

Town of Plymouth Connecticut



Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2017

Town of Plymouth Connecticut

Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2017

Prepared by:
COMPTROLLER'S OFFICE

DIRECTOR OF FINANCE
Ann Marie Rheault

**TOWN OF PLYMOUTH, CONNECTICUT
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
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Introductory Section

TOWN OF PLYMOUTH, CONNECTICUT

For Fiscal Year Ended June 30, 2017

PRINCIPAL OFFICIALS

MAYOR AND TOWN COUNCIL

David V. Merchant, Mayor
Councilman Daniel Gentile
Councilwoman Susan R. Murawski
Councilman Tom Zagurski
Councilman John Pajeski
Councilwoman Ana Legassey

BOARD OF FINANCE

Ralph Zovich, Chairman
Victoria A. Carey, Vice-Chairman
Patti DeHuff
James Zalot
Jim Kilduff
Jay Dorso

ADMINISTRATION

Registrar of Voters - Democrat
Registrar of Voters - Republican
Interim Assessor
Tax Collector
Director of Finance
Treasurer
Town Attorney
Town Clerk
Fire Marshal
Judge of Probate
Director of Planning and Economic
Development Zoning Enforcement Officer
Police Chief
Fire Chief
Civil Preparedness
Director Building Official
Director of Public Works
Medical Director
Library Director
Parks and Recreation Director
Superintendent of Schools

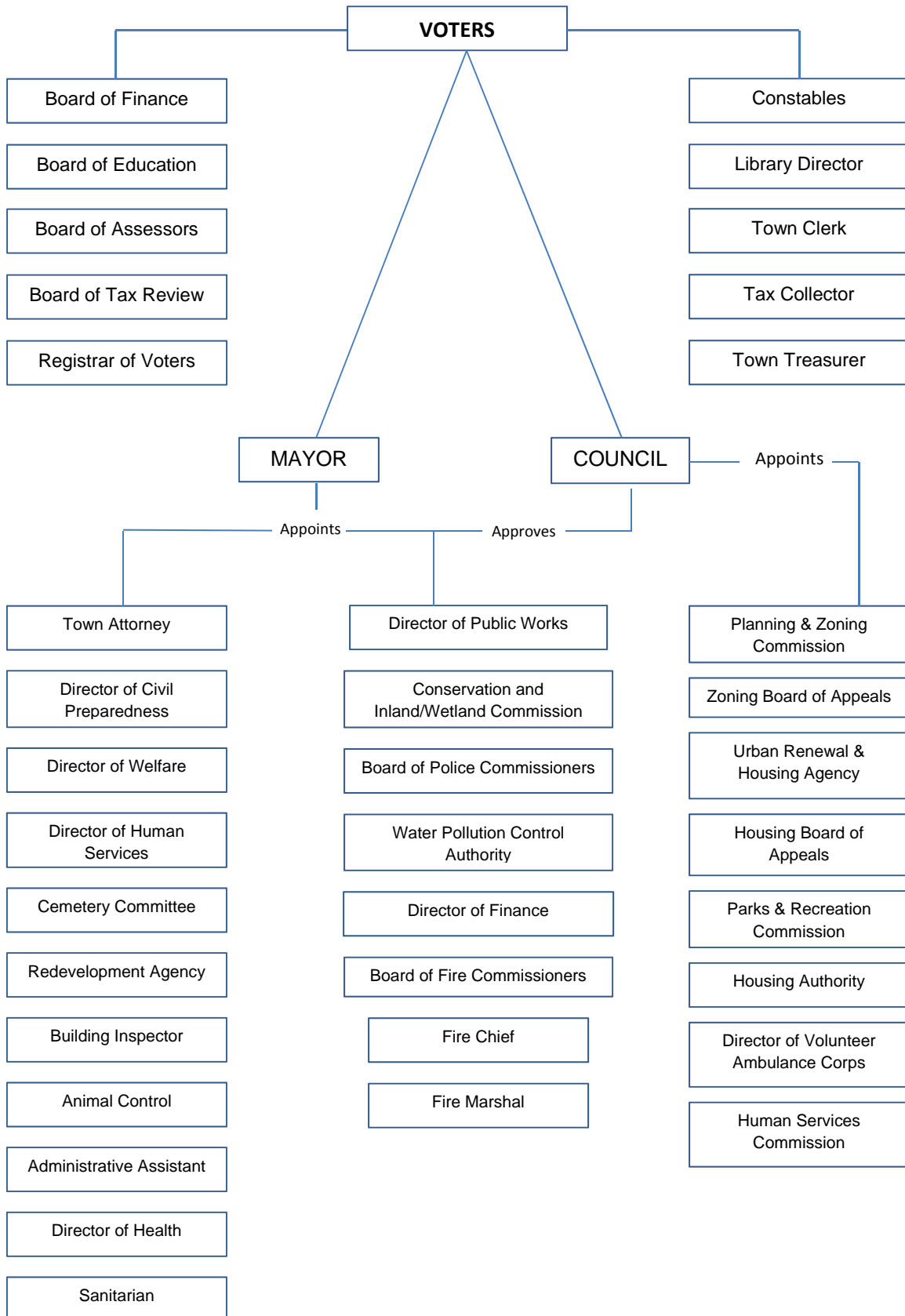
Cheryl J. Gianesini
Barbara L. Deschaine
Christie Arena
Joseph Kilduff
Ann Marie Rheault
David C. Mischke
William Hamzy
Barbara K. Rockwell
Ray Kovaleski
Andre Dorval
Margus T. Laan
Scott Eisenlohr
Karen M. Krasicky
Mark Sekorski
Anthony J. Orsini
Clarence B. Atkinson
Charles Wiegert
Dr. Antonio Scappiticci
Lynn White
Michael Ganem
Martin Semmel

BOARD OF EDUCATION

Melissa Johnson, Chairperson
Karen E. Kulesa
Michelle Lucian
Melissa Kremmel
Christopher Goodwin

Roxanne McCann
Anthony J. Orsini
Michael Melchionna
Gerard Bourbonniere

TOWN OF PLYMOUTH ORGANIZATIONAL CHART





200 Years of Quality Service

80 Main Street, Terryville, Connecticut 06786

Telephone: (860) 585-4001

Fax: (860) 585-4015

June 22, 2018

To the Honorable Mayor, Members of the Town Council, Members of the Board of Finance and Citizens of the Town of Plymouth:

State law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements. This report is published to fulfill that requirement for the fiscal year ended June 30, 2017.

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 material misstatements.

Blum, Shapiro & Company, Certified Public Accountants, have issued an unmodified ("clean") opinion on the Town of Plymouth's financial statements for the year ended June 30, 2017. The independent auditor's report is located at the front of the financial section of this report.

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

Profile of the Government

The Town of Plymouth was incorporated in 1795, making it the one hundred third town established in the State of Connecticut. Plymouth is located in Litchfield County, approximately twenty-one miles southwest of Hartford and five miles north of Waterbury. The Town is contiguous to the Towns of Wolcott, Thomaston, Harwinton, Burlington, and the Cities of Waterbury and Bristol. Plymouth covers a 22.4 square mile area.

Plymouth is a community predominantly composed of owner-occupied, single-family dwellings. Single-family dwellings comprise over 80% of all housing units in the Town. Estimated population at June 30, 2017 is 11,718.

To the west of Plymouth is Connecticut Route 8 which provides north-south interstate connections from Bridgeport to the Massachusetts border. Connecticut Routes 6, 72, 222 and 262 also serve the Town. Rail service is available connecting with Waterbury and the south, while coach and motor freight companies serve the Town's residents and businesses.

Local firms are involved in a wide range of products and services with nearly 200 commercial properties and over 100 industrial facilities contributing to the Town's tax base. Products manufactured in Town include conduits, screw machines, modular buildings, airplane equipment, and chemicals.

In 1965 the Town adopted its first Plan of Development. As part of that plan, and subsequent revised plans, comprehensive planning and zoning regulations have been enacted to reflect current development standards and practices. These have resulted in a balanced economy, improved residential development and have helped to stabilize the tax rate. The most recent Plan of Development was adopted in June 2015.

The Town's educational system consists of two elementary schools, one middle school and one high school.

Form of Government

The Town of Plymouth is organized under the Council-Mayor form of government. The Town Charter was adopted in the 1974 and most recent revisions were approved by voters in November 2009.

The legislative function is performed by a bipartisan Town Council of five members, who are elected biennially for two-year terms. The Town electorate elects a Mayor for two-year terms. The Board of Finance consists of six members who serve staggered six-year terms. Two members are elected to the Board of Finance in each municipal election.

A referendum vote is retained under the Charter for approval of the annual budget. The Board of Finance recommends the annual budget for referendum to be held before May 3. Upon approval, the Board of Finance sets the tax rate.

State & Local Economy

The Town has a mix of manufacturing base that has been somewhat stable during the past year and the town continues to pursue new business openings in the Town's business park.

The State of Connecticut continues to address budget issues that affect all businesses and citizens of the State. It is anticipated that there will be reduced grants to cities and towns, including Plymouth in the next few years. This may affect the services provided to town residents.

The town's Grand List remained level in comparison to many communities surrounding Plymouth. The Town continues to be very aggressive in the collection of current and back taxes and will continue to pursue all tax dollars owed.

Unemployment

Unemployment rates and the number of unemployed people, not seasonally adjusted, were down slightly over a year in all of the states' nine labor market areas. Connecticut's unemployment rate was at 4.8% and was slightly higher than the national rate at 4.5% for June 2017. The Town of Plymouth's unemployment rate is higher than the national and regional average at 5.1% for June 2017, a slight decrease from the prior year. It is expected that the rates will slowly decrease during the next few months and year as employment becomes available in the various labor markets.

The National Government as well as the State of Connecticut has continued social service programs to assist the unemployed.

Long-Term Financial Planning

The Town of Plymouth has addressed many of the financial market downturns during the past several years with spending freezes on non-contractual items and efficiencies in performing the same service levels with lower costs. Additionally, unfilled labor positions are closely scrutinized before replacements are hired.

In addition, the Town currently maintains a level debt policy approved by the Board of Finance and Town Council that will ensure that debt payments will not fluctuate from year to year and will allow the Town flexibility in borrowing for the future as well as keep the tax rate budgeted for debt service expenditures constant. This policy was adopted in conjunction with the Capital Improvements Committee for future capital improvement projects.

Tax base growth through economic development continues to be a top priority for the Town of Plymouth. The Economic Development Commission in conjunction with the Mayor are working to attract businesses to the Town and to fill the remaining vacant lots in Phase III of the Industrial Park.

Financial Policies

The Town has several financial policies as summarized below:

Budgetary Procedures

The Town adheres to the following procedure in establishing the annual budget. No later than February 10, each department head, office or agency shall file with the mayor, a detailed estimate of the expenditures and revenues to be made by his or her department, office or agency in the ensuing fiscal year. These estimates shall be filed with the Board of Finance on or before February 22. The Board of Education shall file estimated expenditures with the Board of Finance on or before February 28. The Board of Finance shall hold one or more public hearings no later than April 23. Immediately after the public hearings the Board of Finance shall meet with the Town Council and representatives of the Board of Education to present the recommended budget, at which time the Board of Finance, if a quorum of its members are present, may, by majority vote of its members, make changes to the budget to be recommended to the town referendum. Within ten business days after such meeting the Board of Finance shall present the recommended budget to the budget referendum, and, at least five business days prior to the referendum, the Board of Finance shall cause the recommended budget to be published in the newspaper. The Town Council schedules the annual budget referendum to be held on or before May 3. If the budget is rejected by a majority vote, a second referendum will be scheduled by the Town Council to be held within twenty days. If the budget is rejected a second time, the Town Council is authorized to adopt a budget by June 15. Council adjustments to the individual department budgets, excluding debt service shall not exceed three percent of the current year's budgets. When adopted, the Board of Finance shall file the same with the Town Clerk and also fix the tax rate in mills.

All unencumbered appropriations lapse at year-end, except those for the Capital Projects Fund and certain special revenue grants. Appropriations for capital projects are continued until completion of applicable projects, even when projects extend more than one fiscal year.

Investment Policies and Procedures

The Town's investment practices have been to invest only in the following investments: (1) certificates of deposit; and (2) overnight repurchase agreements collateralized by U.S. government agency obligations which are priced daily. Additional information on the Town's specific investment policies and investments are available upon request to the Director of Finance.

Assessment Practices

The Town of Plymouth last revalued its real property effective October 1, 2011. Under Section 12-62 of the Connecticut General Statutes, the Town must revalue all real estate by physical inspection no later than ten years following the preceding physical inspection. The Town must conduct a statistical revaluation no later than five years after the last physical inspection. The maintenance of an equitable tax base and the location and appraisal of all real and personal property within the Town for inclusion on the Grand List is the responsibility of the Assessor. The Grand List represents the total of assessed value for all taxable real and personal property located within the Town as of October 1. A Board of Assessment Appeals determines whether adjustments to the Assessor's list on assessments under appeal are warranted. Assessments are computed at seventy percent (70%) of market value at the time of the last general revaluation.

When a new structure or modification to an existing structure is undertaken, the Assessor's Office receives a copy of the permit issued by the Building Inspector. A physical appraisal is then completed and the structure classified and priced from a schedule developed as of the revaluation. Property depreciation and obsolescence factors are also considered when arriving at an equitable value.

Motor vehicle lists are furnished to the Town by the State of Connecticut and appraisals of motor vehicles are accomplished in accordance with an automotive price schedule as recommended by the State Office of Policy and Management and the Assessor. Section 12-71b of the Connecticut General Statutes provides that motor vehicles which are registered with the Commissioner of Motor Vehicles after the October 1 assessment date but before the next August 1 are subject to a property tax as if the motor vehicle had been included on the October 1 Grand List. The tax is prorated, and the pro-ration is based on the number of months of ownership between October 1 and the following July 31. Cars purchased in August and September is not taxed until the next October 1 Grand list. If the motor vehicle replaces a motor vehicle that was taxed on the October Grand List, the taxpayer is entitled to certain credits.

All business personal property (furniture, fixtures, equipment, machinery and leased equipment) is assessed annually. An assessor's clerk and audit is completed periodically. Assessments for both personal property and motor vehicles are computed at seventy (70%) of present market value.

Section 12-124a of the Connecticut General Statutes permits a municipality, upon approval of its legislative body, to abate property taxes on owner-occupied residences to the extent that the taxes exceed eight percent of the owner's total income, from any source, adjusted for self-employed persons to reflect expenses allowed in determining adjusted gross income. The owner must agree to pay the amount of taxes abated with interest at 6% per annum, or at such rate approved by the legislative body, at such time that the residence is sold or transferred or on the death of the last surviving owner. A lien for such amounts is recorded in the land records but does not take precedence over any mortgage recorded before the lien. The Town has approved the use of this abatement provision.

Tax Collection Procedures

Taxes for the fiscal year are paid on the grand list of the prior October 1, and are due July 1, payable in two installments, one half on July 1 and one half on January 1. Payments not received by August 1 and February 1 become delinquent. Motor vehicle taxes must be paid in a single installment due July 1. Real estate and personal property taxes of less than \$100 are due in full in July. Supplemental motor vehicle taxes (those vehicles registered between October 2 and July 31) are due in one installment in January.

According to Connecticut General Statutes, delinquent property taxes are subject to interest at the rate of 1.5% per month for all delinquent property taxes. Real estate is liened for delinquent taxes within one year after the tax due date

Acknowledgments

I thank our independent auditors, Blum, Shapiro & Company, Certified Public Accountants, specifically Audit Partner, Nikoleta McTigue, and Audit Manager, Santo Carta, for their expertise in guiding the Town through the required annual reporting updates and modifications as well as the entire audit process.

The preparation of this report would not have been possible without the assistance of the staff of the Town's Finance Office, as well as the Board of Education business office. Lastly, appreciation must also be given to the Mayor, to the Town Council, and to the Board of Finance for their support and cooperation throughout the completion of this audit.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Ann Marie Rheault". The signature is fluid and cursive, with a large initial "A" and "R".

Ann Marie Rheault
Director of Finance

Financial Section

BlumShapiro

Accounting | Tax | Business Consulting

Independent Auditors' Report

To the Board of Finance
Town of Plymouth, Connecticut

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Plymouth, Connecticut, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Town of Plymouth, Connecticut's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Plymouth, Connecticut, as of June 30, 2017 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 12, the budgetary comparison information on pages 63 through 68 and the pension schedules on pages 69 through 76 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Plymouth, Connecticut's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the Town of Plymouth, Connecticut, as of and for the year ended June 30, 2016 (not presented herein), and have issued our report thereon dated March 22, 2018, which contained unmodified opinions on the respective financial statements of the governmental activities, each major fund and the aggregate remaining fund information. The accompanying General Fund balance sheet as of June 30, 2016 is presented for purposes of additional

analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the 2016 financial statements. The accompanying General Fund balance sheet has been subjected to the auditing procedures applied in the audit of the 2016 basic financial statements and certain additional procedures including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the General Fund balance sheet is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2016.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 22, 2018 on our consideration of the Town of Plymouth, Connecticut's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town of Plymouth, Connecticut's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Plymouth, Connecticut's internal control over financial reporting and compliance.

Blum, Shapiro & Company, P.C.

West Hartford, Connecticut
June 22, 2018

TOWN OF PLYMOUTH, CONNECTICUT MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2017

As management of the Town of Plymouth, Connecticut, we offer readers of the Town of Plymouth's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2017.

Financial Highlights

- The assets and deferred outflows of resources of the Town exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$151,362,702 (net position).
- The Town's total net position increased by \$42,658, or .03%. Unrestricted net position, the amount that may be used to meet the Town's ongoing obligations to citizens and creditors, was (\$4,849,563) at June 30, 2017.
- As of the close of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$5,769,661.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$808,790 or 1.9% of total general fund expenditures and other financing uses.
- The Town of Plymouth's long-term debt decreased by \$2,169,176, or 9.9%, during the current fiscal year.
- The Town issued \$5,000,000 of short-term bond anticipation notes to finance various capital projects. The Town expects to issue long-term debt of \$6,950,000 in October 2018 upon completion of these projects, as approved at a bond referendum in April 2017.

Overview of the Basic Financial Statements

This discussion and analysis are intended to serve as an introduction to the Town of Plymouth's basic financial statements. The Town's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the Town's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the Town's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The *statement of activities* presents information showing how the Town's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

The government-wide financial statements present the functions of the Town that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the Town include general administration, public safety, public works, health and welfare, libraries, recreation, education, land use and interest expense.

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 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.

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 Town's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Town'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 27 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, Sewer Operating Fund, Capital and Nonrecurring Projects Fund and Capital Projects Fund, which are considered to be major funds. Data from the other 23 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The Town adopts an annual budget for its General Fund. The Water Pollution Control Authority legally adopts its annual budget as well. A budgetary comparison statement has been provided for the General Fund and Water Pollution Control to demonstrate compliance with their respective budgets.

Proprietary fund. The Town maintains one proprietary fund. Internal service funds are an accounting device used to accumulate and allocate costs internally among the Town's various functions. The Town uses an internal service fund to account for its self-insured medical benefits. Since the Town has only governmental functions, they have been included within governmental activities in the government-wide financial statements.

The data for the internal service fund is provided in Exhibits V, VI and VII of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements 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.

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.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Town's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found following the footnotes.

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a town's financial position. In the case of the Town, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$151,362,702 at June 30, 2017.

By far the largest portion of the Town's net position reflects its investment in capital assets (e.g., land, buildings, machinery, equipment and infrastructure), less any related debt used to acquire those assets that is still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Town of Plymouth, Connecticut Net Position

	Governmental Activities	
	2017	2016
Current and other assets	\$ 18,690,795	\$ 16,729,222
Capital assets, net of accumulated depreciation	180,119,954	179,782,672
Total assets	<u>198,810,749</u>	<u>196,511,894</u>
Deferred Outflows of Resources	<u>2,326,782</u>	<u>1,365,860</u>
Long-term debt outstanding	41,410,497	42,493,155
Other liabilities	8,220,372	4,020,891
Total liabilities	<u>49,630,869</u>	<u>46,514,046</u>
Deferred Inflows of Resources	<u>143,960</u>	<u>43,664</u>
Net Position:		
Net investment in capital assets	154,601,111	157,247,133
Restricted	1,611,154	1,498,783
Unrestricted	<u>(4,849,563)</u>	<u>(7,425,872)</u>
Total Net Position	<u>\$ 151,362,702</u>	<u>\$ 151,320,044</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

A portion of the Town's net position, \$1,611,154, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position is (\$4,849,563). The Town's net position increased by \$42,658, or .03%, during the current fiscal year. Approximately, 56% of the revenues were derived from property taxes, followed by 32% from operating grants. The remaining 12% is from charges for services, capital grants and contributions and other grants that were not restricted for specific purposes. Key elements of the increase are as follows:

		Governmental Activities	
		<u>2017</u>	<u>2016</u>
Revenues:			
Program revenues:			
Charges for services	\$	2,981,503	\$ 3,195,207
Operating grants and contributions		15,913,718	14,776,852
Capital grants and contributions		2,463,497	919,464
General revenues:			
Property taxes		27,700,908	26,871,040
Grants and contributions not restricted to specific purposes		471,148	272,821
Unrestricted investment earnings (loss)		128,558	(2,090)
Miscellaneous		18,191	165,188
Total revenues		<u>49,677,523</u>	<u>46,198,482</u>
Program expenses:			
General administration		4,888,571	6,819,627
Public safety		3,644,971	3,712,614
Public works		6,996,417	6,546,134
Health and welfare		274,696	296,369
Library		506,880	502,572
Recreation		290,241	290,445
Education		32,257,631	29,534,659
Land use		192,175	225,389
Interest on long-term debt		583,283	581,762
Total program expenses		<u>49,634,865</u>	<u>48,509,571</u>
Change in Net Position		42,658	(2,311,089)
Net Position - Beginning of Year		<u>151,320,044</u>	<u>153,631,133</u>
Net Position - End of Year		<u>\$ 151,362,702</u>	<u>\$ 151,320,044</u>

- Charges for services decreased by \$213,704 mainly due to a decline in revenue from police extra duty reimbursements.
- Operating grants increased by \$1,136,866 during the year. This increase is primarily due to higher education grants received from the State of Connecticut, most notably the state's contribution on behalf of the Town into the State Teachers' Retirement Board, which increased \$1,640,294. Increases were offset declines in Education Cost Sharing, School Transportation and other state education grants. Additional public library bequests also contributed to the overall increase in the current year.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

- Capital grants and contributions increased by \$1,544,033 primarily due to an increase in other funds received from the State of Connecticut, particularly LOTCIP grant revenue of \$1,372,176 and Safe Routes to School grant revenue of \$262,373.
- Property tax revenue increased \$829,868 from the prior year. The increase largely reflects higher current year tax collections by \$496,897 and motor vehicle supplement collections by \$207,700, partially offset by declines in prior year taxes, interest and liens by \$83,134.
- Investment earnings increased \$130,648, due mainly to an increase in the amount of invested assets.
- Education expenses increased by \$2,722,972 which largely reflects an increase of \$1,640,294, as noted above, in payments made by the state to the State Teachers' Retirement Board on behalf of the town. In addition, the Board of Education (BOE) experienced higher special education, employee benefit, utility, and facilities maintenance costs, including the relocation of the BOE central offices to the high school and a partial roof replacement at Plymouth Center School.
- Public works expenses increased by \$450,283 due to additional expenses of \$109,580 for snow removal, \$23,541 for hydrant rentals, and \$47,288 for fleet repairs. Additional costs are attributable to increased depreciation and other un-capitalized expenditures. Increases were offset by reductions in wages, contract services, and fuel costs. Higher costs for the Water Pollution Control facility of \$126,741 were offset by the completion of the Clean Water Fund denitrification project in the prior year.
- General Administration expenses decreased by \$1,931,057, due mainly to lower legal expenses by \$204,926 and other health insurance and benefit cost reductions of \$266,369 and a reduction of the Town's portion of the net pension liability. Decreases were partially offset by the Town's cost share allocation for the Bristol probate court construction of \$79,866.
- Public safety expenses decreased by \$67,643. The decrease is due to one-time expenses related to a special appropriation for emergency communication system repairs of \$71,421 in the prior year and a reduction of extra duty expenditures and police overtime in the current year. Decreases were partially offset by an increase in police salaries of \$115,425 coupled with a rise in training and service contract costs.

