012	16,540	24,056	65,012	52,408	42	2,289	9%
2013	16,540	33,030	92,350	73,099	42	2,289	8%
2014	16,540	33,030	92,350	73,099	42	2,296	8%
2015	16,540	33,030	92,350	94,331	42	2,274	6%
2016	16,540	33,030	92,350	94,331	42	2,106	7%

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	2016			2007		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Town of Seymour BOE	435	1	4.80%	440	1	4.79%
Stop & Shop	310	2	3.42%	200	2	2.18%
Thule of Sweden	214	3	2.36%	155	6	1.69%
Shady knoll Health Center	211	4	2.33%	155	7	1.69%
Haynes Construction Co.	136	5	1.50%	146	9	1.59%
R&R Manufacturing Company	130	6	1.43%	155	8	1.69%
Basement Systems	125	7	1.38%	159	5	1.73%
Microboard Processing, Inc.	125	8	1.38%	170	4	1.85%
Town of Seymour	85	9	0.94%	93	10	1.01%
The Kerite Company	80	10	0.88%	165	3	1.76%
Caspari, Inc.	61	11	0.67%	84	11	0.91%

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

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Town of Seymour, Connecticut

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

Functions/Program	Full-Time Equivalent Employees as of June 30				
	2007	2008	2009	2010	2011
General government	21	21	21	21	21
Finance	4	4	4	4	4
Health & Welfare	1	1	1	1	1
Police	40	40	40	40	40
Fire	2	2	2	2	2
Public Works & traffic	20	20	20	20	20
Education	311	307	302	298	292
Recreation, arts and cultural	1	1	1	1	1
Total	400	396	391	387	381

Source: Town Records

Table 15

Full-Time Equivalent Employees as of June 30				
2012	2013	2014	2015	2016
21	22	22	22	23
4	3	3	3	3
1	1	1	1	1
40	40	40	38	38
2	2	2	2	2
20	20	20	20	20
291	289	285	289	285
1	1	1	1	2
380	378	374	376	374

Town of Seymour, Connecticut

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

Function/Program	Calendar Year			
	2007	2008	2009	2010
General Government				
Land records recorded	5,409	5,237	4,238	4,472
Vital records recorded	508	528	510	462
Dog licenses issued	929	910	881	874
Absentee ballots issued	77	119	513	93
Police				
Police cars	20	20	20	20
Calls for service	15,307	16,452	16,730	13,745
Criminal arrests	602	793	731	755
Traffic citations issued	1,239	1,006	524	570
Medical emergencies responded to	1,136	1,167	1,329	1,362
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	8,595	7,776	7,263	7,561
Tons of recyclable materials collected and disposed	7,324	7,106	6,775	6,986
Recreation, arts and cultural				
Visitors to library	**	**	**	**
Circulation	**	**	**	**

Source: Town Records

Note: ** - not available

Table 16

Calendar Year					
2011	2012	2013	2014	2015	2016
4,582	4,116	4,575	4,771	4,387	5,083
479	528	501	539	474	476
842	835	815	747	858	803
257	133	384	95	177	200
20	20	20	20	20	21
16,210	15,028	13,638	14,905	16,477	15,799
779	748	606	658	421	412
814	449	469	515	790	872
1,412	1,405	1,352	1,518	1,514	1,478
**	**	**	**	**	**
**	**	**	**	**	**
**	**	**	**	**	**
**	**	**	**	**	**
**	**	**	**	**	**
**	**	**	**	**	**
**	**	**	**	**	**
7,184	**	**	**	**	**
**	**	**	6,584	7,724	7,551
**	**	**	**	13,000	47,973
**	**	**	**	73,571	67,089

Town of Seymour, Connecticut

**Capital Asset Statistics By Function/Program
Last Ten Fiscal Years - *unaudited***

Function/Program	Fiscal Year			
	2007	2008	2009	2010
Education	\$ 58,352,478	\$ 58,992,019	\$ 59,344,153	\$ 60,305,506
General government	306,685	306,685	327,767	327,767
Public safety	10,654,478	10,826,591	11,432,709	11,438,234
Public works	34,396,091	34,628,704	34,701,702	34,696,177
Sundry	2,546,122	2,740,664	2,792,233	2,792,233
Total	\$ 106,255,854	\$ 107,494,663	\$ 108,598,564	\$ 109,559,917

Source: Town Records

Note: ** Indicator not available

Table 17

		Fiscal Year									
		2011	2012	2013	2014	2015	2016				
\$	69,653,475	\$	86,626,234	\$	91,905,956	\$	92,152,824	\$	91,693,660	\$	93,686,338
	349,004		349,004		447,716		486,873		503,373		503,373
	11,520,897		11,910,346		12,583,141		12,714,891		12,821,417		12,977,836
	34,717,329		34,939,081		35,270,300		35,526,844		35,683,504		36,392,233
	2,806,281		2,874,459		2,888,009		2,984,529		3,115,440		3,369,408
\$	119,046,986	\$	136,699,124	\$	143,095,122	\$	143,865,961	\$	143,817,394	\$	146,929,188

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