MANAGEMENT’S DISCUSSION AND ANALYSIS (CONTINUED)

The Cost of Services is provided below. This table shows the cost of each of the Town’s five largest programs - education, public works, general administration, public safety and interest expense - as well as each program’s net cost (total cost less revenues generated by the activities). The net cost shows the financial burden that was placed on the Town’s taxpayers by each of these functions.

Town of Plymouth, Connecticut Governmental Activities				
	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Education	\$ 32,257,631	\$ 29,534,659	\$ 16,048,661	\$ 14,580,024
Public works	6,996,417	6,546,134	2,870,755	3,986,235
General administration	4,888,571	6,819,627	4,664,127	6,604,063
Public safety	3,644,971	3,712,614	3,061,582	2,873,534
Interest expense	583,283	581,762	583,283	581,762
All others	1,263,992	1,314,775	1,047,739	992,430
Total	\$ 49,634,865	\$ 48,509,571	\$ 28,276,147	\$ 29,618,048

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, unassigned fund balance may serve as a useful measure of a Town’s net resources available for spending at the end of the fiscal year.

As of June 30, 2017, the Town’s governmental funds reported a combined ending fund balance of \$5,769,661, a decrease of \$1,539,039 from the prior year. The decrease over prior year largely reflects expenditures for capital projects expected to be bonded in October 2018 offset by small increases in all other funds combined. A portion of the fund balance is reserved to indicate that it is not available for new spending because it has already been committed; (1) to liquidate contracts and purchase orders of the prior period \$699,618 (2) to pay debt service of \$205,536, and (3) endowments \$892,913.

The General Fund is the operating fund of the Town. At the end of 2017, the unassigned fund balance of the General Fund was \$808,790 while total fund balance was \$1,608,408. As a measure of the General Fund’s liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 1.9% of total general fund expenditures, while total fund balance represents 3.7% of that same amount. Given the low restricted fund balance at the end of fiscal year 2016, the Town and Board of Education continues to take a multitude of steps aimed at reducing spending and generating operating surpluses to increase the fund balance for fiscal years 2017 and 2018.

The Capital and Nonrecurring Fund, used for infrastructure improvements in the Town, held a balance of (\$649,880) at June 30, 2017. The negative fund balance mainly reflects spending for capital projects to be bonded in October 2018.

The Debt Service Fund has a total fund balance of \$205,536, all of which is restricted for the payment of debt service.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Proprietary fund. The unrestricted net position of the Board of Education Health Insurance Fund at the end of the year amounted to \$279,481, a decrease of \$262,343 from the June 30, 2016 balance of \$541,824. The decrease in the balance is mainly attributable to higher than expected claim experience.

General Fund Budgetary Highlights

During the 2017 fiscal year there were two special appropriations within the General Fund; \$16,000 for the purchase of police firearms and ammunition storage and \$48,720 for a shortfall in administrative expenses. The \$16,000 police appropriation was funded by a transfer in from the police extra duty fund.

General Fund revenues fell short of budget levels by \$164,456 in the current year:

- Current and prior year tax collections fell short \$263,523 and \$123,895, respectively, from the original budget, which was partially offset by higher supplemental motor vehicle taxes, interest and lien fees.
- Charges for services exceeded budget by \$92,764, due to various higher permit revenues and metal reimbursement revenue as well as additional police extra duty income kept in the general fund.
- The Town's intergovernmental revenues surpassed budget by \$65,043, due mainly to the amount received for the Special Education Excess Cost Grant in excess of budget by \$224,139, offset by a reduction in Education Cost Sharing revenue of \$121,074.
- Other revenues fell short of budget by \$213,297, which included foreclosure sale proceeds that were below budget by \$183,398.
- Budgeted use of fund balance to offset operating expenses and additional appropriations in the current fiscal year totaled \$188,720. A \$121,324 operating transfer into the General Fund was budgeted for the purchase of police vehicles, firearms and ammunitions storage.

During the year ended June 30, 2017 expenditures in the General Fund were below budgeted appropriations by \$507,979.

- Total General Administration costs were below budget by \$186,494, largely driven by lower than budgeted legal expenses by \$62,626, in addition to favorable variances in several other departments.
- Education costs were below budget by \$201,602 which reflected a decline in vocational agriculture expenses, magnet school tuition, lower transportation and legal costs and a mid-year freeze on discretionary spending.
- Positive variances to budget in all other departments for the current year contributed smaller amounts to the overall favorable general fund expenditures position.

Capital Assets and Debt Administration

Capital assets. The Town's investment in capital assets for its governmental activities as of June 30, 2017, amounted to \$180,119,954 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, buildings, building improvements, machinery and equipment, vehicles, and infrastructure.

MANAGEMENT’S DISCUSSION AND ANALYSIS (CONTINUED)

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

- Building improvements of \$74,821 for the replacement of the Terryville Library elevator.
- Vehicle additions of \$483,465, including two new Police Department vehicles as part of the normal vehicle replacement cycle, a utility truck for the BOE, a new Public Works dump truck totaling \$129,826 and a new street sweeper for \$239,863. The purchase of the dump truck and street sweeper yielded small trade in values from the disposal of like vehicles from the Town’s fleet.
- Equipment purchases totaling \$95,615 including BOE facilities equipment of \$33,010 and a police dispatch console upgrade of \$23,533.
- Sidewalk additions of \$262,373 resulted from the completion of the Maple Street Safe Routes to School project.
- Road construction totaling \$4,188,813 is attributable to the completion of ongoing general road upgrades and repairs funded under prior bonding. Additional road construction of \$2,881,208 included the completion of the Bemis Street reconstruction as well as annual general road repair work.
- Construction in progress at June 30, 2017 of \$2,231,275 include those projects approved by Town referendum for the Plymouth firehouse renovation, Charles Street rear access, town hall upgrades and various road construction projects. Construction in progress decreased in the current fiscal year by \$2,961,978, or 57.0%, largely due to the completion of the Bemis Street construction and completion of various general road and sidewalk improvement projects. The decrease was offset by the start of the new capital projects noted above.

**Town of Plymouth, Connecticut
Capital Assets (Net)**

	Governmental Activities	
	2017	2016
Land	\$ 6,782,353	\$ 6,782,353
Buildings	47,896,788	49,485,424
Buildings improvements	11,088,802	11,444,368
Land improvements	2,385,207	2,585,572
Machinery and equipment	4,706,591	4,919,479
Vehicles	3,380,865	3,224,987
Infrastructure	101,648,073	96,147,236
Construction in progress	<u>2,231,275</u>	<u>5,193,253</u>
Total	<u>\$ 180,119,954</u>	<u>\$ 179,782,672</u>

Additional information on the Town’s capital assets can be found in Note 5.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Long-term debt. At the end of the current fiscal year, the Town had general obligation bonds outstanding of \$19,743,231. The amount reflects debt backed by the full faith and credit of the Town.

Town of Plymouth, Connecticut Long-Term Debt

	Governmental Activities	
	2017	2016
General Obligation Bonds	\$ <u>19,743,231</u>	\$ <u>21,912,407</u>

The Town's long term total debt decreased by \$2,169,176 or 9.9% during the current fiscal year, based upon scheduled principal payments.

State statutes limit the amount of general obligation debt a governmental entity may issue to seven times total tax collections including interest and lien fees and the tax relief for elderly freeze grant. The current debt limitation for the Town is \$189,741,025, which is significantly in excess of the Town's outstanding general obligation debt.

Additional information on the Town's long-term debt can be found in Note 7.

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for the Town as of June 30, 2017 was 5.1%, which is a decrease from June 30, 2016 of 6.3%, but higher than the state's unemployment rate of 4.8%.
- Inflationary trends in the region are in line with national indices.
- The Town is continuing to aggressively pursue new commercial enterprises to increase the value of the net grand list, including additional tenants for, and expansions within, the business park.

The 2017-2018 budget was evaluated using the anticipated fund balance projections from the past fiscal year. The 2017-2018 budget does not plan for any use of the Town's fund balance to balance revenues and expenditures. The 2017-2018 budget factors in \$100,000 for the restoration of general fund balance that is included in budgeted expenditures. The overall budget for expenditures in the General Fund increases by \$1,193,978, with the change coming in costs for Education and General Government, offset slightly by a decrease in funding for capital projects. The 2017-2018 budget has a real estate and other property tax rate of 39.69 mils and a motor vehicle tax rate of 32.00 mils. The 2016-2017 tax rate was a combined 36.02 mils.

The 2017-2018 budget assumes a current collection rate of 98.5% for property taxes other than motor vehicles, and a 95.0% collection rate for motor vehicle taxes. There is no change in the collection rates from the prior year. The Board of Finance reviews tax collections and results from the Tax office on an ongoing basis.

As a result of revaluation, the grand list, the total of all taxable property that sets the property tax collection rate, is declines \$25,811,800 or 3.4% from the prior year. The grand list decline in real estate and other property of \$27,385,740 is partially offset by an increase in the motor vehicle tax base of \$1,573,940.

Requests for Information

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Comptroller's Office, The Town of Plymouth, 80 Main Street, Terryville, Connecticut 06786.

Basic Financial Statements

TOWN OF PLYMOUTH, CONNECTICUT
STATEMENT OF NET POSITION
JUNE 30, 2017

	Governmental Activities
Assets:	
Cash and cash equivalents	\$ 11,927,655
Investments	33,436
Restricted investments	1,078,725
Receivables, net	3,378,682
Assets held for sale	2,272,297
Capital assets not being depreciated	9,013,628
Capital assets being depreciated, net	<u>171,106,326</u>
Total assets	<u>198,810,749</u>
Deferred Outflows of Resources:	
Deferred charge on refunding	87,386
Deferred outflows related to PERS	925,964
Deferred outflows related to MERS	<u>1,313,432</u>
Total deferred outflows of resources	<u>2,326,782</u>
Liabilities:	
Accounts and other payables	2,352,190
Accrued interest payable	159,824
Due to agency funds	129,605
Unearned revenue	578,753
Bond anticipation notes payable	5,000,000
Noncurrent liabilities:	
Due within one year	2,398,666
Due in more than one year	<u>39,011,831</u>
Total liabilities	<u>49,630,869</u>
Deferred Inflows of Resources:	
Advance property tax collections	9,626
Deferred inflows related to PERS	56,007
Deferred inflows related to MERS	<u>78,327</u>
Total deferred inflows of resources	<u>143,960</u>
Net Position:	
Net investment in capital assets	154,601,111
Perpetual care:	
Expendable	463,919
Nonexpendable	363,521
Libraries:	
Expendable	48,786
Nonexpendable	529,392
Debt service	205,536
Unrestricted	<u>(4,849,563)</u>
Total Net Position	<u>\$ 151,362,702</u>

The accompanying notes are an integral part of the financial statements

**TOWN OF PLYMOUTH, CONNECTICUT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2017**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental activities:					
General administration	\$ 4,888,571	\$ 221,711	\$ 2,733	\$	\$ (4,664,127)
Public safety	3,644,971	583,014	375		(3,061,582)
Public works	6,996,417	1,565,551	96,614	2,463,497	(2,870,755)
Health and welfare	274,696	44,459	11,438		(218,799)
Library	506,880	4,818	45,512		(456,550)
Recreation	290,241	85,679	750		(203,812)
Education	32,257,631	457,456	15,751,514		(16,048,661)
Land use	192,175	18,815	4,782		(168,578)
Interest expense	583,283				(583,283)
Total Governmental Activities	\$ 49,634,865	\$ 2,981,503	\$ 15,913,718	\$ 2,463,497	(28,276,147)
General revenues:					
Property taxes					27,700,908
Grants and contributions not restricted to specific programs					471,148
Investment earnings					128,558
Miscellaneous					18,191
Total general revenues					<u>28,318,805</u>
Change in Net Position					42,658
Net Position at Beginning of Year					<u>151,320,044</u>
Net Position at End of Year					<u>\$ 151,362,702</u>

The accompanying notes are an integral part of the financial statements

**TOWN OF PLYMOUTH, CONNECTICUT
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2017**

	<u>General</u>	<u>Sewer Operating</u>	<u>Capital Projects</u>	<u>Capital and Nonrecurring</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS						
Cash and cash equivalents	\$ 1,378,162	\$ 2,451,759	\$ 146,125	\$ 4,627,850	\$ 1,814,040	\$ 10,417,936
Investments					33,436	33,436
Restricted investments					1,078,725	1,078,725
Receivables, net:						
Property taxes	789,628					789,628
Interest	258,044	66,098				324,142
Assessments/use charges		227,278			185,146	412,424
Intergovernmental	19,287		97,000	178,452	51,014	345,753
Loans					986,081	986,081
Other	113,485				406,846	520,331
Due from other funds	<u>3,808,222</u>	<u>532</u>	<u>350,676</u>	<u>1,768,474</u>	<u>1,066,056</u>	<u>6,993,960</u>
Total Assets	<u>\$ 6,366,828</u>	<u>\$ 2,745,667</u>	<u>\$ 593,801</u>	<u>\$ 6,574,776</u>	<u>\$ 5,621,344</u>	<u>\$ 21,902,416</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 860,680	\$ 108,171	\$ 236,605	\$ 836,724	\$ 19,010	\$ 2,061,190
Due to other funds	3,053,535	957,823	649,309	830,776	692,561	6,184,004
Bond anticipation notes payable				5,000,000		5,000,000
Unearned revenue			10,500	557,156	11,097	578,753
Total liabilities	<u>3,914,215</u>	<u>1,065,994</u>	<u>896,414</u>	<u>7,224,656</u>	<u>722,668</u>	<u>13,823,947</u>
Deferred inflows of resources:						
Unavailable revenue - property taxes	834,579					834,579
Unavailable revenue - sewer use receivable		293,376				293,376
Unavailable revenue - special assessments					185,146	185,146
Unavailable revenue - loans receivable					986,081	986,081
Advanced property taxes	9,626					9,626
Total deferred inflows of resources	<u>844,205</u>	<u>293,376</u>	<u>-</u>	<u>-</u>	<u>1,171,227</u>	<u>2,308,808</u>
Fund balances:						
Nonspendable					892,913	892,913
Restricted					1,682,404	1,682,404
Committed	100,000	1,386,297	185,849		1,368,934	3,041,080
Assigned	699,618					699,618
Unassigned	808,790		(488,462)	(649,880)	(216,802)	(546,354)
Total fund balances	<u>1,608,408</u>	<u>1,386,297</u>	<u>(302,613)</u>	<u>(649,880)</u>	<u>3,727,449</u>	<u>5,769,661</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 6,366,828</u>	<u>\$ 2,745,667</u>	<u>\$ 593,801</u>	<u>\$ 6,574,776</u>	<u>\$ 5,621,344</u>	<u>\$ 21,902,416</u>

The accompanying notes are an integral part of the financial statements

TOWN OF PLYMOUTH, CONNECTICUT
BALANCE SHEET - GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2017

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 because of the following:

Fund balances - total governmental funds (Exhibit III)	\$	5,769,661
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Capital assets used in governmental activities are not financial
resources and, therefore, are not reported in the funds:

Assets held for sale		2,272,297
Governmental capital assets	\$ 252,101,645	
Less accumulated depreciation	<u>(71,981,691)</u>	
Net capital assets		180,119,954

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

Property tax receivable greater than 60 days	576,535
Interest receivable on property taxes	258,044
Housing loans	986,081
Sewer use and assessments receivable	227,278
Interest receivable on sewer use and assessments	66,098
Water assessment receivable	185,146
Deferred outflows related to PERS	925,964
Deferred outflows related to MERS	1,313,432

Internal service funds are used by management to charge the cost of
medical insurance to individual departments:

The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position	279,481
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Long-term liabilities and deferred inflows, including bonds payable, are not due and
payable in the current period and, therefore, are not reported in the funds:

Bonds payable	(19,743,231)
Capital leases	(227,182)
Deferred charge on refunding	87,386
Premium	(635,816)
Interest payable on bonds	(159,824)
Net OPEB obligation	(4,178,523)
Compensated absences	(1,168,062)
Early retirement incentive	(91,500)
Net pension liability	(14,791,183)
Landfill postclosure costs	(575,000)
Deferred inflows related to PERS	(56,007)
Deferred inflows related to MERS	<u>(78,327)</u>

Net Position of Governmental Activities (Exhibit I)	\$ <u><u>151,362,702</u></u>
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The accompanying notes are an integral part of the financial statements

**TOWN OF PLYMOUTH, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2017**

	<u>General</u>	<u>Sewer Operating</u>	<u>Capital Projects</u>	<u>Capital and Nonrecurring</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:						
Property taxes	\$ 27,981,899					\$ 27,981,899
Charges for services	382,041	1,423,001		2,560,111	1,039,912	5,405,065
Intergovernmental	15,226,825				1,082,089	16,308,914
Income from investments	13,466		583	587	13,016	27,652
Net change in fair value of investments					98,234	98,234
Contributions					96,104	96,104
Other	108,156	5		35,052	80,283	223,496
Total revenues	<u>43,712,387</u>	<u>1,423,006</u>	<u>583</u>	<u>2,595,750</u>	<u>2,409,638</u>	<u>50,141,364</u>
Expenditures:						
Current:						
General administration	5,210,527				40,617	5,251,144
Public safety	2,879,057				497,058	3,376,115
Public works	3,126,375	1,204,996				4,331,371
Health and welfare	196,042				56,754	252,796
Library	468,874				19,583	488,457
Recreation	180,278				74,215	254,493
Education	28,265,752				1,475,269	29,741,021
Land use	145,690					145,690
Debt service	2,859,842	130,188				2,990,030
Capital outlay	358,689		430	4,848,856		5,207,975
Total expenditures	<u>43,691,126</u>	<u>1,335,184</u>	<u>430</u>	<u>4,848,856</u>	<u>2,163,496</u>	<u>52,039,092</u>
Excess (Deficiency) of Revenues over Expenditures	<u>21,261</u>	<u>87,822</u>	<u>153</u>	<u>(2,253,106)</u>	<u>246,142</u>	<u>(1,897,728)</u>
Other Financing Sources (Uses):						
Transfers in	222,437			483,146	84,382	789,965
Transfers out	(567,528)				(222,437)	(789,965)
Capital lease issuance	358,689					358,689
Total other financing sources (uses)	<u>13,598</u>	<u>-</u>	<u>-</u>	<u>483,146</u>	<u>(138,055)</u>	<u>358,689</u>
Net Change in Fund Balances	34,859	87,822	153	(1,769,960)	108,087	(1,539,039)
Fund Balances at Beginning of Year	<u>1,573,549</u>	<u>1,298,475</u>	<u>(302,766)</u>	<u>1,120,080</u>	<u>3,619,362</u>	<u>7,308,700</u>
Fund Balances at End of Year	<u>\$ 1,608,408</u>	<u>\$ 1,386,297</u>	<u>\$ (302,613)</u>	<u>\$ (649,880)</u>	<u>\$ 3,727,449</u>	<u>\$ 5,769,661</u>

The accompanying notes are an integral part of the financial statements

**TOWN OF PLYMOUTH, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2017**

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

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

Net change in fund balances - total governmental funds (Exhibit IV) \$ (1,539,039)

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

Capital outlay 5,024,317
Depreciation expense (4,659,172)

In the statement of activities, only the gain on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus the change in net position differs from the change in fund balance by the cost of the assets sold.

The statement of activities reports losses arising from the trade-in of existing capital assets to acquire new capital assets. Conversely, governmental funds do not report any gain or loss on a trade-in of capital assets. (27,863)

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

Property tax receivable - accrual basis change (107,807)
Property tax interest revenue - accrual basis change (173,184)
Housing loans receivable - accrual basis change (35,828)
Sewer use and assessment receivable - accrual basis change (57,606)
Sewer use and assessment interest receivable - accrual change (14,520)
Water assessment receivable - accrual basis change (77,568)
Deferred outflows related to PERS 122,170
Deferred outflows related to MERS 849,974

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

Bonds and notes principal payments 2,169,176
Capital lease issuance (358,689)

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

Net OPEB expense (549,658)
Capital leases 131,507
Compensated absences 50,623
Early retirement incentive (78,000)
Net pension liability (393,225)
Landfill postclosure costs 25,000
Accrued interest payable 20,361
Amortization of deferred charge on refunding (11,222)
Amortization of premium 85,924
Deferred inflows related to PERS (12,343)
Deferred inflows related to MERS (78,327)

Internal service funds are used by management to charge costs of medical insurance to individual departments (262,343)

Change in Net Position of Governmental Activities (Exhibit II) \$ 42,658

The accompanying notes are an integral part of the financial statements

**TOWN OF PLYMOUTH, CONNECTICUT
 PROPRIETARY FUNDS
 STATEMENT OF NET POSITION
 JUNE 30, 2017**

	Governmental Activities
	Internal Service Fund
	<hr/>
Assets:	
Cash and cash equivalents	\$ 1,509,719
Accounts receivable	323
Due from other funds	<u>600,000</u>
Total assets	<u>2,110,042</u>
Liabilities:	
Due to other funds	1,539,561
Claims payable	<u>291,000</u>
Total liabilities	<u>1,830,561</u>
Net Position:	
Unrestricted	\$ <u><u>279,481</u></u>

The accompanying notes are an integral part of the financial statements

**TOWN OF PLYMOUTH, CONNECTICUT
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
 FOR THE YEAR ENDED JUNE 30, 2017**

	Governmental Activities
	Internal Service Fund
Operating Revenues:	
Charges for services	\$ <u>3,778,465</u>
Operating Expenses:	
Claims incurred	3,518,412
Administration	<u>525,068</u>
Total operating expenses	<u>4,043,480</u>
Operating Income (Loss)	(265,015)
Nonoperating Revenues:	
Revenues from use of money	<u>2,672</u>
Change in Net Position	(262,343)
Net Position at Beginning of Year	<u>541,824</u>
Net Position at End of Year	\$ <u><u>279,481</u></u>

The accompanying notes are an integral part of the financial statements

**TOWN OF PLYMOUTH, CONNECTICUT
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED JUNE 30, 2017**

	Governmental Activities
	Internal Service Fund
Cash Flows from Operating Activities:	
Cash received from charges for services	\$ 3,778,465
Cash paid for benefits	(3,515,961)
Cash paid for administration	(525,068)
Net cash provided by (used in) operating activities	<u>(262,564)</u>
Cash Flows from Investing Activities:	
Interest on investments	<u>2,672</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(259,892)
Cash and Cash Equivalents at Beginning of Year	<u>1,769,611</u>
Cash and Cash Equivalents at End of Year	<u>\$ 1,509,719</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:	
Operating income (loss)	\$ (265,015)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:	
(Increase) decrease in accounts receivable	(323)
Increase (decrease) in claims payable	<u>2,774</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ (262,564)</u>

The accompanying notes are an integral part of the financial statements

**TOWN OF PLYMOUTH, CONNECTICUT
FIDUCIARY FUNDS
STATEMENT OF NET POSITION
JUNE 30, 2017**

	<u>Pension Fund</u>	<u>Private Purpose Trust Fund</u>	<u>Agency Funds</u>
Assets:			
Cash and cash equivalents	\$ _____	\$ 3,031	\$ 263,943
Investments:			
Guaranteed investment contracts	8,749,714		
Mutual funds	145,218		
Total investments	<u>8,894,932</u>	<u>-</u>	<u>-</u>
Accounts receivable	<u>3,449</u>		
Due from other funds			<u>129,605</u>
Total assets	<u>8,898,381</u>	<u>3,031</u>	<u>\$ 393,548</u>
Liabilities:			
Accounts payable and due to others			<u>\$ 393,548</u>
Net Position:			
Restricted for Pension/Other Benefits	<u>\$ 8,898,381</u>	<u>\$ 3,031</u>	

The accompanying notes are an integral part of the financial statements

**TOWN OF PLYMOUTH, CONNECTICUT
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2017**

	<u>Pension Fund</u>	<u>Private Purpose Trust Fund</u>
Additions:		
Contributions:		
Employer	\$ 878,811	\$
Plan members	63,795	
Total contributions	<u>942,606</u>	<u>-</u>
Investment income:		
Net change in fair value of investments	(11,381)	
Interest and dividends	334,467	15
Total investment income	<u>323,086</u>	<u>15</u>
Less investment expense	(84,813)	
Net investment income	<u>238,273</u>	<u>15</u>
Total additions	<u>1,180,879</u>	<u>15</u>
Deductions:		
Benefits	1,443,619	
Administration	3,754	
Total deductions	<u>1,447,373</u>	<u>-</u>
Change in Net Position	(266,494)	15
Net Position at Beginning of Year	<u>9,164,875</u>	<u>3,016</u>
Net Position at End of Year	<u>\$ 8,898,381</u>	<u>\$ 3,031</u>

The accompanying notes are an integral part of the financial statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The Town operates under a home rule charter that was adopted in 1974. The Town operates under a Mayor-Town Council form of government and provides the following public services as authorized by its charter: public safety (police and fire), public works, parks and recreation, sanitation, health and social services, planning and zoning, and education.

B. Government-Wide and Fund Financial Statements

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

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

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

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

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

**TOWN OF PLYMOUTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

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

The Town reports the following major governmental funds:

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

The *Sewer Operating Fund* accounts for operations of the Sewer Collection System. The main source of revenue is the user charge fee.

The *Capital Projects Fund* accounts for the financial revenues to be used for major capital asset construction and/or purchases funded by debt issuances.

The *Capital and Nonrecurring Fund* is used to account for the financial resources that are restricted, committed or assigned to be used for capital outlays, including the acquisition or construction of capital facilities and other capital assets funded by debt issuance.

Additionally, the Town reports the following fund types:

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

The *Pension Trust Fund* accounts for the activities of the Town pension plans, which accumulate resources for pension benefit payments to qualified Town and Board of Education employees.

The *Private Purpose Trust Fund* is used to account for a hospice fund that benefits local individuals. All resources of the fund, including any earnings on invested resources, may not be used to support the Town's activities. There is no requirement that any portion of these resources be preserved as capital.

The *Agency Funds* account for monies held on behalf of students, other community groups and performance bonds.

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

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

**TOWN OF PLYMOUTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

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

D. Deposits and Investments

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

Investments are reported at fair value.

E. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." All trade and property tax receivables, are shown net of an allowance for uncollectibles. Allowances for uncollectibles are computed based on historical data.

Loan receivables consist of Community Development Block Grant loans. The Town provides low-interest loans for residential rehabilitation as well as loans to local businesses for facility improvements.

Property taxes (receivable - taxes) are assessed as of October 1, levied after the adoption of the Town budget by referendum and become legally due and payable on July 1. Taxes are overdue on August 1, and interest is levied at a rate of 1-1/2% per month. Liens are placed on delinquent real estate taxes owed on June 30th. Liens will be placed sooner in cases where the Tax Collector deems the taxes to be in jeopardy.

An amount of \$200,000 has been established as an allowance for uncollectible taxes as of June 30, 2017.

F. Restricted Investments

CDBG Loans Fund

Certain investments accounts are pledged as collateral for loans made by the bank to participants in the Town's Community Development Loan Program. This amount is adjusted as loans are repaid.

Permanent Funds

Restricted investments in permanent funds are to be used for the Cemetery and Library improvements.

G. Assets Held for Sale

Assets held for sale are the Phase III Industrial Park lots available for sale. Assets held for sale are not depreciated.

**TOWN OF PLYMOUTH, CONNECTICUT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2017**

H. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 for equipment, \$20,000 for improvements and \$100,000 for infrastructure and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

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

<u>Assets</u>	<u>Years</u>
Buildings	75-100
Building improvements	50
Land improvements	50
Roads	50-100
Bridges	50-75
Sewer plant	50
Sewer lines	100
Vehicles	5-20
Office equipment	5-25

I. 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 pensions 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 contributions made subsequent to measurement date, differences between expected and actual experience, changes in assumptions or other inputs. The contributions made subsequent to measurement date are recognized the following year. All other amounts are deferred and included in pension expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan (active employees and inactive employees).

**TOWN OF PLYMOUTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

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 deferred inflows 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. These amounts are deferred and included in pension expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan (active employees and inactive employees). The governmental funds report unavailable revenues from several sources: property taxes, sewer use fees, special assessments and long-term loans. These amounts are deferred and recognized as an inflow of resources (revenue) in the period in which the amounts become available.

J. Compensated Absences

Employees are paid by a prescribed formula for absence due to vacation and sickness based upon the various union contracts and the Town's personnel policies. The eligibility for vacation pay, and in some instances sick pay, does not vest.

K. 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.

L. Net OPEB Obligation

The net OPEB obligation represents the cumulative difference between the annual OPEB cost and the Town's contributions to the plans. These amounts are calculated on an actuarial basis and are recorded as noncurrent assets and/or noncurrent liabilities, accordingly, in the government-wide financial statements.

M. Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities 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 expenditures.

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

N. Fund Equity

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

Net Investment in Capital Assets

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

Restricted Net Position

This component of net position consists of restrictions that are externally imposed by creditors (such as through debt covenants), grantors, contributors or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position

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

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

Nonspendable Fund Balance

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

Restricted Fund Balance

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

Committed Fund Balance

This represents amounts constrained for a specific purpose by a government using its highest level of decision-making authority (Town of Plymouth Board of Finance) by adoption of a resolution prior to the end of the fiscal year. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.

Assigned Fund Balance

For all governmental funds other than the General Fund, this represents any remaining positive amounts not classified as nonspendable, restricted or committed. For the General Fund, this includes amounts constrained for the intent to be used for a specific purpose by the Board of Finance that has been delegated authority to assign amounts by the Town Charter.

Unassigned Fund Balance

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

O. Fund Balance Flow Assumptions

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

P. Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and 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.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

The Town adheres to the following procedures in establishing the annual budget. No later than February 10, each department head, office or agency shall file with the mayor a detailed estimate of the expenditures and revenues to be made by his or her department, office or agency in the ensuing fiscal year. These estimates shall be filed with the Board of Finance on or before February 22. The Board of Education shall file estimated expenditures with the Board of Finance on or before February 28. The Board of Finance shall hold one or more public hearings no later than April 23. Immediately after the public hearings, the Board of Finance shall meet with the Town Council and representatives of the Board of Education to present the recommended budget, at which time the Board of Finance, if a quorum of its members are present, may, by majority vote of its members, make changes to the budget to be recommended to the Town referendum. Within ten business days after such meeting, the Board of Finance shall present the recommended budget to the budget referendum, and, at least five business days prior to the referendum, the Board of Finance shall cause the recommended budget to be published in the newspaper. The Town Council schedules the annual budget referendum to be held on or before May 3. If the budget is rejected by a majority vote, a second referendum will be scheduled by the Town Council to be held within 20 days. If the budget is rejected a second time, the Town Council is authorized to adopt a budget by June 15. Council adjustments to the individual department budgets, excluding debt service, shall not exceed three percent of the current year's budgets. When adopted, the Board of Finance shall file the same with the Town Clerk and also fix the tax rate in mills.

- The Sewer Operating Budget is approved prior to July 1st by the Water Pollution Control Authority.
- The Finance Director is authorized to transfer budgeted amounts within departments up to \$1,000; all transfers over \$1,000 require Board of Finance approval. Budget over expenditures in departmental line items are approved by the Board of Finance, although no actual budgetary entries are made. Additional appropriations must be approved by the Town Council. Appropriations in excess of

**TOWN OF PLYMOUTH, CONNECTICUT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2017**

\$50,000 must be submitted to a Town Meeting for approval. During the year General Fund appropriations increased in the amount of \$104,720. There were no additional Sewer Operating Fund appropriations authorized during the year.

- Certain items related to the prior year have been reclassified to conform to the current year’s financial statement presentation. The reclassifications have no effect on previously reported results.
- Formal budgetary integration is employed as a management control device during the year.
- The legal level of control (the level at which expenditures may not legally exceed appropriations) is at the department level for the General Fund and at the fund level for the Sewer Operating Fund.
- Budgeted amounts shown are as originally adopted, or as amended by the Town Council and Board of Finance during the course of the year.
- The Board of Education is authorized under State law to make any transfers required within its budget at its discretion. Any additional appropriations must have Board of Education and Town Council approval and, if over \$50,000, Town Meeting approval.
- Encumbrances are recognized as a valid and proper charge against a budget appropriation in the year in which the purchase order, contract or other commitment is issued, and, accordingly, encumbrances outstanding at year end are reported in budgetary reports as expenditures in the current year. Generally, all unencumbered appropriations lapse at year end, except those for the Capital Projects Funds. Appropriations for capital projects are continued until completion of applicable projects, even when projects extend more than one fiscal year.

B. Fund Deficits

Fund balance deficits existed as of June 30, 2017 in the following funds:

Capital Projects	\$ 302,613
Capital and Nonrecurring	649,880
Nonmajor Governmental Funds:	
Special Revenue Funds:	
Economic Development	216,802

These fund deficits will be reduced or eliminated by transfers from the General Fund and charges for services.

3. CASH, CASH EQUIVALENTS AND INVESTMENTS

The deposit of public funds is controlled by the Connecticut General Statutes (Section 7-402). Deposits may be made in a “qualified public depository” as defined by Statute 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

**TOWN OF PLYMOUTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

limited to obligations of the United States and its agencies, and repurchase agreements fully collateralized by such obligations. Other provisions of the Statutes cover specific municipal funds with particular investment authority. The provisions of the Statutes regarding the investment of municipal pension funds do not specify permitted investments. Therefore, investment of such funds is generally controlled by the laws applicable to fiduciaries and the provisions of the applicable plan.

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*, \$11,701,486 of the Town's bank balance of \$12,729,892 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 10,481,337
Uninsured and collateral held by the pledging bank's trust department, not in the Town's name	<u>1,220,149</u>
Total Amount Subject to Custodial Credit Risk	<u>\$ 11,701,486</u>

Cash Equivalents

At June 30, 2017, the Town's cash equivalents amounted to \$422,409. The Town's cash equivalents (excluding U.S. government guaranteed obligations) are mainly money markets with Bank of America, Torrington Savings Bank, Thomaston Savings Bank and Wells Fargo, of which are not rated. The pools all have maturities of less than one year.

**TOWN OF PLYMOUTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

Investments

As of June 30, 2017, the Town had the following investments:

<u>Investment Type</u>	<u>Credit Rating</u>	<u>Fair Value</u>	<u>Investment Maturities (Years)</u>		
			<u>Less Than 1</u>	<u>1-10</u>	<u>More Than 10</u>
Interest-bearing investments:					
Guaranteed investment contracts	N/A	\$ 8,749,714	\$	\$	\$ 8,749,714
Certificates of deposit	*	<u>219,248</u>	<u>77,232</u>	<u>142,016</u>	
Total		8,968,962	<u>\$ 77,232</u>	<u>\$ 142,016</u>	<u>\$ 8,749,714</u>
Other investments:					
Mutual funds		<u>1,038,131</u>			
Total Investments		<u>\$ 10,007,093</u>			

* Subject to coverage by Federal Depository Insurance and collateralization.

N/A - Not applicable

Interest Rate Risk

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

Credit Risk - Investments

As indicated above, State Statutes limit the investment options of cities and towns. The Town allows the same type of investments as State Statutes.

Concentration of Credit Risk

The Town has no policy limiting an investment in any one issuer that is in excess of 5% of the Town's total investments.

Custodial Credit Risk

Custodial credit risk for an investment is the risk that, in the event of the failure of the counterparty (the institution that pledges collateral or repurchase agreement securities to the Town or that sells investments to or buys them for the Town), the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Town does not have a policy for custodial credit risk. At June 30, 2017, the Town did not have any uninsured and unregistered securities held by the counterparty, or by its trust department or agent that were not in the Town's name.

**TOWN OF PLYMOUTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
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Fair Value

The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements); followed by quoted prices in inactive markets or for similar assets or with observable inputs (Level 2 measurements); and the lowest priority to unobservable inputs (Level 3 measurements). The Town has the following recurring fair value measurements as of June 30, 2017:

	<u>June 30, 2017</u>	<u>Fair Value Measurements Using</u>		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investments by fair value level:				
Guaranteed investment contracts	\$ 8,749,714	\$	\$ 8,749,714	\$
Mutual funds	<u>1,038,131</u>	<u>1,038,131</u>		
Total Investments by Fair Value Level	<u>\$ 9,787,845</u>	<u>\$ 1,038,131</u>	<u>\$ 8,749,714</u>	<u>\$ -</u>

Mutual funds classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Guaranteed investment contracts classified in Level 2 of the fair value hierarchy are valued using the present value of benefits for retirees based on premium rate tables in their contract. In addition, unallocated funds in excess of annuity allocations are valued using a market value factor of 107%.

4. RECEIVABLES

Receivables by type at June 30, 2017 for the Town’s government-wide financial statements, including the applicable allowances for uncollectible accounts, are as follows:

	<u>Property Taxes</u>	<u>Interest and Lien Fees</u>	<u>Assessments/ Use Charges</u>	<u>Due From State</u>	<u>Loans</u>	<u>Other Receivables</u>	<u>Total</u>
Accounts receivable	\$ 989,628	\$ 324,142	\$ 412,424	\$ 345,753	\$ 986,081	\$ 520,654	\$ 3,578,682
Less allowance for uncollectible accounts	<u>(200,000)</u>						<u>(200,000)</u>
Net Accounts Receivable	<u>\$ 789,628</u>	<u>\$ 324,142</u>	<u>\$ 412,424</u>	<u>\$ 345,753</u>	<u>\$ 986,081</u>	<u>\$ 520,654</u>	<u>\$ 3,378,682</u>

**TOWN OF PLYMOUTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

5. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2017 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 6,782,353	\$	\$	\$ 6,782,353
Construction in progress	<u>5,193,253</u>	<u>3,626,523</u>	<u>6,588,501</u>	<u>2,231,275</u>
Total capital assets not being depreciated	<u>11,975,606</u>	<u>3,626,523</u>	<u>6,588,501</u>	<u>9,013,628</u>
Capital assets being depreciated:				
Buildings	72,643,757			72,643,757
Building improvement	15,607,656	74,821		15,682,477
Land improvement	6,712,023			6,712,023
Machinery and equipment	7,920,653	95,616	6,771	8,009,498
Vehicles	6,825,084	483,464	177,500	7,131,048
Infrastructure	<u>125,576,820</u>	<u>7,332,394</u>		<u>132,909,214</u>
Total capital assets being depreciated	<u>235,285,993</u>	<u>7,986,295</u>	<u>184,271</u>	<u>243,088,017</u>
Less accumulated depreciation for:				
Buildings	(23,158,333)	(1,588,636)		(24,746,969)
Building improvement	(4,163,288)	(430,387)		(4,593,675)
Land improvement	(4,126,451)	(200,365)		(4,326,816)
Machinery and equipment	(3,001,174)	(307,526)	5,793	(3,302,907)
Vehicles	(3,600,097)	(300,701)	150,615	(3,750,183)
Infrastructure	<u>(29,429,584)</u>	<u>(1,831,557)</u>		<u>(31,261,141)</u>
Total accumulated depreciation	<u>(67,478,927)</u>	<u>(4,659,172)</u>	<u>156,408</u>	<u>(71,981,691)</u>
Total capital assets being depreciated, net	<u>167,807,066</u>	<u>3,327,123</u>	<u>27,863</u>	<u>171,106,326</u>
Governmental Activities Capital Assets, Net	<u>\$ 179,782,672</u>	<u>\$ 6,953,646</u>	<u>\$ 6,616,364</u>	<u>\$ 180,119,954</u>

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

Governmental activities:	
General administration	\$ 127,328
Public safety	213,653
Public works	2,471,781
Health and welfare	21,900
Library	14,112
Recreation	33,828
Education	1,730,085
Land use	<u>46,485</u>
Total Depreciation Expense - Governmental	<u>\$ 4,659,172</u>

**TOWN OF PLYMOUTH, CONNECTICUT
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JUNE 30, 2017**

Construction Commitments

The Town has active construction projects as of June 30, 2017. The projects include the following:

<u>Project</u>	<u>Appropriations</u>	<u>Cumulative Expenditures</u>	<u>Balance</u>
Industrial Park Phase III	\$ 3,650,000	\$ 3,137,195	\$ 512,805
Additional Paving Fall Mountain	690,000	100,988	589,012
Engineering Studies	400,000	113,208	286,792
North Main Street Bridge Project	1,600,000	267,625	1,332,375
Streetscapes - Phase II	500,000	478,732	21,268
Fall Mountain Water Paving- LOTCIP Grant	950,000	71,387	878,613
Plymouth Firehouse Renovation	3,750,000	317,077	3,432,923
Charles St. Rear Access Project	350,000	190,546	159,454
Town Hall Boiler and Parking Lot Upgrades	550,000	318,637	231,363
Bonded Roads Project-Todd Hollow/Lake Plymouth	2,300,000	312,032	1,987,968
WPCA - UV Disinfection Project	<u>605,775</u>	<u>15,340</u>	<u>590,435</u>
Total	<u>\$ 15,345,775</u>	<u>\$ 5,322,767</u>	<u>\$ 10,023,008</u>

**TOWN OF PLYMOUTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

6. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The interfund receivables and payables are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Capital Projects	\$ 649,309
General Fund	Nonmajor Governmental Funds	665,541
General Fund	Sewer Operating	953,811
General Fund	Internal Service Fund	<u>1,539,561</u>
		<u>3,808,222</u>
Sewer Operating	Nonmajor Governmental Funds	<u>532</u>
Capital Projects	General Fund	209,400
Capital Projects	Capital and Nonrecurring	130,776
	Nonmajor Governmental Funds	<u>10,500</u>
		<u>350,676</u>
Capital and Nonrecurring	General Fund	<u>1,768,474</u>
Nonmajor Funds	General Fund	946,056
	Sewer Operating	20,000
	Capital and Nonrecurring	<u>100,000</u>
		<u>1,066,056</u>
Internal Service Fund	Capital and Nonrecurring	<u>600,000</u>
Performance Bonds	General Fund	<u>129,605</u>
Total		<u>\$ 7,723,565</u>

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

**TOWN OF PLYMOUTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
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Interfund transfers:

	Transfer In			
	General Fund	Capital and Nonrecurring	Nonmajor Governmental	Total Transfer Out
Transfers out:				
General Fund	\$	\$ 483,146	\$ 84,382	\$ 567,528
Nonmajor Governmental Funds	<u>222,437</u>			<u>222,437</u>
Total Transfer In	<u>\$ 222,437</u>	<u>\$ 483,146</u>	<u>\$ 84,382</u>	<u>\$ 789,965</u>

Transfers are used to 1) move money from General Fund to Dog Fund, Miscellaneous Contributions Fund, Education Sinking Fund and Cemetery Trust Funds, and 2) to move revenues from General Fund to Capital and Nonrecurring Fund for capital and nonrecurring projects.

7. LONG-TERM DEBT

Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2017 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities:					
Bonds and notes payable:					
General obligation bonds and notes	\$ 21,912,407	\$	\$ 2,169,176	\$ 19,743,231	\$ 2,185,169
Premium	<u>721,740</u>		<u>85,924</u>	<u>635,816</u>	
Total bonds and notes payable	22,634,147	-	2,255,100	20,379,047	2,185,169
Capital leases		358,689	131,507	227,182	90,012
Net OPEB obligation	3,628,865	549,658		4,178,523	
Compensated absences	1,218,685	74,760	125,383	1,168,062	23,985
Early retirement incentive	13,500	176,500	98,500	91,500	74,500
Net pension liability	14,397,958	988,357	595,132	14,791,183	
Landfill postclosure costs	<u>600,000</u>		<u>25,000</u>	<u>575,000</u>	<u>25,000</u>
Total Governmental Activities					
Long-Term Liabilities	<u>\$ 42,493,155</u>	<u>\$ 2,147,964</u>	<u>\$ 3,230,622</u>	<u>\$ 41,410,497</u>	<u>\$ 2,398,666</u>

Compensated absences, net OPEB obligation, and all others are generally liquidated by the General Fund.

**TOWN OF PLYMOUTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

A schedule of bonds and notes payable at June 30, 2017 is presented below:

<u>Description</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate (%)</u>	<u>Amount of Original Issue</u>	<u>Balance Outstanding June 30, 2017</u>
Bonds and Notes Payable:					
General purpose:					
Refunding bonds	9/16/2010	12/15/2028	2.00-4.00	\$ 1,000,000	\$ 600,000
General obligation bonds	7/19/2012	7/15/2024	2.00-4.00	7,150,000	4,750,000
General obligation bonds	8/30/2013	8/15/2025	2.00-3.25	3,000,000	2,250,000
Refunding bonds	4/22/2014	7/15/2023	2.00-5.00	778,000	639,000
School:					
Refunding bonds	9/16/2010	12/15/2026	2.00-4.00	8,820,000	6,175,000
General obligation bonds	7/19/2012	7/15/2024	2.00-4.00	2,350,000	1,550,000
Refunding bonds	4/22/2014	7/15/2023	2.00-5.00	2,887,000	2,371,000
Sewer:					
General obligation bonds	8/30/2013	8/15/2025	2.00-3.25	500,000	350,000
Clean Water Notes Payable	5/1/2016	3/1/2035	2.00	1,200,499	<u>1,058,231</u>
Total Bonds and Notes Payable					<u>\$ 19,743,231</u>

The annual requirements to amortize all bonds and notes outstanding as of June 30, 2017, including interest payments, are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Bonds</u>	
	<u>Principal</u>	<u>Interest</u>
2018	\$ 2,185,169	\$ 557,199
2019	2,206,181	489,237
2020	2,202,214	416,530
2021	2,223,268	342,101
2022	2,209,343	275,601
2023-2027	8,108,620	555,340
2028-2032	418,921	38,665
2033-2035	<u>189,515</u>	<u>7,435</u>
Total	<u>\$ 19,743,231</u>	<u>\$ 2,682,108</u>

Note Payable

The Town has a note payable at June 30, 2017 of \$1,058,231. The note was issued for a sewer construction project. The loan bears interest of 2%. The loan is payable in monthly installments of \$5,906, including interest through March 2035.

**TOWN OF PLYMOUTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
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The Town's indebtedness does not exceed the legal debt limitations as required by the Connecticut General Statutes as reflected in the following schedule:

<u>Category</u>	<u>Debt Limit</u>	<u>Net Indebtedness</u>	<u>Balance</u>
General purpose	\$ 60,989,794	\$ 15,789,000	\$ 45,200,794
Schools	121,979,588	10,195,420	111,784,168
Sewers	101,649,656	2,423,232	99,226,424
Urban renewal	88,096,369		88,096,369
Pension deficit	81,319,725		81,319,725

The total overall statutory debt limit for the Town is equal to seven times annual receipts from taxation, \$189,746,025.

The definition of indebtedness above includes bonds and notes outstanding in addition to the amounts of bonds authorized and unissued against which debt is issued and outstanding. Debt authorized and unissued at June 30, 2017 is \$3,664,421.

Bond Anticipation Notes Payable

The Town issued bond anticipation notes payable to fund road improvements and building renovations. The activity and balance at June 30, 2017 is presented below:

<u>Project</u>	<u>Date Issued</u>	<u>Maturity Date</u>	<u>Interest Rate (%)</u>	<u>Balance July 1, 2016</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance June 30, 2017</u>
Capital Projects - Various	4/8/2017	1/25/2018	2.0	\$ -	\$ 5,000,000	\$ -	\$ 5,000,000

Landfill Closure and Postclosure Care Costs

State and Federal laws and regulations require landfill closures to meet certain standards. The Town has finalized an agreement with the State Department of Environmental Protection for final capping of the landfill. Monitoring costs for the next 23 years at \$25,000 per year are \$575,000. These amounts are based on estimates that are subject to change due to inflation, technology or applicable laws and regulations.

Termination Benefits

The Board of Education provides early retirement incentive benefits to former employees. Benefits are paid annually based on the retirement agreement for each employee from the Board of Education budget. The amount paid for the fiscal year ended June 30, 2017 was \$98,500 and the balance at year end is \$91,500. Benefits are payable through 2021.

**TOWN OF PLYMOUTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

8. LEASES

Capital Leases

The Town entered into lease agreements for the purchase of two vehicles.

	<u>Amount</u>
Assets:	
Vehicles	\$ 358,689
Less accumulated depreciation	<u>17,591</u>
Total	<u>\$ 341,098</u>

The present value of future minimum lease payments under capital lease obligations is as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Amount</u>
2018	\$ 91,842
2019	50,174
2020	50,174
2021	<u>50,174</u>
Total	242,364
Less amount representing interest	<u>15,182</u>
Total	<u>\$ 227,182</u>

9. RISK MANAGEMENT

The Town is exposed to various risks of loss related to public official liability, police liability, Board of Education legal liability, theft or impairment of assets, errors and omissions, injury to employees and natural disasters. The Town established as an Internal Service Fund, the Self-Insurance Fund, to account for and finance the retained risk of loss for Board of Education medical benefits coverage. A third party administers the plan for which the fund pays a fee. The Self-Insurance Fund provides coverage for all Board of Education employees. The Town has purchased a stop-loss policy for total claims in any one year exceeding an aggregate of 125% of expected claims and for individual claims exceeding \$125,000. The Town purchases commercial insurance for all other risks of loss, including blanket and umbrella policies. Settled claims have not exceeded commercial coverage in any of the past three years, and there have not been any significant reductions in insurance coverage from amounts held in prior years.

Only the Board of Education participates in this self-insurance program, and payments to the fund are based upon estimates by number of employees and type of coverage (single or family) and trends in the insurance claims and estimates for administration. The claims liability reported in the fund is based upon the provisions of GASB Statements No. 10 and 30, which require that a liability for estimated claims incurred but not reported be recorded. The amount of claim accrual is based on the ultimate costs of settling the claim, which include past experience data, inflation, and other future economic and

**TOWN OF PLYMOUTH, CONNECTICUT
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societal factors and incremental claim adjustment expenses, net of estimated subrogation recoveries. The claim accrual does not include other allocated or unallocated claims adjustment expenses:

	<u>Claims Payable July 1</u>	<u>Claims and Changes in Estimates</u>	<u>Claims Paid</u>	<u>Claims Payable June 30</u>
2015-2016 \$	382,763 \$	2,950,097 \$	3,044,634 \$	288,226
2016-2017	288,226	3,518,412	3,515,638	291,000

10. FUND BALANCE

The components of fund balance for the governmental funds at June 30, 2017 are as follows:

	<u>General Fund</u>	<u>Sewer Operating</u>	<u>Capital Projects Fund</u>	<u>Capital and Nonrecurring</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Fund balances:						
Nonspendable:						
Cemetery trust funds	\$	\$	\$	\$	\$ 363,521	\$ 363,521
Terryville public library trust					335,716	335,716
Mercy J Cone trust					193,676	193,676
Restricted for:						
Grants					964,163	964,163
Debt service					205,536	205,536
Cemetery trust funds					463,919	463,919
Terryville public library trust					31,680	31,680
Mercy J Cone trust					6,675	6,675
St. Mathews trust					10,431	10,431
Committed to:						
Industrial park phase 3			185,849			185,849
Pension obligations	100,000					100,000
Education sinking fund					235,528	235,528
Sewer operating and assessment		1,386,297			22,935	1,409,232
Water assessment					521,231	521,231
Dog fund					129,212	129,212
Fuel bank and Small Wonders					51,189	51,189
Hospice					19,677	19,677
Police extra duty					280,805	280,805
Recreation					60,282	60,282
Historical preservation					48,075	48,075
Assigned to:						
Education encumbrances	568,387					568,387
General administration	3,551					3,551
Public safety	17,018					17,018
Public works	94,546					94,546
Health and Welfare	1,242					1,242
Library	12,338					12,338
Land use	2,536					2,536
Unassigned	808,790		(488,462)	(649,880)	(216,802)	(546,354)
Total Fund Balances	<u>\$ 1,608,408</u>	<u>\$ 1,386,297</u>	<u>\$ (302,613)</u>	<u>\$ (649,880)</u>	<u>\$ 3,727,449</u>	<u>\$ 5,769,661</u>

11. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS

Pension Trust Fund

A. Plan Description and Benefits Provided

The Town administers two single-employer Public Employee Retirement Systems (PERS), contributory, defined benefit pension plans (Town Plan and Board of Education). Plan benefit and contribution requirements are established by plan documents as amended April 1, 1982, and approved by the Town Council. The Plans are considered to be part of the Town’s financial reporting entity and are included in the Town’s financial reports as Pension Trust Funds. The plans do not issue separate stand-alone financial reports.

Management of the pension plans is made up of a five-member board, which includes the Mayor, Director of Finance, Town Treasurer, Board of Education Business Manager and a Board of Finance member. In addition, there is a Town Council liaison assigned to the Board.

The plans provide for retirement and disability income for all eligible employees. All employees who work at least 20 hours a week and have been hired before July 1, 2001 are eligible on their date of hire. The plans cover substantially all noncertified Board of Education employees and all regular Town employees except police personnel and elected officials. Effective July 1, 2009, Custodian and Central office employees no longer have the option to participate in this plan.

At July 1, 2016, the plan’s membership consisted of:

	<u>Town</u>	<u>Board of Education</u>
Retirees and beneficiaries currently receiving benefits	63	35
Terminated employees entitled to benefits but not receiving	7	4
Active plan members	<u>13</u>	<u>31</u>
Total	<u><u>83</u></u>	<u><u>70</u></u>

The plan is closed to new participants.

B. Summary of Significant Accounting Policies

Basis of Accounting

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

Method Used to Value Investments

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

**TOWN OF PLYMOUTH, CONNECTICUT
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C. Funding Policy

Employees covered under the Town and Board of Education plans are required to contribute 5% and 2.5%, respectively, of their earnings to the plan. The Town and Board of Education contributions are actuarially determined on an annual basis.

Administrative costs of the Plans are financed through investment earnings.

D. Investments

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

Concentration: The Town holds a guaranteed investment contract which represents more than 5% of the respective funds net position at June 30, 2017. The amount held at June 30, 2016 is \$8,749,714.

Rate of Return

For the year ended June 30, 2017, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 2.70%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

E. Net Pension Liability of the Town

The components of the net pension liability of the Town at June 30, 2017 were as follows:

	<u>Town</u>	<u>Board of Education</u>	<u>Total</u>
Total pension liability	\$ 13,696,721	\$ 7,516,957	\$ 21,213,678
Plan fiduciary net position	<u>(4,104,688)</u>	<u>(4,793,693)</u>	<u>(8,898,381)</u>
Town's Net Pension Liability	<u>\$ 9,592,033</u>	<u>\$ 2,723,264</u>	<u>\$ 12,315,297</u>
Plan fiduciary net position as a percentage of the total pension liability	29.97%	63.77%	41.95%

**TOWN OF PLYMOUTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
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Actuarial Assumptions

The total pension liability at June 30, 2017 was determined by an actuarial valuation as of July 1, 2016, using the following actuarial assumptions, applied to all periods included in the measurement:

	<u>Town</u>	<u>Board of Education</u>
Inflation	2.75%	2.75%
Salary increases including inflation	3.50%	3.50%
Discount rate	5.22%	6.25%
Long-term expected rate of return	6.25%	6.25%
Bond Buyer General Obligation 20-Year Municipal Bond Index	3.58%	3.58%

Mortality tables were based on RP-2000 Combined Healthy Mortality Table, with generational projection per Scale AA.

The Town and Board of Education plans have not had a formal actuarial experience study performed.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (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 the best estimates of arithmetic real rates of return for each major asset class as of June 30, 2017 are summarized in the following table:

<u>Asset Class</u>	<u>Target</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Long Credit Bonds	98.37 %	4.27 %
U.S. Interm Bonds	0.31	2.16
U.S. Equity Market	0.21	5.15
U.S. Large Growth	0.18	5.59
U.S. Large Value	0.18	4.73
U.S. Core Bonds	0.16	2.56
U.S. Short Bonds	0.15	1.67
Global Bonds	0.11	1.73
U.S. Inflation-Indexed Bonds	0.10	1.95
U.S. Small Caps	0.07	6.11
Emerging Markets Bonds	0.05	4.86
Non-U.S. Small Cap	0.05	6.57
U.S. MidCap Growth	0.03	6.32
Commodities	0.03	3.02
	<u>100.00 %</u>	

**TOWN OF PLYMOUTH, CONNECTICUT
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Discount Rate

Town Plan

The discount rate used to measure the total pension liability at June 30, 2017 was 5.22% up from 5.09% reported in the prior year. The plan's fiduciary net position was not projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the single equivalent rate that results in the same actuarial present value as the long-term expected rate of return applied to benefit payments, to the extent that the plan's fiduciary net position is projected to be sufficient to make projected benefit payments, and the municipal bond rate applied to benefit payments, to the extent that the plan's fiduciary net position is not projected to be sufficient.

Board of Education Plan

The discount rate used to measure the total pension liability at June 30, 2017 was 6.25%. The plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

Changes in the Net Pension Liability

	Town Pension Plan		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances as of June 30, 2016	\$ 14,626,975	\$ 4,439,810	\$ 10,187,165
Changes for the year:			
Service cost	98,404		98,404
Interest on total pension liability	723,989		723,989
Differences between expected and actual experience	(494,442)		(494,442)
Changes in assumptions	(242,319)		(242,319)
Employer contributions		535,642	(535,642)
Member contributions		33,819	(33,819)
Net investment income		113,085	(113,085)
Benefit payments, including refund to employee contributions	(1,015,886)	(1,015,886)	-
Administrative expenses		(1,782)	1,782
Net changes	(930,254)	(335,122)	(595,132)
Balances as of June 30, 2017	\$ 13,696,721	\$ 4,104,688	\$ 9,592,033

**TOWN OF PLYMOUTH, CONNECTICUT
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JUNE 30, 2017**

Board of Education Pension Plan

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a)-(b)
Balances as of June 30, 2016	\$ 7,208,947	\$ 4,725,065	\$ 2,483,882
Changes for the year:			
Service cost	164,406		164,406
Interest on total pension liability	447,670		447,670
Differences between expected and actual experience	159,905		159,905
Changes in assumptions	(36,238)		(36,238)
Employer contributions		343,169	(343,169)
Member contributions		29,976	(29,976)
Net investment income		125,188	(125,188)
Benefit payments, including refund to employee contributions	(427,733)	(427,733)	-
Administrative expenses		(1,972)	1,972
Net changes	308,010	68,628	239,382
Balances as of June 30, 2017	\$ 7,516,957	\$ 4,793,693	\$ 2,723,264

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

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

Town			
	1% Decrease 4.22%	Current Discount Rate 5.22%	1% Increase 6.22%
Net Pension Liability	\$ 11,002,087	\$ 9,592,033	\$ 8,395,126
Board of Education			
	1% Decrease 5.25%	Current Discount Rate 6.25%	1% Increase 7.25%
Net Pension Liability	\$ 3,557,155	\$ 2,723,264	\$ 2,013,395

**TOWN OF PLYMOUTH, CONNECTICUT
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JUNE 30, 2017**

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

At June 30, 2017, the Town reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

Deferred Outflows of Resources

	Town Pension Plan	Board of Education Pension Plan	Total
Differences between expected and actual experience	\$	\$ 120,904	\$ 120,904
Changes in assumptions		258,415	258,415
Net difference between projected and actual earnings on pension plan investments	<u>266,806</u>	<u>279,839</u>	<u>546,645</u>
Total	<u>\$ 266,806</u>	<u>\$ 659,158</u>	<u>\$ 925,964</u>

Deferred Inflows of Resources

	Town Pension Plan	Board of Education Pension Plan	Total
Differences between expected and actual experience	\$	\$ 28,608	\$ 28,608
Changes in assumptions		<u>27,399</u>	<u>27,399</u>
Total	<u>\$ -</u>	<u>\$ 56,007</u>	<u>\$ 56,007</u>

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

<u>Year Ending June 30,</u>	Town Pension Plan	Board of Education Pension Plan	Total
2018	\$ 89,546	\$ 243,291	\$ 332,837
2019	89,548	231,190	320,738
2020	57,591	91,975	149,566
2021	30,121	36,695	66,816

**TOWN OF PLYMOUTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
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For the year ended June 30, 2017, the Town recognized pension expense of \$413,234 as follows:

	Pension Expense
Town	\$ (120,553)
Board of Education	<u>533,787</u>
Total	<u>\$ 413,234</u>

The following schedule presents the new position held in trust for the pension benefits at June 30, 2017 and the changes in net position for the year ended.

Schedule of Plan Net Position - June 30, 2017

	Town	Board of Education	Total
Assets:			
Investments:			
Guaranteed investment contracts	\$ 4,037,289	\$ 4,712,425	\$ 8,749,714
Mutual funds	<u>66,987</u>	<u>78,231</u>	<u>145,218</u>
Total investments	4,104,276	4,790,656	8,894,932
Accounts receivable	<u>412</u>	<u>3,037</u>	<u>3,449</u>
Total assets	<u>4,104,688</u>	<u>4,793,693</u>	<u>8,898,381</u>
Net Position:			
Restricted for Pensions	<u>\$ 4,104,688</u>	<u>\$ 4,793,693</u>	<u>\$ 8,898,381</u>

**TOWN OF PLYMOUTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

Schedule of Changes in Plan Net Position for the Year Ended June 30, 2017

	<u>Town</u>	<u>Board of Education</u>	<u>Total</u>
Additions:			
Contributions:			
Employer	\$ 535,642	\$ 343,169	\$ 878,811
Plan members	33,819	29,976	63,795
Total contributions	<u>569,461</u>	<u>373,145</u>	<u>942,606</u>
Investment income:			
Net change in fair value of investments	(5,250)	(6,131)	(11,381)
Interest and dividends	154,285	180,182	334,467
Total investment income	<u>149,035</u>	<u>174,051</u>	<u>323,086</u>
Less investment expense	<u>(35,950)</u>	<u>(48,863)</u>	<u>(84,813)</u>
Net investment income	<u>113,085</u>	<u>125,188</u>	<u>238,273</u>
Total additions	<u>682,546</u>	<u>498,333</u>	<u>1,180,879</u>
Deductions:			
Benefits	1,015,886	427,733	1,443,619
Administration	<u>1,782</u>	<u>1,972</u>	<u>3,754</u>
Total deductions	<u>1,017,668</u>	<u>429,705</u>	<u>1,447,373</u>
Change in Net Position	(335,122)	68,628	(266,494)
Net Position at Beginning of Year	<u>4,439,810</u>	<u>4,725,065</u>	<u>9,164,875</u>
Net Position at End of Year	<u>\$ 4,104,688</u>	<u>\$ 4,793,693</u>	<u>\$ 8,898,381</u>

Municipal Employees' Retirement Fund

A. Plan Description

All police officers of the Town participate in the Municipal Employees' Retirement System (MERS). MERS is a cost-sharing multiple-employer public employee retirement system established by the State of Connecticut and administered by the State Retirement Commission to provide pension benefits to employees of participating municipalities. Chapters 7-425 to 7-451 of the State of Connecticut General Statutes, which can be amended by legislative action, establishes MERS benefits, member contribution rates and other plan provisions. MERS is considered to be part of the State of Connecticut's financial reporting entity and is included in the State's financial reports as a pension trust fund. Those reports can be obtained at www.ct.gov.

B. Benefit Provisions

The plan provides retirement, disability and death benefits and annual cost-of-living adjustments to plan members and their beneficiaries. Employees are eligible to retire at age 55 with 5 years of continuous active service, or 15 years of active noncontinuous aggregate service. In addition, compulsory retirement is at age 65 for police and fire members. Employees under the age of 55 are eligible to retire with 25 years of service under certain conditions.

Normal Retirement

For members not covered by social security, retirement benefits are calculated as 2% of the average of the three highest paid years of service times the years of service. For members covered by social security, retirement benefits are calculated as 1½% of the average of the three highest paid years of service not in excess of the year's breakpoint plus 2% of average of the three highest paid years of service in excess of the year's breakpoint, times years of service. The year's breakpoint is defined as \$10,700 increased by 6.0% each year after 1982, rounded to the nearest multiple of \$100. Maximum benefit is 100% of average final compensation and the minimum benefit is \$1,000 annually.

If any member covered by social security retires before age 62, the member's benefit until the member reaches age 62, or a social security disability award is received, is computed as if the member is not under social security.

Early Retirement

Members must have 5 years of continuous or 15 years of active aggregate service. Benefits are calculated as a service retirement allowance on the basis of the average of the three highest paid years of service to the date of termination. Benefits are deferred to normal retirement age, or an actuarially reduced allowance may begin at the time of separation.

Disability Retirement - Service Connected

This applies to employees who are totally and permanently disabled and such disability has arisen out of and in the course of employment with the municipality. Disability due to heart and hypertension in the case of fire and police is presumed to have been suffered in the line of duty. Benefits are 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 disability.

Disability Retirement - Non-Service Connected

This applies to employees who have 10 years of service and are totally and permanently disabled. Benefits are calculated as a service retirement allowance based on compensation and service to the date of the disability.

Death Benefit

This applies to employees who are eligible for service, disability or early retirement and married for at least 12 months preceding death. Benefits are calculated based on the average of the three highest paid years of service 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 reduced 50% joint and survivor allowance.

**TOWN OF PLYMOUTH, CONNECTICUT
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C. Contributions

Member

Contributions for members not covered by social security are 5% of compensation; for members covered by social security, 2¼% of compensation up to the social security taxable wage base plus 5%, if any, in excess of such base.

Employer

Participating employers 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 MERS not met by member contributions.

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

At June 30, 2017, the Town reports a liability of \$2,475,886 for its proportionate share of the net pension liability. The net pension liability was measured at June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation at that date. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participants, actuarially determined. At June 30, 2017, the Town's proportion was .74%. The decrease in proportion from June 30, 2016 is .16%.

For the year ended June 30, 2017, the Town recognized pension expense of \$520,819. At June 30, 2017, the Town reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
	<u> </u>	<u> </u>
Net difference between projected and actual earnings on pension plan investments	\$ 653,370	\$
Differences between expected and actual experience	206,995	
Changes in proportional share		78,327
Contributions made subsequent to measurement date	<u>453,067</u>	
Total	<u>\$ 1,313,432</u>	<u>\$ 78,327</u>

**TOWN OF PLYMOUTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
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Amounts reported as deferred outflows of resources related to Town contributions after the measurement date will be recognized as a reduction of the net pension liability in the subsequent year. Amounts reported as deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending June 30,

2018	\$	175,459
2019		175,459
2020		267,024
2021		164,096

D. Actuarial Assumptions

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

Inflation	3.25%
Salary increase	4.25-11.00%, including inflation
Investment rate of return	8.00%, net of pension plan investment expense, including inflation

Mortality rates were based on the RP-2000 Mortality Table for annuitants and nonannuitants (set forward one year for males and set back one year for females).

The actuarial assumptions used in the June 30, 2016 valuation were based on the results of an actuarial experience study for the period July 1, 2007 - June 30, 2012.

Future cost-of-living adjustments for members who retire on or after January 1, 2002 are 60% of the annual increase in the CPI up to 6%. The minimum annual COLA is 2.5%; the maximum is 6%.

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Large Cap U.S. equities	16.0 %	5.8 %
Developed non-U.S. equities	14.0	6.6
High yield bonds	14.0	3.9
Private equity	10.0	7.6
Core fixed income	8.0	1.3
Emerging market bond	8.0	3.7
Alternative investments	8.0	4.1
Emerging markets (Non-U.S.)	7.0	8.3
Real estate	7.0	5.1
Inflation linked bond fund	5.0	1.0
Liquidity fund	3.0	0.4
 Total	 <u>100.0 %</u>	

E. Discount Rate

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

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

The following presents the Town's proportionate share of the net pension liability, calculated using the discount rate of 8.00%, as well as what the Town's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (7.00%) or 1 percentage point higher (9.00%) than the current rate:

	<u>1% Decrease (7.00%)</u>	<u>Current Discount Rate (8.00%)</u>	<u>1% Increase (9.00%)</u>
Town's Proportionate Share of the Net Pension Liability	\$ 3,970,332	\$ 2,475,886	\$ 1,231,040

Teacher Retirement

A. Plan Description

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

B. Benefit Provisions

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

Normal Retirement

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

Early Retirement

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

Disability Retirement

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

C. Contributions

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

Employer (School Districts)

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

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

Employees

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

**TOWN OF PLYMOUTH, CONNECTICUT
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D. Pension Liabilities, Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2017, the Town reports no amounts for its proportionate share of the net pension liability, and related deferred outflows and inflows, due to the statutory requirement that the State pay 100% of the required contribution. The amount recognized by the Town as its proportionate share of the net pension liability, the related state support, and the total portion of the net pension liability that was associated with the Town were as follows:

Town's proportionate share of the net pension liability	\$ -
State's proportionate share of the net pension liability associated with the Town	<u>37,899,711</u>
Total	<u>\$ 37,899,711</u>

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

For the year ended June 30, 2017, the Town recognized pension expense and revenue of \$4,133,100 in Exhibit II for on-behalf amounts for the benefits provided by the State.

E. Actuarial Assumptions

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

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

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

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

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

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

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

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Large Cap U.S. Equities	21.0 %	5.8 %
Developed Non-U.S. Equities	18.0	6.6
Private Equity	11.0	7.6
Emerging Markets (Non-U.S.)	9.0	8.3
Alternative Investments	8.0	4.1
Real Estate	7.0	5.1
Core Fixed Income	7.0	1.3
Cash	6.0	0.4
High Yield Bonds	5.0	3.9
Emerging Market Bond	5.0	3.7
Inflation Linked Bonds	3.0	1.0
Total	<u>100.0 %</u>	

F. Discount Rate

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

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

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

H. 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.

Defined Contribution Retirement Plan

In July 2001, the Town adopted the Town of Plymouth Retirement Savings Plan, a defined contribution plan for all employees other than police and those whose collective bargaining unit opts out of plan participation. In a defined benefit contribution plan, the benefits depend solely on amounts contributed to the plan plus investment earnings. As of June 30, 2017, there were 65 members in the plan. After six months of employment, all employees except as noted above are eligible to participate in the plan. Failure to enroll in the plan within thirty days of eligibility precludes an employee from joining the plan during the remainder of employment with the Town. Employees who are currently members of the Town's defined benefit pension plan may opt to freeze their benefit in the former plan and elect to contribute to the retirement savings plan. The plan requires employees to contribute 3% of earnings and the Town to contribute 6%. For the fiscal year ended June 30, 2017, contributions were \$86,928 and \$173,311, respectively. Town contributions along with the related earnings are fully vested after five years of continuous service. Town contribution vesting increases on 20% increasing scale from one to five years. Town contributions for, and interest forfeited by, employees who leave employment before five years of services are used to pay administrative expenses and/or utilized to reduce the Town's current contribution requirements. Pursuant to the administrative service agreement, Voya Financial Services administers the plan.

12. OTHER POSTEMPLOYMENT BENEFITS - RETIREE HEALTH CARE PLAN

A. Plan Description

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

The healthcare benefits payable to members for the Town plan are for members who are age 55 with 25 years of service or at age 62 or older who are eligible for benefits from the pension plan. The retirees will pay the Town's share of the co-payment when they retire and shall be eligible for single coverage only. The retiree has the option to purchase health insurance at 100% of the cost for their spouse upon retirement. At age 65, the Town provides health insurance coverage up to 75% of the cost of Connecticut Blue Cross Blue Shield for the eligible retirees once enrolled in Medicare A & B programs.

**TOWN OF PLYMOUTH, CONNECTICUT
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At July 1, 2014, plan membership consisted of the following:

	Retiree Healthcare Plan
	<u> </u>
Active plan members	247
Retired members	78
Spouses of retirees	<u>42</u>
 Total Participants	 <u><u>367</u></u>

B. Funding Policy

The Town’s funding and payment of postemployment benefits for the year ended June 30, 2017 are accounted for in the General Fund on a pay-as-you-go basis. As of June 30, 2017, the Town has not established a trust fund to irrevocably segregate assets to fund the liability associated with the postemployment benefits, which would require the reporting of a trust fund in accordance with GASB guidelines. The contribution requirements of plan members and the Town are also negotiated with the various unions representing the employees.

C. 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 No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The following table shows the components of the Town’s annual OPEB cost for the year, the amount actually contributed to the plan and changes in the Town’s net OPEB obligation:

	Retiree Healthcare Plan
	<u> </u>
Annual required contribution (ARC)	\$ 1,618,115
Interest on net OPEB obligation	145,155
Adjustment to annual required contribution	<u>(180,366)</u>
 Annual OPEB cost	 1,582,904
Contributions made	<u>1,033,246</u>
 Increase in net OPEB obligation	 549,658
Net OPEB Obligation at Beginning of year	<u>3,628,865</u>
 Net OPEB Obligation at End of Year	 \$ <u><u>4,178,523</u></u>

**TOWN OF PLYMOUTH, CONNECTICUT
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The Town's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for the fiscal year ended June 30, 2017 is presented below.

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost (AOC)</u>	<u>Actual Contribution</u>	<u>Percentage of AOC Contributed</u>	<u>Net OPEB Obligation</u>
6/30/2015	\$ 1,438,653	\$ 888,021	61.73%	\$ 3,092,245
6/30/2016	1,512,047	975,427	64.51%	3,628,865
6/30/2017	1,582,904	1,033,246	65.28%	4,178,523

Schedule of Funding Progress

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets (a)</u>	<u>Actuarial Liability (AAL) (b)</u>	<u>Funded (Unfunded) AAL (UAAL) (a-b)</u>	<u>Percentage Funded (a/b)</u>	<u>Covered Payroll (c)</u>	<u>UAAL as a % of Covered Payroll ((a-b)/c)</u>
7/1/2010	\$ -	\$ 14,612,000	\$ (14,612,000)	0.0	\$ N/A	N/A
7/1/2012	-	19,525,228	(19,525,228)	0.0	14,903,236	131.0%
7/1/2014	-	21,188,903	(21,188,903)	0.0	14,518,015	145.9%

Schedule of Employer Contributions

<u>Year Ended June 30,</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
2012	\$ 1,013,000	52.04%
2013	1,066,000	69.49%
2014	1,378,579	69.79%
2015	1,453,336	64.86%
2016	1,535,717	63.52%
2017	1,618,115	63.85%

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

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

**TOWN OF PLYMOUTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

In the July 1, 2014 actuarial valuation, the projected unit credit actuarial cost method was used. The ARC reflects a 30-year decreasing, closed group, level dollar amortization of the unfunded actuarial accrued liability (AAL). The actuarial assumptions include a 4.0% discount rate, an annual payroll growth rate of 3.5% and an inflation rate of 2.7%. The medical inflation rate is 5.6%-4.6% over 62 years. The annual healthcare cost trend rate is 8% initially with an ultimate rate of 4%.

13. TAX ABATEMENTS

As of June 30, 2017, the Town provides tax abatements to multiple organizations through the following program:

Program:	Economic Development Tax Abatement Program		
	Nutmeg Spice Company	Coscina Associates	Inland Fuel
Purpose of Program:	Generate Jobs and Tax Revenues	Generate Jobs and Tax Revenues	Generate Tax Revenues
Tax being abated:	Real and Personal Property	Real and Personal Property	Real and Personal Property
Authority under which abatement agreement is entered into:	Section 15-81 of Plymouth Municipal Code derived from CT General Statutes Sec 12-65b	Section 15-81 of Plymouth Municipal Code derived from CT General Statutes Sec 12-65b	Section 15-81 of Plymouth Municipal Code derived from CT General Statutes Sec 12-65b
Criteria to be eligible to receive abatement:	Agreements between municipality and owner or lessee of real property	Agreements between municipality and owner or lessee of real property	Agreements between municipality and owner or lessee of real property
How recipients' taxes are reduced:	Through adjustments to annual tax bills	Through adjustments to annual tax bills	Through adjustments to annual tax bills
How amount of abatement is determined:	Town Council approved agreement and resolutions	Town Council approved agreement and resolutions	Town Council approved agreement and resolutions
Provisions for recapturing abated taxes:	Abatement must be limited in duration and generate more taxes eventually then original property value	Abatement must be limited in duration and generate more taxes eventually then original property value	Abatement must be limited in duration and generate more taxes eventually then original property value
Types of commitments made by the Town other than to reduce taxes:	None	None	None
Gross dollar amount (accrual basis) by which the Town's taxes were reduced as a result of the abatement agreement program:	\$38,312	\$3,621	\$63,035

14. CONTINGENT LIABILITIES

There are various suits and claims pending against the Town, none of which, individually or in the aggregate, is believed by legal counsel to be likely to result in a judgment or judgments, which would materially affect the Town's financial position.

15. SUBSEQUENT EVENTS

On January 25, 2018, the Town issued bond anticipation notes in the amount of \$6,950,000 to fund cash flows for various capital projects. The note matures on October 24, 2018 with an interest rate of 2.5%.

**Required Supplementary
Information**

**TOWN OF PLYMOUTH, CONNECTICUT
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Property taxes:				
Current taxes	\$ 26,947,972	\$ 26,947,972	\$ 26,684,449	\$ (263,523)
Supplemental motor vehicle tax	275,000	275,000	522,081	247,081
Prior year taxes	600,000	600,000	476,105	(123,895)
Interest and lien fees	225,000	225,000	299,264	74,264
Collection agency fees	20,000	20,000		(20,000)
PILOT - retirement community	15,000	15,000	13,243	(1,757)
PILOT - housing authority	15,000	15,000	15,000	-
PILOT - telephone access			898	898
Total property taxes	<u>28,097,972</u>	<u>28,097,972</u>	<u>28,011,040</u>	<u>(86,932)</u>
Charges for services:				
Recording fees	62,000	62,000	52,135	(9,865)
Conveyance tax	60,000	60,000	82,526	22,526
Hunting and fishing licenses	1,200	1,200	2,150	950
Vital statistics	600	600	297	(303)
Farm land preservation			9,709	9,709
Historical documents	6,159	6,159	1,999	(4,160)
Miscellaneous town clerk	20,618	20,618	20,641	23
Planning and zoning	7,500	7,500	2,512	(4,988)
Sub-division hearings	800	800	870	70
Public hearings	800	800	1,645	845
Zoning board of appeals	2,500	2,500	1,155	(1,345)
Land use applications			1,280	1,280
Fire marshal	1,500	1,500	315	(1,185)
Fire hawk program	250	250	270	20
Police permits	5,000	5,000	10,150	5,150
Insurance reports	1,000	1,000	1,311	311
Parking tickets & alarm fines	350	350	555	205
Extra duty reimbursements			25,000	25,000
Hancock dam control	4,000	4,000	10,736	6,736
Public works - miscellaneous permits			6,778	6,778
Miscellaneous public works/metal reimbursement	25,400	25,400	50,903	25,503
Transfer station permits	8,000	8,000	10,155	2,155
Conservation commission	1,000	1,000	795	(205)
Permit application fees	3,000	3,000	3,000	-
Structural permits	50,000	50,000	43,382	(6,618)
Electrical permits	10,000	10,000	9,060	(940)
Demolition permits	1,000	1,000	9,260	8,260
Plumbing permits	3,000	3,000	2,691	(309)
Heating permits	4,500	4,500	10,870	6,370
Library petty cash	6,500	6,500	4,643	(1,857)
Recreation - programs			1,618	1,618
Aircraft registrations	600	600	180	(420)
False alarms	2,000	2,000	3,450	1,450
Total charges for services	<u>289,277</u>	<u>289,277</u>	<u>382,041</u>	<u>92,764</u>

(Continued on next page)

**TOWN OF PLYMOUTH, CONNECTICUT
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Intergovernmental revenues:				
PILOT - state property	\$ 458	\$ 458	\$ 458	\$ -
Property tax relief for the elderly freeze	2,000	2,000		(2,000)
Property tax relief for the elderly - circuit breaker	107,713	107,713	94,460	(13,253)
Veteran's grant	8,648	8,648	7,533	(1,115)
Municipal revenue sharing	255,581	255,581	255,581	-
Disability exemption	3,153	3,153	2,515	(638)
Civil preparedness	1,500	1,500		(1,500)
ECS grant	9,820,785	9,820,785	9,699,711	(121,074)
Special education excess cost	570,000	570,000	794,139	224,139
Adult education	10,780	10,780	11,637	857
Pequot PILOT	69,784	69,784	69,784	-
Federal PILOT	1,500	1,500		(1,500)
Miscellaneous grants	19,287	19,287	414	(18,873)
Total intergovernmental revenues	<u>10,871,189</u>	<u>10,871,189</u>	<u>10,936,232</u>	<u>65,043</u>
Income from investments	<u>35,500</u>	<u>35,500</u>	<u>13,466</u>	<u>(22,034)</u>
Other revenues:				
Foreclosure sale proceeds	200,000	200,000	16,602	(183,398)
WPCA debt service reimbursements	59,812	59,812	46,350	(13,462)
Insurance reimbursements	20,000	20,000	2,026	(17,974)
Judicial refunds	7,500	7,500	2,422	(5,078)
Miscellaneous	5,000	5,000	11,615	6,615
Total other revenues	<u>292,312</u>	<u>292,312</u>	<u>79,015</u>	<u>(213,297)</u>
Total revenues	<u>39,586,250</u>	<u>39,586,250</u>	<u>39,421,794</u>	<u>(164,456)</u>
Other financing sources:				
Cancellation of prior year's encumbrances			72,242	72,242
Appropriation of fund balance	140,000	188,720		(188,720)
Transfers in	<u>105,324</u>	<u>121,324</u>	<u>222,437</u>	<u>101,113</u>
Total other financing sources	<u>245,324</u>	<u>310,044</u>	<u>294,679</u>	<u>(15,365)</u>
Total Revenues and Other Financing Sources	<u>\$ 39,831,574</u>	<u>\$ 39,896,294</u>	<u>39,716,473</u>	<u>\$ (179,821)</u>
Budgetary revenues are different than GAAP revenues because:				
State of Connecticut on-behalf contributions to the Connecticut State Teachers' Retirement System for Town teachers are not budgeted			4,133,100	
Magnet school transportation grant			157,493	
Cancellation of prior year encumbrances are recognized as budgetary revenue			<u>(72,242)</u>	
Total Revenues and Other Financing Sources as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds Exhibit IV			<u>\$ 43,934,824</u>	

**TOWN OF PLYMOUTH, CONNECTICUT
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
General administration:				
Mayor	\$ 151,837	\$ 151,837	\$ 149,531	\$ 2,306
Town Council	5,575	4,703	4,422	281
Human Resource	34,500	41,000	38,331	2,669
Comptroller	236,257	284,977	279,244	5,733
Central Office	111,031	112,831	112,720	111
Treasurer	3,600	3,600	3,600	-
Registrar	55,445	57,445	57,420	25
Board of Finance	107,250	107,250	92,941	14,309
Assessors	93,918	114,918	110,246	4,672
Board of Assessment Appeals	750	750	538	212
Tax Collector	172,355	172,355	131,707	40,648
Legal Services	145,750	145,750	83,124	62,626
Insurance	884,851	894,851	893,827	1,024
Employee Benefits	2,939,016	3,051,605	3,050,513	1,092
Heart and Hypertension	50,500	33,500	1,426	32,074
Town Clerk	119,555	119,555	114,584	4,971
Probate Court	5,220	85,220	84,516	704
Special Services	18,425	18,425	5,388	13,037
Total general administration	<u>5,135,835</u>	<u>5,400,572</u>	<u>5,214,078</u>	<u>186,494</u>
Public safety:				
Fire Marshal	68,852	68,852	68,337	515
Police Department	2,025,756	2,115,155	2,103,719	11,436
Emergency Management	30,376	30,376	29,968	408
Dog Warden	10,950	10,950	7,678	3,272
Communications	352,425	409,425	409,348	77
Fire Department HQ	220,955	225,455	225,208	247
Terryville Station	20,950	23,750	23,729	21
Plymouth Station	12,100	15,900	15,846	54
Fall Mountain Station	11,900	12,400	12,242	158
Total public safety	<u>2,754,264</u>	<u>2,912,263</u>	<u>2,896,075</u>	<u>16,188</u>
Public works:				
Facilities	56,950	51,950	48,284	3,666
Snow Removal	455,350	360,350	359,487	863
Highway Department	839,690	705,640	699,334	6,306
Transfer Station	692,383	539,490	537,051	2,439
Public Works Director	168,371	156,371	137,845	18,526
Maintenance Garage	390,325	430,325	428,685	1,640
Utilities - Hydrants and Streetlights	543,000	639,250	638,764	486
Other Public Buildings	277,329	277,329	275,583	1,746
Building Inspector	77,308	79,508	77,582	1,926
Total public works	<u>3,500,706</u>	<u>3,240,213</u>	<u>3,202,615</u>	<u>37,598</u>
Health and welfare:				
Human Services Commission	2,200	2,200	2,111	89
Public Health	56,170	56,170	55,425	745
Medical Director	65,789	67,489	67,460	29
Ambulance Corps	31,643	43,400	42,921	479
Public Health - other	860	860	857	3
Public Health - Dial a Ride	47,000	30,000	28,509	1,491
Total health and welfare	<u>203,662</u>	<u>200,119</u>	<u>197,283</u>	<u>2,836</u>

(Continued on next page)

**TOWN OF PLYMOUTH, CONNECTICUT
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Library services:				
Terryville Library	\$ 469,120	\$ 469,120	\$ 459,212	\$ 9,908
Plymouth Library	22,000	22,000	22,000	-
Total library services	<u>491,120</u>	<u>491,120</u>	<u>481,212</u>	<u>9,908</u>
Parks and recreation	<u>195,302</u>	<u>195,302</u>	<u>180,278</u>	<u>15,024</u>
Education	<u>23,882,780</u> *	<u>23,882,780</u> *	<u>23,681,178</u>	<u>201,602</u>
Land use:				
Planning and Zoning	152,894	131,894	128,782	3,112
Zoning Board of Appeals	3,850	3,850	929	2,921
Conservation Commission	5,200	5,200	3,084	2,116
Economic Development	31,758	29,800	14,368	15,432
Historic Properties	3,000	3,000	1,063	1,937
Total land use	<u>196,702</u>	<u>173,744</u>	<u>148,226</u>	<u>25,518</u>
Debt service	<u>2,863,153</u>	<u>2,872,653</u>	<u>2,859,842</u>	<u>12,811</u>
Total expenditures	<u>39,223,524</u>	<u>39,368,766</u>	<u>38,860,787</u>	<u>507,979</u>
Other financing uses:				
Transfers out:				
Capital and nonrecurring	564,540	484,018	484,018	-
Hillside cemetery	2,000	2,000	2,000	-
Plymouth cemetery (West)	2,000	2,000	2,000	-
St. Matthew's Cemetery	2,000	2,000	2,000	-
BOE Sinking Fund	30,010 *	70,010 *	70,010	-
Dog Fund	7,500	7,500	7,500	-
Total other financing uses	<u>608,050</u>	<u>567,528</u>	<u>567,528</u>	<u>-</u>
Total Expenditures and Other Financing Uses	<u>\$ 39,831,574</u>	<u>\$ 39,936,294</u>	39,428,315	<u>\$ 507,979</u>

Budgetary expenditures are different than GAAP expenditures because:

State of Connecticut on-behalf payments to the Connecticut State Teachers' Retirement System for Town teachers are not budgeted	4,133,100
Magnet school transportation grant	157,493
Capital leases not budgeted	358,689
Encumbrances for purchases and commitments ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year received for financial reporting purposes	<u>181,057</u>

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

\$ 44,258,654

* A portion of these two line items was approved for the BOE Budget in FY17.

**TOWN OF PLYMOUTH, CONNECTICUT
SEWER OPERATING FUND
SCHEDULE OF REVENUES, OTHER FINANCING SOURCES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts			Variance Positive (Negative)
	Original	Final	Actual	
Revenues:				
Use charges collected:				
Current year	\$ 1,073,714	\$ 1,073,714	\$ 1,136,663	\$ 62,949
Prior year	250,000	250,000	176,483	(73,517)
Interest and lien	130,000	130,000	101,078	(28,922)
Sewer connection - lateral fees	3,000	3,000	6,909	3,909
Investment income	3,014	3,014		(3,014)
Permit fees	800	800	1,099	299
Long term infrastructure	83,594	83,594		(83,594)
Miscellaneous			11,948	11,948
Total revenues	<u>1,544,122</u>	<u>1,544,122</u>	<u>1,434,180</u>	<u>(109,942)</u>
Expenditures:				
Wages and benefits:				
Wages	335,000	335,000	398,287	(63,287)
Wages - tax collector	3,805	3,805	3,805	-
Wages - overtime	52,939	52,939	24,601	28,338
Wages/benefits adjustment	5,000	5,000	347	4,653
Medical health insurance	102,866	102,866	71,197	31,669
Social Security	22,350	22,350	32,193	(9,843)
Worker's compensation	25,000	25,000	21,283	3,717
Seniority pay	2,075	2,075	1,700	375
Retirement	45,750	45,750	55,497	(9,747)
Audit	4,450	4,450	4,450	-
Accidental health and insurance	2,440	2,440	1,884	556
Conferences/memberships	300	300	100	200
Education	1,000	1,000	1,000	-
Unused vacation	3,131	3,131		3,131
Total wages and benefits	<u>606,106</u>	<u>606,106</u>	<u>616,344</u>	<u>(10,238)</u>
Plant Expenditures:				
Physical Plant:				
Maintenance/service contracts	10,000	10,000	20,365	(10,365)
Repair and maintenance	25,000	25,000	29,617	(4,617)
Vehicle repairs	2,500	2,500	3,359	(859)
Safety	2,000	2,000	10,332	(8,332)
Insurance	46,350	46,350	46,350	-
Supplies:				
Plant & System Supplies	5,000	5,000	6,592	(1,592)
Chemicals	11,000	11,000	12,087	(1,087)
Lab supply/equipment	21,635	21,635	29,684	(8,049)
Clothing allowance	3,300	3,300	3,473	(173)
Utilities:				
Electric	96,800	96,800	156,025	(59,225)
Diesel fuel	1,660	1,660	520	1,140
Natural gas	14,000	14,000	14,405	(405)
Water	3,825	3,825	4,811	(986)
Telephone	10,000	10,000	10,804	(804)
Sludge disposal	115,700	115,700	152,103	(36,403)
Grit/screening removal	10,000	10,000	7,856	2,144
Total plant expenditures	<u>378,770</u>	<u>378,770</u>	<u>508,383</u>	<u>(129,613)</u>

(Continued on next page)

**TOWN OF PLYMOUTH, CONNECTICUT
SEWER OPERATING FUND
SCHEDULE OF REVENUES, OTHER FINANCING SOURCES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Collection System Expenditures:				
Utilities:				
Electric	\$ 30,000	\$ 30,000	\$ 33,498	\$ (3,498)
Telephone	3,000	3,000	2,969	31
Maintenance: manhole rehabilitation	30,000	30,000	10,000	20,000
System/Pump Station Repair	19,000	19,000	25,746	(6,746)
Generator maintenance	3,000	3,000	3,202	(202)
Total collection system expenditures	<u>85,000</u>	<u>85,000</u>	<u>75,415</u>	<u>9,585</u>
Administrative Expenditures:				
Office supplies	1,300	1,300	1,854	(554)
Advertising/printing	3,000	3,000	2,827	173
Postage	3,300	3,300	2,724	576
Legal/Bank fees	10,000	10,000	298	9,702
NPDES permit fee	2,417	2,417	2,368	49
Nitrogen purchase/credit	7,036	7,036	7,036	-
System equipment	1,000	1,000		1,000
Computer/software	5,900	5,900	4,891	1,009
Total administrative expenditures	<u>33,953</u>	<u>33,953</u>	<u>21,998</u>	<u>11,955</u>
Capital Projects:				
Capital outlay	32,000	32,000	18,694	13,306
Engineer services	15,000	15,000	22,237	(7,237)
Debt service	130,368	130,368	130,188	180
Total capital projects	<u>177,368</u>	<u>177,368</u>	<u>171,119</u>	<u>6,249</u>
Total expenditures	<u>1,281,197</u>	<u>1,281,197</u>	<u>1,393,259</u>	<u>(112,062)</u>
Excess of Revenues over Expenditures	262,925	262,925	40,921	(222,004)
Other Financing Sources:				
Appropriation of fund balance	<u>262,925</u>	<u>262,925</u>		<u>(262,925)</u>
Excess of Revenues and Other Financing Sources over Expenditures	\$ <u>-</u>	\$ <u>-</u>	40,921	\$ <u>40,921</u>
Budgetary excess of revenues over expenditures is different than GAAP net change in fund balance because of the following reconciling items:				
Cancelled encumbrances			(11,174)	
Encumbrances outstanding at June 30, 2017 charged to budgetary expenditures			<u>58,075</u>	
Total Net Change in Fund Balance - GAAP Basis as Reported on Exhibit IV			\$ <u>87,822</u>	

TOWN OF PLYMOUTH, CONNECTICUT
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
TOWN PLAN
LAST FOUR FISCAL YEARS*

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total pension liability:				
Service cost	\$ 98,404	\$ 115,976	\$ 98,673	\$ 119,042
Interest	723,989	732,516	767,685	747,524
Differences between expected and actual experience	(494,442)		628,618	
Changes of assumptions	(242,319)	682,826	84,414	286,593
Benefit payments, including refunds of member contributions	(1,015,886)	(981,480)	(982,385)	(960,342)
Net change in total pension liability	(930,254)	549,838	597,005	192,817
Total pension liability - beginning	14,626,975	14,077,137	13,480,132	13,287,315
Total pension liability - ending	<u>13,696,721</u>	<u>14,626,975</u>	<u>14,077,137</u>	<u>13,480,132</u>
Plan fiduciary net position:				
Contributions - employer	535,642	506,258	427,558	255,055
Contributions - member	33,819	36,739	38,924	45,385
Net investment income	113,085	145,026	143,751	198,906
Benefit payments, including refunds of member contributions	(1,015,886)	(981,480)	(982,385)	(960,342)
Administrative expense	(1,782)	(2,036)	(2,850)	(3,109)
Net change in plan fiduciary net position	(335,122)	(295,493)	(375,002)	(464,105)
Plan fiduciary net position - beginning	4,439,810	4,735,303	5,110,305	5,574,410
Plan fiduciary net position - ending	<u>4,104,688</u>	<u>4,439,810</u>	<u>4,735,303</u>	<u>5,110,305</u>
Net Pension Liability - Ending	<u>\$ 9,592,033</u>	<u>\$ 10,187,165</u>	<u>\$ 9,341,834</u>	<u>\$ 8,369,827</u>
Plan fiduciary net position as a percentage of the total pension liability	29.97%	30.35%	33.64%	37.91%
Covered payroll	\$ 698,640	\$ 822,601	\$ 822,601	\$ 1,013,728
Net pension liability as a percentage of covered-employee payroll	1372.96%	1238.41%	1135.65%	825.65%

* Schedule is intended to show information for 10 years - additional years will be displayed as they become available

Notes to Schedule:

Benefit changes: None

Assumption changes

2015:

Investment rate of return For fiscal year 2015 - 6.25%, previously 6.5%

Mortality RP-2000 Combined Healthy Mortality Table, with generational projection per Scale AA, previously RP-2000 Combined Healthy Mortality Table, with projection per scale AA to year of valuation plus 10 years.

**TOWN OF PLYMOUTH, CONNECTICUT
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
BOARD OF EDUCATION PLAN
LAST FOUR FISCAL YEARS***

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total pension liability:				
Service cost	\$ 164,406	\$ 188,475	\$ 177,388	\$ 176,387
Interest	447,670	435,979	422,826	429,660
Differences between expected and actual experience	159,905		(73,776)	
Changes of assumptions	(36,238)		666,442	
Benefit payments, including refunds of member contributions	<u>(427,733)</u>	<u>(399,341)</u>	<u>(402,323)</u>	<u>(319,860)</u>
Net change in total pension liability	308,010	225,113	790,557	286,187
Total pension liability - beginning	<u>7,208,947</u>	<u>6,983,834</u>	<u>6,193,277</u>	<u>5,907,090</u>
Total pension liability - ending	<u>7,516,957</u>	<u>7,208,947</u>	<u>6,983,834</u>	<u>6,193,277</u>
Plan fiduciary net position:				
Contributions - employer	343,169	308,169	193,702	210,664
Contributions - member	29,976	30,817	31,568	36,820
Net investment income	125,188	147,602	135,703	190,954
Benefit payments, including refunds of member contributions	<u>(427,733)</u>	<u>(399,341)</u>	<u>(402,323)</u>	<u>(319,860)</u>
Administrative expense	<u>(1,972)</u>	<u>(2,072)</u>	<u>(1,167)</u>	<u>(2,985)</u>
Net change in plan fiduciary net position	68,628	85,175	(42,517)	115,593
Plan fiduciary net position - beginning	<u>4,725,065</u>	<u>4,639,890</u>	<u>4,682,407</u>	<u>4,566,814</u>
Plan fiduciary net position - ending	<u>4,793,693</u>	<u>4,725,065</u>	<u>4,639,890</u>	<u>4,682,407</u>
Net Pension Liability - Ending	<u>\$ 2,723,264</u>	<u>\$ 2,483,882</u>	<u>\$ 2,343,944</u>	<u>\$ 1,510,870</u>
Plan fiduciary net position as a percentage of the total pension liability	63.77%	65.54%	66.44%	75.60%
Covered payroll	\$ 1,248,150	\$ 1,310,909	\$ 1,310,909	\$ 1,597,580
Net pension liability as a percentage of covered payroll	218.18%	189.48%	178.80%	94.57%

* Schedule is intended to show information for 10 years - additional years will be displayed as they become available

Notes to Schedule:

Benefit changes: None

Assumption changes

2017:

Retirement age Age based rates (from 55 to age 70); previously, all active members are assumed to retire at the later of age 62 with 10 years of service or their normal retirement age.

2015:

Amortization method Level percentage of payroll, closed, previously open
 Remaining amortization period 20 years, previously 10 years
 Salary increases 3.5%, previously 4%
 Investment rate of return 6.25%, previously 7.25%
 Mortality RP-2000 Combined Healthy Mortality Table, with generational projection per Scale AA, previously RP-2000 Combined Healthy Mortality Table, with projection per scale AA to year of valuation plus 10 years.

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

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Actuarially determined contribution	\$ 655,422	\$ 655,422	\$ 489,090	\$ 489,090	\$ 354,912	\$ 354,912	\$ 282,921	\$ 158,836	\$ 183,749	\$ 202,661
Contributions in relation to the actuarially determined contribution	535,642	427,558	427,558	255,055	269,350	299,612	212,022	158,836	183,749	202,661
Contribution Deficiency (Excess)	\$ 119,780	\$ 227,864	\$ 61,532	\$ 234,035	\$ 85,562	\$ 55,300	\$ 70,899	\$ -	\$ -	\$ -
Covered payroll	\$ 698,640	\$ 822,601	\$ 822,601	\$ 1,013,728	\$ 1,261,567	\$ 1,261,567	\$ 1,739,452	\$ 1,739,452	\$ 1,830,723	\$ 1,830,723
Contributions as a percentage of covered payroll	76.67%	51.98%	51.98%	25.16%	21.35%	23.75%	12.19%	9.13%	10.04%	11.07%

Notes to Schedule

Valuation date: July 1, 2016
Measurement date: June 30, 2017
Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Projected unit credit
Amortization method	Level percentage of payroll, closed
Remaining amortization period	16 years
Inflation	2.75%
Salary increases	3.5%, average, including inflation
Investment rate of return	6.25%
Retirement age	Age-based rates (from age 55 to age 70).
Mortality	RP-2000 Combined Healthy Mortality Table, with generational projection per Scale AA, previously RP-2000 Combined Healthy Mortality Table, with projection per scale AA to year of valuation plus 10 years.

**TOWN OF PLYMOUTH, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
BOARD OF EDUCATION PLAN
LAST TEN FISCAL YEARS**

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Actuarially determined contribution	\$ 293,169	\$ 245,080	\$ 245,080	\$ 218,012	\$ 218,012	\$ 222,436	\$ 222,436	\$ 256,775	\$ 241,517	\$ *
Contributions in relation to the actuarially determined contribution	343,169	193,702	210,664	193,850	217,718	232,281	218,589	256,775	241,517	*
Contribution Deficiency (Excess)	\$ (50,000)	\$ 51,378	\$ 34,416	\$ 24,162	\$ 294	\$ (9,845)	\$ 3,847	\$ -	\$ -	\$ *
Covered payroll	\$ 1,310,909	\$ 1,310,909	\$ 1,597,580	\$ 1,682,735	\$ 1,682,735	\$ 1,642,217	\$ 1,642,217	\$ 1,562,455	\$ 1,562,455	\$ *
Contributions as a percentage of covered payroll	26.18%	14.78%	13.19%	11.52%	12.94%	14.14%	13.31%	16.43%	15.46%	

Notes to Schedule

Valuation date: July 1, 2016
 Measurement date: June 30, 2016
 Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Projected Unit Credit
Amortization method	Level percentage of payroll, closed, previously open
Remaining amortization period	18 years, previously 10 years
Inflation	2.75%
Salary increases	3.5%, previously 4%
Investment rate of return	6.25%, previously 7.25%
Retirement age	Age based rates (from 55 to age 70); previously, all active members are assumed to retire at the later of age 62 with 10 years of service or their normal retirement age.
Mortality	RP-2000 Combined Healthy Mortality Table, with generational projection per Scale AA, Previously RP-2000 Combined Healthy Mortality Table, with projection per scale AA to year of valuation plus 10 years.

* 2007 data is unavailable

**TOWN OF PLYMOUTH, CONNECTICUT
SCHEDULE OF INVESTMENT RETURNS
LAST FOUR FISCAL YEARS***

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Annual money-weighted rate of return, net of investment expense				
Town	2.70%	3.24%	2.98%	4.04%
Board of Education	2.70%	3.24%	2.98%	4.04%

* Schedule is intended to show information for 10 years - additional years will be displayed as they become available

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

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Town's proportion of the net pension liability	0.00%	0.00%	0.00%
Town's proportionate share of the net pension liability	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the Town	<u>37,899,711</u>	<u>31,111,382</u>	<u>28,756,238</u>
Total	<u>\$ 37,899,711</u>	<u>\$ 31,111,382</u>	<u>\$ 28,756,238</u>
Town's covered payroll	\$ 10,367,890	\$ 10,781,038	\$ 9,810,595
Town's proportionate share of the net pension liability as a percentage of its covered payroll	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	52.26%	59.50%	61.51%

* Schedule is intended to show information for 10 years - additional years will be displayed as they become available

Notes to Schedule

Changes in benefit terms	None
Changes of assumptions	During 2016, rates of withdrawal, disability, retirement, mortality and assumed rates of salary increase were adjusted to more closely reflect actual and anticipated experience. These assumptions were recommended as part of the Experience Study for the System for the five-year period ended June 30, 2015. During 2011, rates of withdrawal, retirement and assumed rates of salary increases were adjusted to reflect actual and anticipated experience. These assumptions were recommended as part of the Experience Study for the System for the five-year period ended June 30, 2010.
Actuarial cost method	Entry age
Amortization method	Level percent of salary, closed
Remaining amortization period	20.4 years
Asset valuation method	4-year smoothed market
Investment rate of return	8.50%, net of investment related expense

TOWN OF PLYMOUTH, CONNECTICUT
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
MUNICIPAL EMPLOYEES RETIREMENT FUND
LAST THREE FISCAL YEARS*

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Town's proportion of the net pension liability	0.74%	0.90%	1.30%
Town's proportionate share of the net pension liability	\$ 2,475,886	\$ 1,726,911	\$ 1,276,975
Town's covered payroll	\$ 2,376,745	\$ 2,504,545	2,153,852
Town's proportionate share of the net pension liability as a percentage of its covered payroll	104.17%	68.95%	59.29%
Plan fiduciary net position as a percentage of the total pension liability	88.29%	92.72%	90.48%

* Schedule is intended to show information for 10 years - additional years will be displayed as they become available

Notes to Schedule

Changes in benefit terms	None
Changes of assumptions	During 2013, rates of mortality, withdrawal, retirement and assumed rates of salary increases were adjusted to reflect actual and anticipated experience. These assumptions were recommended as part of the Experience Study for the System for the five-year period ended June 30, 2012.
Actuarial cost method	Entry age
Amortization method	Level dollar, closed
Remaining amortization period	25 years
Asset valuation method	5-year smoothed market

TOWN OF PLYMOUTH, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS - MUNICIPAL EMPLOYEES RETIREMENT SYSTEM
LAST TEN FISCAL YEARS

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Actuarially determined contribution	\$ 459,067	\$ 332,951	\$ 443,277	\$ 465,719	\$ 463,200	\$ 516,330	\$ 351,860	\$ 191,563	\$ 139,218	\$ 158,496
Contributions in relation to the actuarially determined contribution	459,067	332,951	443,277	465,719	463,200	516,330	351,860	191,563	139,218	158,496
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered employee payroll	\$ 2,376,745	\$ 2,504,545	\$ 2,153,852	\$ 2,168,515	\$ 1,798,581	\$ 1,696,598	\$ 1,911,946	\$ 1,648,998	\$ 1,611,282	\$ 1,408,842
Contributions as a percentage of covered employee payroll	19.31%	13.29%	20.58%	21.48%	25.75%	30.43%	18.40%	11.62%	8.64%	11.25%

Notes to Schedule

Valuation date: June 30, 2016
Measurement date: June 30, 2016
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: 25 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.

Combining and Individual Fund Statements and Schedules

General Fund

GENERAL FUND

The General Fund is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund budget is legally adopted at the budget referendum. The General Fund utilizes the modified accrual basis of accounting.

**TOWN OF PLYMOUTH, CONNECTICUT
GENERAL FUND
COMPARATIVE BALANCE SHEET
JUNE 30, 2017 AND 2016**

	<u>2017</u>	<u>2016</u>
ASSETS		
Cash and cash equivalents	\$ 1,378,162	\$ 1,259,366
Receivables:		
Property taxes receivable, net of allowance for uncollectible of \$200,000 in 2017 and 2016	789,628	842,735
Interest tax receivable	258,044	431,228
Intergovernmental	19,287	43,500
Other	113,485	296,083
Due from other funds	<u>3,808,222</u>	<u>3,400,171</u>
Total Assets	<u>\$ 6,366,828</u>	<u>\$ 6,273,083</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES		
Liabilities:		
Accounts and other payables	\$ 860,680	\$ 761,532
Due to other funds	<u>3,053,535</u>	<u>2,822,432</u>
Total liabilities	<u>3,914,215</u>	<u>3,583,964</u>
Deferred inflows of resources:		
Unavailable revenue - property taxes	834,579	1,115,570
Advance property tax collections	<u>9,626</u>	<u> </u>
Total deferred inflows of resources	<u>844,205</u>	<u>1,115,570</u>
Fund balances:		
Committed	100,000	100,000
Assigned:		
Encumbrances	699,618	952,917
Designated for subsequent year's budget		140,000
Unassigned	<u>808,790</u>	<u>380,632</u>
Total fund balances	<u>1,608,408</u>	<u>1,573,549</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 6,366,828</u>	<u>\$ 6,273,083</u>

TOWN OF PLYMOUTH, CONNECTICUT
GENERAL FUND
REPORT OF TAX COLLECTOR
FOR THE YEAR ENDED JUNE 30, 2017

Grand List as of October 1,	Uncollected Taxes July 1, 2016	Lawful Corrections		Transfers to Suspense	Net Amount Collectible	Collections			Uncollected Taxes June 30, 2017	
		Additions	Deductions			Taxes	Interest and Lien Fees	Suspense Collection		Total
2001	\$ 4,713	\$	\$ 4,638	\$	\$ 75	\$	\$	\$ 581	\$ 581	\$ 75
2002	8,194		4,928		3,266			426	426	3,266
2003	9,192		5,412		3,780			1,610	1,610	3,780
2004	10,381		5,619		4,762			1,702	1,702	4,762
2005	10,612		5,701	(790)	4,121			608	608	4,121
2006	19,635		6,841	(7,494)	5,300			1,238	1,238	5,300
2007	40,605		6,841	(23,208)	10,556	6,147	3,439	94	9,680	4,409
2008	31,410		7,944	(13,740)	9,726	271	4,058	2,668	6,997	9,455
2009	18,139		8,142		9,997			20,100	20,100	9,997
2010	45,281		8,328	(21,072)	15,881	5,044	1,444	4,469	10,957	10,837
2011	30,364		8,957		21,407	8,455	5,508	4,781	18,744	12,952
2012	47,578		9,947		37,631	12,485	6,528	8,008	27,021	25,146
2013	189,659		8,584	(65,979)	115,096	53,734	22,941		76,675	61,362
2014	573,890		16,846		557,044	368,254	89,151		457,405	188,790
Total prior years	1,039,653	-	108,728	(132,283)	798,642	454,390	133,069	46,285	633,744	344,252
2015	27,957,037		175,663		27,781,374	27,135,998	144,626		27,280,624	645,376
Total	\$ 28,996,690	\$ -	\$ 284,391	\$ (132,283)	\$ 28,580,016	\$ 27,590,388	\$ 277,695	\$ 46,285	\$ 27,914,368	\$ 989,628

**Nonmajor
Governmental Funds**

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The Special Revenue Funds utilize the modified accrual basis of accounting.

Fund	Funding Source	Function
Sewer Assessment	Special Assessment	Collection of old assessments levied for sewer connections.
Water Assessment	Grants and General Fund appropriations	Collection of water assessments and asset construction/purchases
Dog Fund	Fees, GF Contribution	Operations of animal control and K9
Miscellaneous Contributions	Donations	Management of funds related to Fuel Bank, Small Wonders and trust fund income accounts.
ATM Fund	State and Federal grants	Police department drug and asset forfeiture fund and various police department grants and contributions.
CDBG Loan Fund	State and Federal grants	Loan administration by the Town and a third-party contractor that benefit low and moderate income households for housing and commercial rehabilitation.
Small Cities	State grants	State administered loan/grant program by the Town and a third-party contractor that benefits low and moderate income households for housing rehabilitation projects.
Open Space	Charges for Services	Purchase and procurement of open space pursuant to State Statutes and Town ordinances.
Hospice	Donations	Donations made for services that are provided for hospice.
Economic Development	Sale of Land, GF Contribution	Grants to businesses and related expenses for expansion of economic development within the Town.
Police Extra Duty	Charges for Services	Accounts for extra duty hired police officers paid for by contractors.
Recreational Revolving	Charges for Services	Accounts for recreational activities and programs that are self supporting.
Historical Preservation	Charges for Services, Fees	Accounts for document and historic preservation and stated in the Connecticut General Statutes.
Subdivision Engineering	Charges for Services	Fund established to pay outside contractors for engineering services the Town required.
Education Grants	State and Federal Grants, Donations	Providing additional educational opportunities.
School Cafeteria	Intergovernmental, Charges for Services	School cafeteria program in the Town school system.
Blight Fund	Fines Levied	Fund established for the administration of blighted properties.

Education Sinking Fund is used to account for the financial resources committed for the replacement of capital outlay for building and grounds for the Board of Education. The fund is funded by transfers from surplus funds in the General Fund at the end of the fiscal year from the Board of Education as approved by the Board of Finance. The fund value may not exceed 1% of the latest Board of Education's operating budget.

Debt Service Fund is used to account for the accumulation of resources for debt payments.

Permanent funds are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the reporting government's programs.

Fund	Funding Source	Function
Hillside Cemetery Trust	Trust Income, GF Contribution	To pay for the maintenance and operations of Hillside Cemetery
Plymouth Cemetery Trust	Trust Income, GF Contribution	To pay for the maintenance and operations of the Plymouth Cemetery
Allentown Cemetery Trust	Trust Income	To pay for the maintenance of Allentown Cemetery
Terryville Public Library Trust	Trust Income, Intergovernmental	To assist the Terryville Library in its expansion of books for circulation and operations
Mercy J. Cone Trust	Trust Income	To assist the Terryville Library in its expansion of books for circulation and operations
St. Matthews Trust	Contributions	To pay for the maintenance of St. Matthews Cemetery

TOWN OF PLYMOUTH, CONNECTICUT
 NONMAJOR GOVERNMENTAL FUNDS
 COMBINING BALANCE SHEET
 JUNE 30, 2017

	Special Revenue									
	Sewer Assessment	Water Assessment	Dog Fund	Miscellaneous Contributions	ATM Fund	CDBG Loan Fund	Small Cities	Open Space	Hospice	Economic Development
ASSETS										
Cash and cash equivalents	\$ 20,592	\$ 569,890	\$ 123,797	\$ 55,453	\$ 21,788	\$ 16,595	\$ 169,097	\$	\$ 19,677	\$ 70,462
Investments					5,851					
Restricted investments						185,812				
Receivables:										
Assessments/use charges		185,146								
Intergovernmental										
Loans							986,081			
Other			6,550							
Due from other funds	2,343	100,000					20,000	262,800		
Total Assets	\$ 22,935	\$ 855,036	\$ 130,347	\$ 55,453	\$ 27,639	\$ 202,407	\$ 1,175,178	\$ 262,800	\$ 19,677	\$ 70,462
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES										
Liabilities:										
Accounts payable	\$	\$	\$ 403	\$ 4,264	\$	\$	\$	\$	\$	\$
Due to other funds		148,659	732			38,842	79,298			284,268
Unearned revenue										2,996
Total liabilities	-	148,659	1,135	4,264	-	38,842	79,298	-	-	287,264
Deferred inflows of resources:										
Unavailable revenue - special assessments		185,146								
Unavailable revenue - loans receivable							986,081			
Total deferred inflows of resources	-	185,146	-	-	-	-	986,081	-	-	-
Fund balances:										
Nonspendable										
Restricted					27,639	163,565	109,799	262,800		
Committed	22,935	521,231	129,212	51,189					19,677	
Unassigned										(216,802)
Total fund balances	22,935	521,231	129,212	51,189	27,639	163,565	109,799	262,800	19,677	(216,802)
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 22,935	\$ 855,036	\$ 130,347	\$ 55,453	\$ 27,639	\$ 202,407	\$ 1,175,178	\$ 262,800	\$ 19,677	\$ 70,462

(Continued on next page)

TOWN OF PLYMOUTH, CONNECTICUT
 NONMAJOR GOVERNMENTAL FUNDS
 COMBINING BALANCE SHEET (CONTINUED)
 JUNE 30, 2017

	Special Revenue							Capital Project	Debt Service	
	Police Extra Duty	Recreational Revolving	Historical Preservation	Subdivision Engineering	Education Grants	School Cafeteria	Blight Fund	Total	Education Sinking Fund	Debt Service Fund
ASSETS										
Cash and cash equivalents	\$	\$	\$	\$	\$ 276,701	\$ 1,790	\$	\$ 1,345,842	\$	\$
Investments								5,851		
Restricted investments								185,812		
Receivables:										
Assessments/use charges								185,146		
Intergovernmental					775	50,239		51,014		
Loans								986,081		
Other	400,296							406,846		
Due from other funds		60,282	48,075				103,400	596,900	235,528	205,536
Total Assets	\$ 400,296	\$ 60,282	\$ 48,075	\$ -	\$ 277,476	\$ 52,029	\$ 103,400	\$ 3,763,492	\$ 235,528	\$ 205,536
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES										
Liabilities:										
Accounts payable	\$	\$	\$	\$	\$ 8,319	\$ 6,024	\$	\$ 19,010	\$	\$
Due to other funds	119,491				10,101			681,391		
Unearned revenue					8,101			11,097		
Total liabilities	119,491	-	-	-	26,521	6,024	-	711,498	-	-
Deferred inflows of resources:										
Unavailable revenue - special assessments								185,146		
Unavailable revenue - loans receivable								986,081		
Total deferred inflows of resources	-	-	-	-	-	-	-	1,171,227	-	-
Fund balances:										
Nonspendable								-		
Restricted					250,955	46,005	103,400	964,163		205,536
Committed	280,805	60,282	48,075					1,133,406	235,528	
Unassigned								(216,802)		
Total fund balances	280,805	60,282	48,075	-	250,955	46,005	103,400	1,880,767	235,528	205,536
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 400,296	\$ 60,282	\$ 48,075	\$ -	\$ 277,476	\$ 52,029	\$ 103,400	\$ 3,763,492	\$ 235,528	\$ 205,536

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TOWN OF PLYMOUTH, CONNECTICUT
 NONMAJOR GOVERNMENTAL FUNDS
 COMBINING BALANCE SHEET (CONTINUED)
 JUNE 30, 2017

	Hillside Cemetery Trust	Plymouth Cemetery Trust	Allentown Cemetery Trust	Permanent Terryville Public Library Trust	Mercy J. Cone Trust	St. Matthews Trust	Total	Eliminations	Total Nonmajor Governmental Funds
ASSETS									
Cash and cash equivalents	\$ 176,686	\$ 273,161	\$ -	\$ 9,521	\$ 6,675	\$ 2,155	\$ 468,198	\$ -	\$ 1,814,040
Investments	27,585	-	-	-	-	-	27,585	-	33,436
Restricted investments	363,521	-	-	335,716	193,676	-	892,913	-	1,078,725
Receivables:									
Assessments/use charges	-	-	-	-	-	-	-	-	185,146
Intergovernmental	-	-	-	-	-	-	-	-	51,014
Loans	-	-	-	-	-	-	-	-	986,081
Other	-	-	-	-	-	-	-	-	406,846
Due from other funds	-	-	-	22,159	-	8,276	30,435	(2,343)	1,066,056
Total Assets	\$ 567,792	\$ 273,161	\$ -	\$ 367,396	\$ 200,351	\$ 10,431	\$ 1,419,131	\$ (2,343)	\$ 5,621,344
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES									
Liabilities:									
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,010
Due to other funds	13,513	-	-	-	-	-	13,513	(2,343)	692,561
Unearned revenue	-	-	-	-	-	-	-	-	11,097
Total liabilities	13,513	-	-	-	-	-	13,513	(2,343)	722,668
Deferred inflows of resources:									
Unavailable revenue - special assessments	-	-	-	-	-	-	-	-	185,146
Unavailable revenue - loans receivable	-	-	-	-	-	-	-	-	986,081
Total deferred inflows of resources	-	-	-	-	-	-	-	-	1,171,227
Fund balances:									
Nonspendable	363,521	-	-	335,716	193,676	-	892,913	-	892,913
Restricted	190,758	273,161	-	31,680	6,675	10,431	512,705	-	1,682,404
Committed	-	-	-	-	-	-	-	-	1,368,934
Unassigned	-	-	-	-	-	-	-	-	(216,802)
Total fund balances	554,279	273,161	-	367,396	200,351	10,431	1,405,618	-	3,727,449
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 567,792	\$ 273,161	\$ -	\$ 367,396	\$ 200,351	\$ 10,431	\$ 1,419,131	\$ (2,343)	\$ 5,621,344

TOWN OF PLYMOUTH, CONNECTICUT
 NONMAJOR GOVERNMENTAL FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED JUNE 30, 2017

	Special Revenue									
	Sewer Assessment	Water Assessment	Dog Fund	Miscellaneous Contributions	ATM Fund	CDBG Loan Fund	Small Cities	Open Space	Hospice	Economic Development
Revenues:										
Charges for services	\$	\$ 112,432	\$ 14,470	\$	\$	\$	\$	\$ 849	\$	\$
Intergovernmental					2,733					
Income from investments	111	2,809		91	175	1,034	87		109	357
Net change in fair value of investments								4,782		
Contributions				16,708	1,979		56,203			244
Other				16,799	4,887	1,034	56,290	5,631	109	601
Total revenues	111	115,241	14,470	16,799	4,887	1,034	56,290	5,631	109	601
Expenditures:										
Current:										
General administration					3,997	10,645				
Public safety			11,339							
Health and welfare				9,211			1,850		844	
Library										
Recreation										
Education										
Total expenditures	-	-	11,339	9,211	3,997	10,645	1,850	-	844	-
Excess (Deficiency) of Revenues over Expenditures	111	115,241	3,131	7,588	890	(9,611)	54,440	5,631	(735)	601
Other Financing Sources:										
Transfers in			7,500	872						
Transfers out										
Net other financing sources	-	-	7,500	872	-	-	-	-	-	-
Net Change in Fund Balances	111	115,241	10,631	8,460	890	(9,611)	54,440	5,631	(735)	601
Fund Balances at Beginning of Year	22,824	405,990	118,581	42,729	26,749	173,176	55,359	257,169	20,412	(217,403)
Fund Balances at End of Year	\$ 22,935	\$ 521,231	\$ 129,212	\$ 51,189	\$ 27,639	\$ 163,565	\$ 109,799	\$ 262,800	\$ 19,677	\$ (216,802)

(Continued on next page)

TOWN OF PLYMOUTH, CONNECTICUT
 NONMAJOR GOVERNMENTAL FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)
 FOR THE YEAR ENDED JUNE 30, 2017

	Special Revenue							Capital Projects	Debt Service	
	Police Extra Duty	Recreational Revolving	Historical Preservation	Subdivision Engineering	Education Grants	School Cafeteria	Blight Fund	Total	Education Sinking Fund	Debt Service Fund
Revenues:										
Charges for services	\$ 514,096	\$ 84,061	\$ 228	\$	\$	\$ 295,718	\$	\$ 1,021,854	\$	\$
Intergovernmental					776,756	302,264		1,081,753		
Income from investments								4,773		
Net change in fair value of investments								-		
Contributions					45,390			50,172		
Other		750			4,399			80,283		
Total revenues	<u>514,096</u>	<u>84,811</u>	<u>228</u>	<u>-</u>	<u>826,545</u>	<u>597,982</u>	<u>-</u>	<u>2,238,835</u>	<u>-</u>	<u>-</u>
Expenditures:										
Current:										
General administration			1,375				24,600	40,617		
Public safety	485,719							497,058		
Health and welfare								11,905		
Library								-		
Recreation		74,215						74,215		
Education					851,113	592,146		1,443,259	32,010	
Total expenditures	<u>485,719</u>	<u>74,215</u>	<u>1,375</u>	<u>-</u>	<u>851,113</u>	<u>592,146</u>	<u>24,600</u>	<u>2,067,054</u>	<u>32,010</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures	<u>28,377</u>	<u>10,596</u>	<u>(1,147)</u>	<u>-</u>	<u>(24,568)</u>	<u>5,836</u>	<u>(24,600)</u>	<u>171,781</u>	<u>(32,010)</u>	<u>-</u>
Other Financing Sources:										
Transfers in								8,372	70,010	
Transfers out	(121,324)			(1,113)	(100,000)			(222,437)		
Net other financing sources	<u>(121,324)</u>	<u>-</u>	<u>-</u>	<u>(1,113)</u>	<u>(100,000)</u>	<u>-</u>	<u>-</u>	<u>(214,065)</u>	<u>70,010</u>	<u>-</u>
Net Change in Fund Balances	(92,947)	10,596	(1,147)	(1,113)	(124,568)	5,836	(24,600)	(42,284)	38,000	-
Fund Balances at Beginning of Year	<u>373,752</u>	<u>49,686</u>	<u>49,222</u>	<u>1,113</u>	<u>375,523</u>	<u>40,169</u>	<u>128,000</u>	<u>1,923,051</u>	<u>197,528</u>	<u>205,536</u>
Fund Balances at End of Year	<u>\$ 280,805</u>	<u>\$ 60,282</u>	<u>\$ 48,075</u>	<u>\$ -</u>	<u>\$ 250,955</u>	<u>\$ 46,005</u>	<u>\$ 103,400</u>	<u>\$ 1,880,767</u>	<u>\$ 235,528</u>	<u>\$ 205,536</u>

(Continued on next page)

**TOWN OF PLYMOUTH, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2017**

	Permanent						Total	Eliminations	Total Nonmajor Governmental Funds
	Hillside Cemetery Trust	Plymouth Cemetery Trust	Allentown Cemetery Trust	Terryville Public Library Trust	Mercy J. Cone Trust	St. Matthews Trust			
Revenues:									
Charges for services	\$ 13,360	\$ 4,698	\$ -	\$ -	\$ -	\$ -	\$ 18,058	\$ -	\$ 1,039,912
Intergovernmental				336			336		1,082,089
Income from investments	4,331	216	3	2	3,691		8,243		13,016
Net change in fair value of investments	39,853			41,576	16,805		98,234		98,234
Contributions				45,176		756	45,932		96,104
Other							-		80,283
Total revenues	<u>57,544</u>	<u>4,914</u>	<u>3</u>	<u>87,090</u>	<u>20,496</u>	<u>756</u>	<u>170,803</u>	<u>-</u>	<u>2,409,638</u>
Expenditures:									
Current:									
General administration							-		40,617
Public safety							-		497,058
Health and welfare	35,010	9,341	262			236	44,849		56,754
Library				11,043	8,540		19,583		19,583
Recreation							-		74,215
Education							-		1,475,269
Total expenditures	<u>35,010</u>	<u>9,341</u>	<u>262</u>	<u>11,043</u>	<u>8,540</u>	<u>236</u>	<u>64,432</u>	<u>-</u>	<u>2,163,496</u>
Excess (Deficiency) of Revenues over Expenditures	<u>22,534</u>	<u>(4,427)</u>	<u>(259)</u>	<u>76,047</u>	<u>11,956</u>	<u>520</u>	<u>106,371</u>	<u>-</u>	<u>246,142</u>
Other Financing Sources:									
Transfers in	5,089	2,000					7,089	(1,089)	84,382
Transfers out			(1,089)				(1,089)	1,089	(222,437)
Net other financing sources	<u>5,089</u>	<u>2,000</u>	<u>(1,089)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,000</u>	<u>-</u>	<u>(138,055)</u>
Net Change in Fund Balances	27,623	(2,427)	(1,348)	76,047	11,956	520	112,371	-	108,087
Fund Balances at Beginning of Year	<u>526,656</u>	<u>275,588</u>	<u>1,348</u>	<u>291,349</u>	<u>188,395</u>	<u>9,911</u>	<u>1,293,247</u>	<u>-</u>	<u>3,619,362</u>
Fund Balances at End of Year	<u>\$ 554,279</u>	<u>\$ 273,161</u>	<u>\$ -</u>	<u>\$ 367,396</u>	<u>\$ 200,351</u>	<u>\$ 10,431</u>	<u>\$ 1,405,618</u>	<u>\$ -</u>	<u>\$ 3,727,449</u>

**TOWN OF PLYMOUTH, CONNECTICUT
WATER ASSESSMENT FUND
SCHEDULE OF WATER ASSESSMENT RECEIVABLE
FOR THE YEAR ENDED JUNE 30, 2017**

<u>Due Date</u>	<u>Uncollected Balance July 1, 2016</u>	<u>Current Year Adjustments</u>	<u>Collections</u>	<u>Uncollected Balance June 30, 2017</u>
Water Line Assessment	\$ <u>262,714</u>	\$ <u>1,908</u>	\$ <u>79,476</u>	\$ <u>185,146</u>

**TOWN OF PLYMOUTH, CONNECTICUT
SEWER OPERATING FUND
SCHEDULE OF SEWER USE CHARGES RECEIVABLE
FOR THE YEAR ENDED JUNE 30, 2017**

<u>Due Date</u>	<u>Uncollected Balance July 1, 2016</u>	<u>Current Year Use Charges and Adjustments</u>	<u>Collections</u>	<u>Uncollected Balance June 30, 2017</u>
October 1, 2016	\$	\$ 1,254,690	\$ 1,136,663	\$ 118,027
October 1, 2015	153,687	2,160	96,117	59,730
October 1, 2014	61,744	(1,189)	35,548	25,007
October 1, 2013	27,122	(727)	13,303	13,092
October 1, 2012	13,282		9,959	3,323
October 1, 2011	9,136		6,976	2,160
October 1, 2010	6,504		4,859	1,645
October 1, 2009	5,139		3,662	1,477
October 1, 2008	2,760		1,840	920
October 1, 2007	2,497		1,816	681
October 1, 2006	1,306		866	440
October 1, 2005	820		410	410
October 1, 2004	376		188	188
October 1, 2003	178		-	178
October 1, 2002	170		170	-
Total	\$ <u>284,721</u>	\$ <u>1,254,934</u>	1,312,377	\$ <u>227,278</u>
Interest and lien fees			<u>101,847</u>	
Total Collections			\$ <u>1,414,224</u>	

Fiduciary Funds

AGENCY FUNDS

Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The Agency Funds are as follows:

Student Activity Fund - to account for the collection and payment of expenses for education extra-curricular activities at the high school, middle school and elementary schools.

Performance Bonds - to account for all bonds collected from contractors, developers and others - these bonds will be returned to payee upon successful completion of related construction projects.

**TOWN OF PLYMOUTH, CONNECTICUT
 AGENCY FUNDS
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 FOR THE YEAR ENDED JUNE 30, 2017**

	<u>Balance July 1, 2016</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2017</u>
Student Activity				
Assets:				
Cash and cash equivalents	\$ 193,656	\$ 300,379	\$ 276,716	\$ 217,319
Liabilities:				
Due to student groups	\$ 193,656	\$ 300,379	\$ 276,716	\$ 217,319
Performance Bonds				
Assets:				
Cash and cash equivalents	\$ 46,624	\$	\$	\$ 46,624
Due from other funds	129,605			129,605
Total Assets	\$ 176,229	\$ -	\$ -	\$ 176,229
Liabilities:				
Due to contractors	\$ 176,229	\$ -	\$ -	\$ 176,229
Total All Funds				
Assets:				
Cash and cash equivalents	\$ 240,280	\$ 300,379	\$ 276,716	\$ 263,943
Due from other funds	129,605			129,605
Total Assets	\$ 369,885	\$ 300,379	\$ 276,716	\$ 393,548
Liabilities:				
Deposits and amounts due to student groups and participants	\$ 369,885	\$ 300,379	\$ 276,716	\$ 393,548
Total Liabilities	\$ 369,885	\$ 300,379	\$ 276,716	\$ 393,548

Statistical Section

Statistical Section Information

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

Statistical section information is presented in the following categories:

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

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

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

**TOWN OF PLYMOUTH, CONNECTICUT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(UNAUDITED)**

	FISCAL YEAR									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Governmental Activities:										
Net investment in capital assets	\$ 154,601,111	\$ 157,247,133	\$ 157,324,466	\$ 153,245,507	\$ 157,424,652	\$ 163,863,638	\$ 161,399,980	\$ 159,710,588	\$ 158,322,383	\$ 157,731,934
Restricted for:										
Capital projects										1,453,242
Perpetual care:										
Nonexpendable	463,919	478,004	112,351	84,488	84,491	86,850	71,900	343,179	343,163	342,838
Expendable	363,521	325,588	704,615	817,664	738,943	687,550	706,984	346,314	260,355	406,140
Libraries:										
Nonexpendable	48,786	53,575	44,681	42,999	40,553	38,234	24,092	144,744	144,744	144,744
Expendable	529,392	436,080	321,342	332,574	291,308	270,073	289,782	125,963	110,740	171,849
Debt service	205,536	205,536	205,536	205,533	205,530	19,860	19,860	719,162	1,692,280	2,328,491
Unrestricted	<u>(4,849,563)</u>	<u>(7,425,872)</u>	<u>(5,081,858)</u>	<u>13,732,522</u>	<u>16,853,737</u>	<u>9,325,937</u>	<u>10,967,676</u>	<u>11,279,775</u>	<u>12,244,581</u>	<u>7,588,344</u>
Total Net Position	<u>\$ 151,362,702</u>	<u>\$ 151,320,044</u>	<u>\$ 153,631,133</u>	<u>\$ 168,461,287</u>	<u>\$ 175,639,214</u>	<u>\$ 174,292,142</u>	<u>\$ 173,480,274</u>	<u>\$ 172,669,725</u>	<u>\$ 173,118,246</u>	<u>\$ 170,167,582</u>

Notes:

(1) Schedule prepared on the accrual basis of accounting.

**TOWN OF PLYMOUTH, CONNECTICUT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(UNAUDITED)**

	FISCAL YEAR									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Expenses:										
Governmental activities:										
General government	\$ 4,888,571	\$ 6,819,627	\$ 6,661,824	\$ 5,412,485	\$ 4,951,895	\$ 5,344,207	\$ 4,721,379	\$ 4,444,531	\$ 4,401,717	\$ 1,582,154
Public safety	3,644,971	3,712,614	3,327,013	3,545,286	3,173,319	2,731,321	2,839,161	2,330,658	2,522,628	2,780,558
Public works	6,996,417	6,546,134	7,237,335	6,907,749	8,207,132	7,142,486	8,584,108	7,130,940	7,538,637	7,328,908
Health and welfare	274,696	296,369	361,225	414,831	480,436	470,324	257,151	298,839	492,510	1,203,097
Library	506,880	502,572	500,388	449,205	486,295	500,323	494,022	432,404	474,125	569,341
Recreation	290,241	290,445	292,027	285,825	268,241	279,488	207,751	234,430	247,200	351,869
Education	32,257,631	29,534,659	29,387,177	30,678,545	27,636,311	28,268,369	26,865,049	26,346,342	25,525,049	28,440,626
Land use	192,175	225,389	261,447	257,262	227,292	239,813	312,442	183,452	249,020	301,978
Interest expense	583,283	581,762	600,292	917,518	711,595	707,960	301,942	1,788,989	955,582	1,042,959
Total Expenses	<u>49,634,865</u>	<u>48,509,571</u>	<u>48,628,728</u>	<u>48,868,706</u>	<u>46,142,516</u>	<u>45,684,291</u>	<u>44,583,005</u>	<u>43,190,585</u>	<u>42,406,468</u>	<u>43,601,490</u>
Program Revenues:										
Governmental activities:										
Charges for services:										
General government	221,711	210,543	387,065	251,954	227,517	312,065	145,910	218,357	214,973	274,552
Public safety	583,014	801,636	642,647	748,413	330,358	185,007	207,184	115,744	85,246	146,689
Public works	1,565,551	1,559,204	1,584,771	1,699,786	1,598,798	1,745,884	1,566,852	1,590,834	1,858,654	1,542,448
Health and welfare	44,459	63,164	36,806	436,271	235,963	70,027	48,400	48,611	233,366	433,420
Library	4,818	12,484	12,297	17,047	16,391	12,709	13,092	16,659	9,921	7,668
Recreation	85,679	83,020	80,379	65,812	56,174	87,811	31,222	31,222	8,161	35,223
Education	457,456	455,078	502,010	539,031	491,591	206,700	268,000	675,010	539,234	333,025
Land use	18,815	10,078	26,639	20,111	8,561	11,638	14,916	41,344	42,830	328
Operating grants and contributions	15,913,718	14,776,852	13,842,949	14,679,246	15,160,952	15,336,169	14,329,706	13,636,979	13,350,706	17,206,543
Capital grants and contributions	2,463,497	919,464	1,065,411	479,819	2,176,497	1,705,314	2,360,889	954,848	3,925,125	5,685,567
Total Program Revenues	<u>21,358,718</u>	<u>18,891,523</u>	<u>18,180,974</u>	<u>18,937,490</u>	<u>20,302,802</u>	<u>19,673,324</u>	<u>18,954,949</u>	<u>17,329,608</u>	<u>20,268,216</u>	<u>25,665,463</u>
Net Expenses:										
Governmental activities	<u>(28,276,147)</u>	<u>(29,618,048)</u>	<u>(30,447,754)</u>	<u>(29,931,216)</u>	<u>(25,839,714)</u>	<u>(26,010,967)</u>	<u>(25,628,056)</u>	<u>(25,860,977)</u>	<u>(22,138,252)</u>	<u>(17,936,027)</u>
General Revenues and Other Changes in Net Assets:										
Governmental activities:										
Property taxes	27,700,908	26,871,040	25,507,258	27,340,437	26,512,181	26,206,360	25,752,017	24,870,975	24,997,252	24,630,034
Grants and contributions not restricted to specific programs	471,148	272,821	307,281	412,420	484,554	525,354	439,693	373,942	514,338	378,485
Investment income (loss)	128,558	(2,090)	9,017	206,947	143,188	39,059	192,386	126,921	(77,663)	272,622
Miscellaneous	18,191	165,188	296,966	5,000	46,863	52,062	54,509	40,618	27,969	334,808
Special Item - Loss of Assets			268,349	(278,349)						
Total Governmental Activities	<u>28,318,805</u>	<u>27,306,959</u>	<u>26,388,871</u>	<u>27,686,455</u>	<u>27,186,786</u>	<u>26,822,835</u>	<u>26,438,605</u>	<u>25,412,456</u>	<u>25,461,896</u>	<u>25,615,949</u>
Changes in Net Position	<u>\$ 42,658</u>	<u>\$ (2,311,089)</u>	<u>\$ (4,058,883)</u>	<u>\$ (2,244,761)</u>	<u>\$ 1,347,072</u>	<u>\$ 811,868</u>	<u>\$ 810,549</u>	<u>\$ (448,521)</u>	<u>\$ 3,323,644</u>	<u>\$ 7,679,922</u>

Notes:

(1) Schedule prepared on the accrual basis of accounting.

**TOWN OF PLYMOUTH, CONNECTICUT
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN YEARS**

	FISCAL YEAR									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
General Fund:										
Reserved	\$	\$	\$	\$	\$	\$	\$	\$ 719,569	\$ 549,187	\$ 476,976
Unreserved								2,334,881	2,291,700	1,907,108
Committed	100,000	100,000	100,000	100,000						
Assigned	699,618	1,092,917	529,681	992,663	1,423,169	1,538,968	1,573,970			
Unassigned	808,790	380,632	1,643,638	1,787,337	2,163,609	1,853,353	1,655,273			
Total General Fund	<u>\$ 1,608,408</u>	<u>\$ 1,573,549</u>	<u>\$ 2,273,319</u>	<u>\$ 2,880,000</u>	<u>\$ 3,586,778</u>	<u>\$ 3,392,321</u>	<u>\$ 3,229,243</u>	<u>\$ 3,054,450</u>	<u>\$ 2,840,887</u>	<u>\$ 2,384,084</u>
All other governmental funds:										
Reserved	\$	\$	\$	\$	\$	\$	\$	\$ 1,227,587	\$ 2,180,187	\$ 4,345,785
Unreserved, reported in:										
Special revenue funds								1,449,744	1,494,852	1,162,693
Capital projects funds								(3,941,295)	(3,216,613)	(2,416,894)
Permanent funds								472,277	371,095	577,989
Nonspendable	892,913	761,668	1,025,957	1,150,238	1,030,251	957,623	996,766			
Restricted	1,682,404	1,793,260	1,273,106	1,125,932	1,170,858	714,644	611,598			
Committed	2,941,080	4,013,535	2,761,606	6,119,718	7,054,130	1,223,419	675,281			
Unassigned	(1,355,144)	(833,312)	(532,996)	(257,087)	(314,363)	(5,937,009)	(4,117,933)			
Total all Other Governmental Funds	<u>\$ 4,161,253</u>	<u>\$ 5,735,151</u>	<u>\$ 4,527,673</u>	<u>\$ 8,138,801</u>	<u>\$ 8,940,876</u>	<u>\$ (3,041,323)</u>	<u>\$ (1,834,288)</u>	<u>\$ (791,687)</u>	<u>\$ 829,521</u>	<u>\$ 3,669,573</u>

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

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

	FISCAL YEAR									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Revenues:										
Property taxes	\$ 27,981,899	\$ 27,131,451	\$ 27,022,201	\$ 28,144,326	\$ 26,663,027	\$ 25,774,406	\$ 24,976,767	\$ 24,634,459	\$ 24,683,591	\$ 24,300,101
Charges for services	5,405,065	4,130,283	3,862,075	3,638,031	3,701,765	4,201,083	2,335,496	2,291,113	2,459,462	3,077,317
Intergovernmental	16,308,914	14,970,413	14,780,217	15,055,668	16,680,953	15,871,373	17,235,099	15,531,786	18,133,510	23,709,773
Income (loss) on investments	125,886	(4,029)	7,698	205,582	141,246	36,949	186,848	117,381	(93,849)	375,192
Other revenues	319,600	519,683	755,419	349,582	322,587	637,964	311,708	448,619	410,813	277,442
Total revenues	<u>50,141,364</u>	<u>46,747,801</u>	<u>46,427,610</u>	<u>47,393,189</u>	<u>47,509,578</u>	<u>46,521,775</u>	<u>45,045,918</u>	<u>43,023,358</u>	<u>45,593,527</u>	<u>51,739,825</u>
Expenditures:										
General government	5,251,144	5,602,713	5,644,423	4,924,547	4,670,723	4,586,050	4,423,085	4,206,184	4,119,628	4,121,178
Public safety	3,376,115	3,377,382	3,272,085	3,262,566	2,835,741	2,527,326	2,579,324	2,387,842	2,304,344	2,220,602
Public works	4,331,371	4,446,052	6,298,937	4,829,757	4,600,298	4,630,873	5,183,968	4,648,712	4,960,877	4,484,985
Health and welfare	252,796	274,469	337,718	389,718	454,608	445,631	421,158	275,525	505,434	918,494
Library	488,457	499,400	481,312	471,414	480,379	477,896	466,395	461,358	457,503	435,453
Recreation	254,493	251,097	247,922	245,364	227,885	242,163	216,220	200,505	208,679	186,502
Board of Education	29,741,021	27,422,633	27,110,023	28,372,356	27,070,240	27,287,693	25,934,148	25,655,632	25,118,856	28,426,889
Land use	145,690	178,905	214,962	210,774	180,807	205,759	208,762	205,481	274,693	223,779
Capital outlay	5,207,975	2,403,027	4,293,021	6,021,445	3,062,731	4,015,792	3,249,573	3,510,302	2,896,935	15,744,640
Debt service:										
Principal	2,169,176	2,313,092	2,300,000	1,912,162	1,059,263	2,420,635	2,692,212	3,383,227	7,157,796	2,959,601
Interest	820,854	671,822	713,365	1,018,403	725,914	725,914	538,881	659,683		
Total expenditures	<u>52,039,092</u>	<u>47,440,592</u>	<u>50,913,768</u>	<u>51,658,506</u>	<u>45,368,589</u>	<u>47,565,732</u>	<u>45,913,726</u>	<u>45,594,451</u>	<u>48,004,745</u>	<u>59,722,123</u>
Excess of revenue over (under) expenditures	<u>(1,897,728)</u>	<u>(692,791)</u>	<u>(4,486,158)</u>	<u>(4,265,317)</u>	<u>2,140,989</u>	<u>(1,043,957)</u>	<u>(867,808)</u>	<u>(2,571,093)</u>	<u>(2,411,218)</u>	<u>(7,982,298)</u>
Other financing sources (uses):										
Transfers in	789,965	840,713	843,225	978,380	2,288,414	1,167,315	1,488,000	1,268,279	1,396,607	1,239,530
Transfers out	(789,965)	(840,713)	(843,225)	(978,380)	(2,288,414)	(1,167,315)	(1,488,000)	(1,268,279)	(1,396,607)	(1,239,530)
Capital lease issuance	358,689									
Premium on debt issue				54,709	535,667		248,678		27,969	
Issuance of bonds and loans		1,200,499		3,500,000	9,500,000			1,067,000		
Issuance of refunding bonds				3,665,000			9,820,000	7,105,000		
Premium on refunding bonds				201,466						
Payment to escrow bond agent				(3,777,838)			(10,068,678)	(7,008,552)		
Total other financing sources	<u>358,689</u>	<u>1,200,499</u>	<u>-</u>	<u>3,643,337</u>	<u>10,035,667</u>	<u>-</u>	<u>-</u>	<u>1,163,448</u>	<u>27,969</u>	<u>-</u>
Special Item - Loss of Assets			268,349	(278,349)						
Net Change in Fund Balances	<u>\$ (1,539,039)</u>	<u>\$ 507,708</u>	<u>\$ (4,217,809)</u>	<u>\$ (900,329)</u>	<u>\$ 12,176,656</u>	<u>\$ (1,043,957)</u>	<u>\$ (867,808)</u>	<u>\$ (1,407,645)</u>	<u>\$ (2,383,249)</u>	<u>\$ (7,982,298)</u>
Debt Service as a Percentage of Noncapital Expenditures	<u>6.4%</u>	<u>6.6%</u>	<u>6.6%</u>	<u>6.4%</u>	<u>4.1%</u>	<u>7.1%</u>	<u>7.3%</u>	<u>10.3%</u>	<u>17.2%</u>	<u>7.2%</u>

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

TABLE 5

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

(In Thousands)

Fiscal Year	Real Property			Personal Property	Motor Vehicle	Less Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Taxable Assessed Value As a Percentage of Actual Taxable Value (1)
	Residential	Commercial	Industrial							
2017	\$ 558,809	\$ 32,913	\$ 21,297	\$ 31,244	\$ 85,220	\$ 7,553	721,930	35.43	\$ 1,031,329	70%
2016	596,243	36,358	22,241	29,738	84,369	7,761	761,189	34.85	1,087,413	70%
2015	605,200	27,590	24,256	27,465	81,779	8,708	757,582	34.90	1,082,260	70%
2014	667,528	32,862	27,489	27,672	76,918	8,459	824,010	31.50	1,177,157	70%
2013 (2)	667,412	34,512	26,913	27,458	75,611	9,715	822,191	30.75	1,174,559	70%
2012	663,396	34,463	27,211	28,992	73,071	9,699	817,434	30.10	1,167,763	70%
2011	652,410	32,862	25,429	27,844	77,090	6,278	809,357	30.10	1,156,224	70%
2010 (3)	651,729	32,862	25,413	27,844	77,077	6,978	807,947	30.10	1,154,210	70%
2009	411,724	26,055	19,361	28,016	75,637	6,657	554,136	41.30	791,623	70%
2008	404,448	26,130	19,296	25,534	70,191	6,553	539,046	40.70	770,066	70%

Note: Assessed values for all real and personal property located within the Town on October 1, are included on the Grand List by the Assessor's office.

A Board of Assessment Appeals determines whether adjustments to the Assessor's list under appeal are warranted. Assessments are computed at 70% of market value. A revaluation of all property within the Town is required to be completed no less than every ten years.

- (1) Equalized Net Grand List is compiled by the State of Connecticut Office of Policy and Management as a factor in figuring aid to education and is produced by comparing sample sales of real estate, or market value, to the assessed value of the property on the Town books. The resulting sales assessment ratio is used to equalize grand lists for each Town/City in Connecticut. These computations usually take one year to compile.
- (2) Real Property revalued as of October 1, 2011
- (3) Real Property revalued as of October 1, 2008

TABLE 6

**TOWN OF PLYMOUTH, CONNECTICUT
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND TEN YEARS AGO**

Taxpayer	October 1, 2015			October 1, 2005		
	Taxable Assessed Value	Rank	Percentage Of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage Of Total Taxable Assessed Value
Connecticut Light & Power	\$ 9,702,700	1	1.3%	\$ 4,544,010	2	0.8%
Connecticut Water Company	4,859,870	2	0.6%	5,393,280	1	1.0%
Yankeegas	3,371,170	3	0.4%	1,261,610	8	0.2%
Roth Collection Inc.	2,867,830	4	0.4%			
City of Bristol Water Company	2,604,210	5	0.3%	2,103,430	5	0.4%
Cook Willow Realty Partnership	2,128,070	6	0.3%	2,148,020	4	0.4%
Senior Housing at Quail Hollow Inc.	2,047,470	7	0.3%	1,611,260	7	0.3%
Inland Intermodal, LLC	1,814,470	8	0.2%			
Dimeo Terryville LLC	1,588,450	9	0.2%			
Brittany Property Management Inc.	1,496,810	10	0.2%			
Total	<u>\$ 32,481,050</u>		<u>4.23%</u>	<u>\$ 17,061,610</u>		<u>3.08%</u>

Source: Town of Plymouth Assessor

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

Fiscal Year Ended June 30,	Tax Rate In Mills	Taxes Levied For The Fiscal year	Collected Within the Fiscal Year of the Levy		Collection In Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2017	36.02	\$ 27,781,374	\$ 27,159,212	97.76	\$	\$ 27,159,212	97.76
2016	35.43	27,003,100	26,429,209	97.87	360,614	26,789,823	99.21
2015	34.85	26,416,625	25,911,185	98.09	381,150	26,292,335	99.53
2014	35.45	26,796,701	26,084,373	97.34	491,786	26,576,159	99.18
2013	34.90	26,362,764	25,390,107	96.31	754,179	26,144,286	99.17
2012	31.50	25,865,788	24,797,984	95.87	805,518	25,603,502	98.99
2011	30.75	25,267,568	24,229,603	95.89	780,792	25,010,395	98.98
2010	30.10	24,420,880	23,684,247	96.98	573,729	24,257,976	99.33
2009	30.10	24,510,715	23,637,046	96.44	707,993	24,345,039	99.32
2008	30.10	24,372,343	23,368,389	95.88	886,592	24,254,981	99.52

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

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

Fiscal Year	Governmental Activities			Total Primary Government	Ratio of Debt to Estimated Taxable Assessed Value	Debt Per Capita
	General Obligation Bonds	Notes Payable	Capital Leases			
2017	\$ 19,743,231	\$ 5,000,000	\$ 227,182	\$ 24,970,413	3.46%	\$ 2,131
2016	21,912,407			21,912,407	2.88%	1,865
2015	23,025,000			23,025,000	3.04%	1,949
2014	25,325,000	1,500,000		26,825,000	3.26%	2,252
2013	24,492,349	1,500,000		25,992,349	3.16%	2,150
2012	15,647,962	5,285,000		20,932,962	2.56%	1,711
2011	17,255,000	5,730,635		22,985,635	2.84%	1,874
2010	18,963,650	6,288,513		25,252,163	3.13%	2,101
2009	17,880,000	10,125,666		28,005,666	5.05%	2,328
2008	19,045,000	4,837,032		23,882,032	4.43%	1,995

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

**TOWN OF PLYMOUTH, CONNECTICUT
SCHEDULE OF DEBT LIMITATION
JUNE 30, 2017**

Total tax collections, including interest and lien fees	\$ 27,106,575
Reimbursement for loss of revenues:	
Tax relief for elderly - freeze	<u> </u>
Base	<u>\$ 27,106,575</u>

	<u>General Purpose</u>	<u>Schools</u>	<u>Sewers</u>	<u>Urban Renewal</u>	<u>Pension Deficit</u>
Debt limitation:					
2-1/4 times base	\$ 60,989,794	\$	\$	\$	\$
4-1/2 times base		121,979,588			
3-3/4 times base			101,649,656		
3-1/4 times base				88,096,369	
3 times base					81,319,725
Total	<u>60,989,794</u>	<u>121,979,588</u>	<u>101,649,656</u>	<u>88,096,369</u>	<u>81,319,725</u>
Indebtedness:					
Bonds and notes payable	8,239,000	10,096,000	1,408,231		
Bond anticipated notes payable	5,000,000				
Bonds authorized-unissued	<u>2,550,000</u>	<u>99,420</u> *	<u>1,015,001</u>		
Total	<u>15,789,000</u>	<u>10,195,420</u>	<u>2,423,232</u>	<u>-</u>	<u>-</u>
Debt Limitation in Excess of Outstanding and Authorized Debt	<u>\$ 45,200,794</u>	<u>\$ 111,784,168</u>	<u>\$ 99,226,424</u>	<u>\$ 88,096,369</u>	<u>\$ 81,319,725</u>

*Bonds authorized and unissued have been reduced by State of Connecticut grant commitments in the amount of \$29,000,000

1. In no event shall total debt exceed seven times annual receipts from taxation. The maximum permitted under this formula would be \$189,746,025
2. There is no overlapping debt for the Town of Plymouth.
3. Per Connecticut General Statutes, the Water loans are not included in the indebtedness amount.

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

	FISCAL YEAR									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Debt limitation	\$ 189,746,025	\$ 189,236,432	\$ 189,563,086	\$ 197,383,618	\$ 186,229,050	\$ 179,771,326	\$ 174,183,331	\$ 172,864,755	\$ 172,224,416	\$ 169,182,041
Total net debt applicable to limit	<u>19,743,231</u>	<u>21,912,407</u>	<u>21,457,000</u>	<u>24,537,000</u>	<u>29,149,420</u>	<u>21,502,409</u>	<u>25,218,479</u>	<u>24,953,791</u>	<u>29,648,595</u>	<u>17,456,930</u>
Legal Debt Margin	<u>\$ 170,002,794</u>	<u>\$ 167,324,025</u>	<u>\$ 168,106,086</u>	<u>\$ 172,846,618</u>	<u>\$ 157,079,630</u>	<u>\$ 158,268,917</u>	<u>\$ 148,964,852</u>	<u>\$ 147,910,964</u>	<u>\$ 142,575,821</u>	<u>\$ 151,725,111</u>
Total net debt applicable to the limit as a percentage of debt limit	<u>10.41%</u>	<u>11.58%</u>	<u>11.32%</u>	<u>12.43%</u>	<u>15.65%</u>	<u>11.96%</u>	<u>14.48%</u>	<u>14.44%</u>	<u>17.22%</u>	<u>10.32%</u>

Source: Annual financial reports - Schedule of Debt Limitation

Note: See Table 9 for calculation of current year debt limitation

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

Calendar Year	Population (1)	Per Capita Income (1)	Median Age (1)	School Enrollment (2)	Unemployment Rate (3)
2017	11,718	\$ 32,522	41.9	1,482	5.6%
2016	11,749	32,522	41.9	1,514	6.5%
2015	11,813	31,511	41.9	1,827	6.7%
2014	11,914	28,564	41.2	1,835	6.7%
2013	12,089	28,564	41.2	1,785	8.7%
2012	12,235	28,564	41.2	1,830	10.5%
2011	12,235	28,564	41.2	1,830	10.5%
2010	12,014	23,244	40.0	1,842	11.5%
2009	12,031	23,244	40.0	1,851	9.9%
2008	11,969	23,244	40.0	1,907	6.7%

(1) Source: U.S. Department of Commerce, Bureau of Census, Census 2016 Quick Facts & City-data.com

(2) Source: Plymouth Board of Education

(3) Source: State Department of Labor - Local Area Unemployment Statistics (LAUS)

**TOWN OF PLYMOUTH, CONNECTICUT
PRINCIPAL EMPLOYERS
CURRENT YEAR**

		2017		
<u>Employer</u>	<u>Nature of Business</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Town Employment</u>
Town of Plymouth	Government	423	1	19.27%
Cook Willow Convalescent Home	Convalescent facility	111	2	5.06%
Richard's Corporation	Construction	70	3	3.19%
Wollenberg's Inc/TLC Limousine	Transportation	50	4	2.28%
Nutmeg Spice Co	Spices-Wholesale	50	5	2.28%
The Learning Center	Daycare Facility	50	6	2.28%
Laurentano, Inc.	Manufacturing	48	7	2.19%
Back to Basics	Feed-dealers (Whls)	44	8	2.00%
Terryville Chevrolet	Car Dealership	40	9	1.82%
Worhunsky/Pete and Steve's Construct.	Transp./Construction	40	10	1.82%
Total		<u>2,195</u>		<u>42.19%</u>

Source: Connecticut Economic Resource Center

Source: Town of Plymouth

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

Function/Program	Full-Time Equivalent Employees as of June 30,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Mayor's Office	2	2	2	2	3	3	3	3	3	3
Public Safety	30	31	32	29	30	30	29	29	29	29
Public Health	1	1	1	1	1	1	1	1	1	6
Planning & Zoning	1	3	3	3	3	3	3	3	3	3
Finance and Accounting	3	3	3	3	3	3	3	3	3	3
Town Clerk	2	2	2	2	2	2	2	2	3	3
Town Assessor	1	1	2	1	1	1	1	1	2	2
Tax Collector	2	2	2	2	2	2	2	2	2	2
Recreation	3	3	3	3	3	3	3	3	3	3
Library	5	5	5	5	5	5	5	5	5	5
Public Works	17	19	17	16	16	18	18	18	17	18
Education	211	209	211	219	248	247	245	250	241	240
Water Pollution Control	6	6	6	6	6	6	6	6	6	6
Total	284	287	289	292	323	324	321	326	318	323

Source: Town of Plymouth Human Resources

TABLE 14

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

Function/Program	FISCAL YEAR									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
General government:										
Building permits issued	313	600	679	578	351	286	254	231	282	478
Birth Certificates Issued	92	115	115	113	135	105	104	96	85	94
Marriage Certificates	68	70	80	82	45	41	50	35	26	21
Police:										
Calls for Service	14,212	15,585	13,953	13,160	22,512	23,512	21,010	19,451	18,741	18,923
Criminal Arrests	276	282	259	259	331	278	240	230	228	210
Accidents	318	299	293	339	145	152	145	125	118	100
Fire:										
Emergency responses	386	350	331	364	401	391	385	336	305	292
Investigations/Inspections	354	328	612	317	185	194	184	165	143	132
Refuse collection:										
Guaranteed Tonnage ¹	3,808	3,890	3,110	5,325	6,005	6,005	6,100	6,950	7,100	7,060
Parks and recreation:										
Number of Programs Offered	103	87	88	29	39	46	48	80	85	85
Library:										
Total Programs	390	422	417	437	341	344	323	375	373	413
Active Cardholders	3,249	3,438	3,552	3,770	4,930	5,098	6,000	5,920	5,830	4,000
Reference Questions	6,549	6,000	5,670	6,105	5,740	6,517	6,100	4,290	4,285	3,000
Volumes in Collection	62,511	62,252	61,149	61,597	63,216	64,000	60,154	59,941	59,512	64,066
Use of Public Computers	8,456	9,129	9,162	10,800	12,010	12,094	11,179	11,250	9,283	8,500
Public Works										
Street Resurfacing (miles)	4.86	16.53	6.70	8.80	4.50	1.20	1.00	0.90	1.50	1.50
Education										
School Enrollment	1,482	1,514	1,827	1,835	1,585	1,648	1,830	1,842	1,851	1,907
Wastewater:										
Average daily sewage treatment (millions of gallons daily)	0.66	0.64	0.77	0.77	0.99	0.99	0.99	0.99	0.99	0.97

Source: Various Town Departments

Note 1 - 2017 and 2016 data is actual tonnage

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

Function/Program	FISCAL YEAR									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Zones	3	3	3	3	3	3	3	3	3	3
Police Cars	15	14	13	13	11	11	11	11	11	11
Fire stations:										
Stations	3	3	3	3	3	3	3	3	3	3
Fire Trucks	11	11	11	11	11	11	11	11	11	11
Public Works:										
Streets (miles)	82.42	82.42	82.42	82.83	82.83	82.83	82.83	82.83	82.83	82.83
State Highways	12.42	12.42	12.42	12.42	12.42	12.42	12.42	12.42	12.42	12.42
Streetlights	1,428	1,428	1,428	1,186	1,186	1,186	1,188	1,186	1,184	1,184
Fire hydrants	308	308	308	241	241	238	236	234	232	232
Parks and recreation:										
Acres of Park Land (including water)	260	260	260	217	25	25	25	25	25	25
Acres of Water	55	55	55							
Basketball Courts	3	3	3	3	3	3	3	3	3	3
Playgrounds	4	4	4	6	6	6	6	6	6	6
Baseball/softball diamonds	2	2	2	5	5	5	5	5	5	5
Tennis Courts	2	2	2	4	4	4	4	4	4	4
Multiple Use Fields	5	5	6	6	6	6	6	6	6	6
Library:										
Public Library Locations	1	1	1	1	1	1	1	1	1	1
Private Library Locations	1	1	1	1	1	1	1	1	1	1
Education:										
Number of High Schools	1	1	1	1	1	1	1	1	1	1
Number of Middle Schools	1	1	1	1	1	1	1	1	1	1
Number of Elementary Schools	2	2	2	2	2	2	2	2	2	2
Water Pollution Control:										
Treatment capacity (millions per day)	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75

Source: Various Town Departments