

TOWN OF FARMINGTON, CONNECTICUT



COMPREHENSIVE
ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2015

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Department of Finance

Joseph Swetcky, Jr.
Director of Finance

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 COMPREHENSIVE ANNUAL FINANCIAL REPORT
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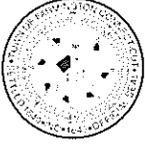
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INTRODUCTORY SECTION



December 22, 2015

To Members of the Town Council and the Citizens of the Town of Farmington:

Connecticut State Statutes require that all municipal entities publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with auditing standards generally accepted in the United States of America by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report for the Town of Farmington, Connecticut, for the fiscal year ended June 30, 2015.

This report consists of management's representations concerning the finances of the Town. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To have a reasonable basis for making these representations, management of the Town has established a comprehensive internal control framework that is designed to both protect the Town's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the Town of Farmington's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Town's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Town of Farmington financial statements have been audited by the firm of Blum, Shapiro & Company, P.C., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Town of Farmington for the fiscal year ended June 30, 2015 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded based on the audit, that there was a reasonable basis for rendering an unqualified opinion that the Town of Farmington's financial statements for the year ended June 30, 2015 are fairly presented in conformance with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The Town is required to undergo annual single audits in conformity with the provisions of Connecticut State Statutes, the Single Audit Act of 1984 and U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-profit Organizations*. Information related to these single audits, such as the schedules of state and federal financial assistance, findings and recommendations, and auditors' reports on the internal control structure and compliance with applicable laws and regulations are included in separately issued single audit reports.

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the report of the independent auditors.



Government Profile

The Town of Farmington was incorporated in 1645 from what was known as Tunxis Plantation, one of the largest single land grants in the Colonies. Known as the "Mother Town," Farmington subsequently was partitioned into the towns of Avon, Bristol, Plainville, New Britain, Berlin, Southington and Burlington. Today Farmington comprises 28.7 square miles along the Farmington River, lying ten miles west of Hartford and equidistant from the cities of Bristol and New Britain. The Town is bordered on the north by Avon, on the east by West Hartford, New Britain and Newington, on the south by Plainville, and on the west by Bristol and Burlington.

Farmington operates under the Council-Manager form of government. The Town Charter, which is the primary organizational document, was first adopted in 1947 and last revised in May of 2003. The seven-member Town Council is elected biennially for a term of two years and serves without compensation. Minority party representation of at least two council members is guaranteed. A Town Manager is appointed by the Council and serves as a full-time chief executive.

The Town provides a full range of services to its residents. These services include police and fire protection; a K-12 public education system; sanitation services; the construction and maintenance of highways, streets, and infrastructure; recreational activities and cultural events. The Farmington Housing Authority, The Farmington Village Green & Library Association and The Farmington Woods Tax District have not met the established criteria for inclusion in the reporting entity and, accordingly, are excluded from this report.

The annual budget is adopted through a town meeting/referendum process. Not later than 45 days before the Annual Town Meeting the Town Manager presents budget estimates to the Town Council. Not later than 14 days before the Annual Town Meeting the Town Council holds a public hearing on its proposed budget and then prepares its recommended budget. The recommended budget is then presented to the Annual Town Meeting. On the tenth day after the Annual Town Meeting, a referendum is held on the recommended budget as amended (if any) at the Annual Town Meeting. The budget becomes effective unless it is rejected by a majority of those voting at the referendum and if at least 15% of the registered voters have participated in the referendum. The annual budget is prepared in the format of fund, function and department. By Town Charter, the Town Manager may make transfers within a department but the Town Council must approve all transfers between departments.

Local Economy

Farmington lies at the hub of major Interstate 84 interchanges, giving it a strong location advantage as a site for businesses in central Connecticut. The Town is the site of numerous financial and insurance institutions as well as a major regional shopping center. In addition to its attractiveness to businesses, the Town is also home to the University of Connecticut Health Center and John Dempsey Hospital.

The Health Center is the Town's largest employer with over 5,000 employees. The Center is composed of the School of Medicine, the School of Dental Medicine, John Dempsey Hospital, the UConn Medical Group, UConn Health Partners and University Dentists. The Health Center offers degree programs in medicine, dental medicine and bio-medical science. It also offers master's degree programs in public health and dental science, postdoctoral fellowships and residency programs.

The unemployment rate for the Town during June 2015 was 3.7%. This was below the 5.4% average for the State of Connecticut and a decrease of 1.2% from a year ago. The unemployment rate is expected to continue to decline both in Farmington and the State of Connecticut, as the state recovers from the last recession. The Town continues to see improvement in its economy as major construction initiatives continue to be initiated throughout town. These projects have resulted in increased building permit revenue and modest growth in the grand list.

Long-Term Financial Planning

The Town has made a commitment to maintain and improve its land, buildings and equipment by adopting a five-year capital improvement plan that uses funding from annual appropriations, grants and debt issuance for road improvements, open space acquisition, fire fighting apparatus replacement and waste water infrastructure improvements. The Plan requires the Town to commit almost 3% of the operating budget to capital projects.

Major Initiatives

The Town undertook several major initiatives during the year. These included:

Adopted a budget totaling \$97.6 million and set a tax rate of 25.1 mills for the Fiscal Year beginning July 1, 2015;

Approved three referendum questions which authorized the issuance of \$59.2 million in borrowing to replace a school heating system, replace two fire engine pumpers and undertake a major upgrade to the wastewater treatment plant;

Issued \$4,075,000 in new general obligation bonds;

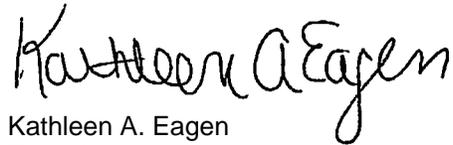
Issued \$7,440,000 in new bonds to refund \$7,705,000 in existing debt;

Entered into an agreement with the State of Connecticut to relocate and replace the sanitary sewer line along CT State Route 4, from Garden Street to Mountain Spring Road;

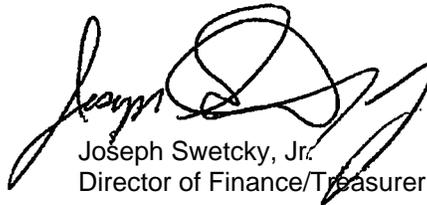
Installed a new artificial turf field at the high school football field at a cost of \$1.1 million;

Acknowledgments: While the Director of Finance and the accounting division of the finance department are responsible for the preparation of the comprehensive annual financial report, staff from all divisions in some way have contributed to the financial success of the Town and to the publication of this report. Their cooperation and efforts are appreciated.

Respectfully submitted,

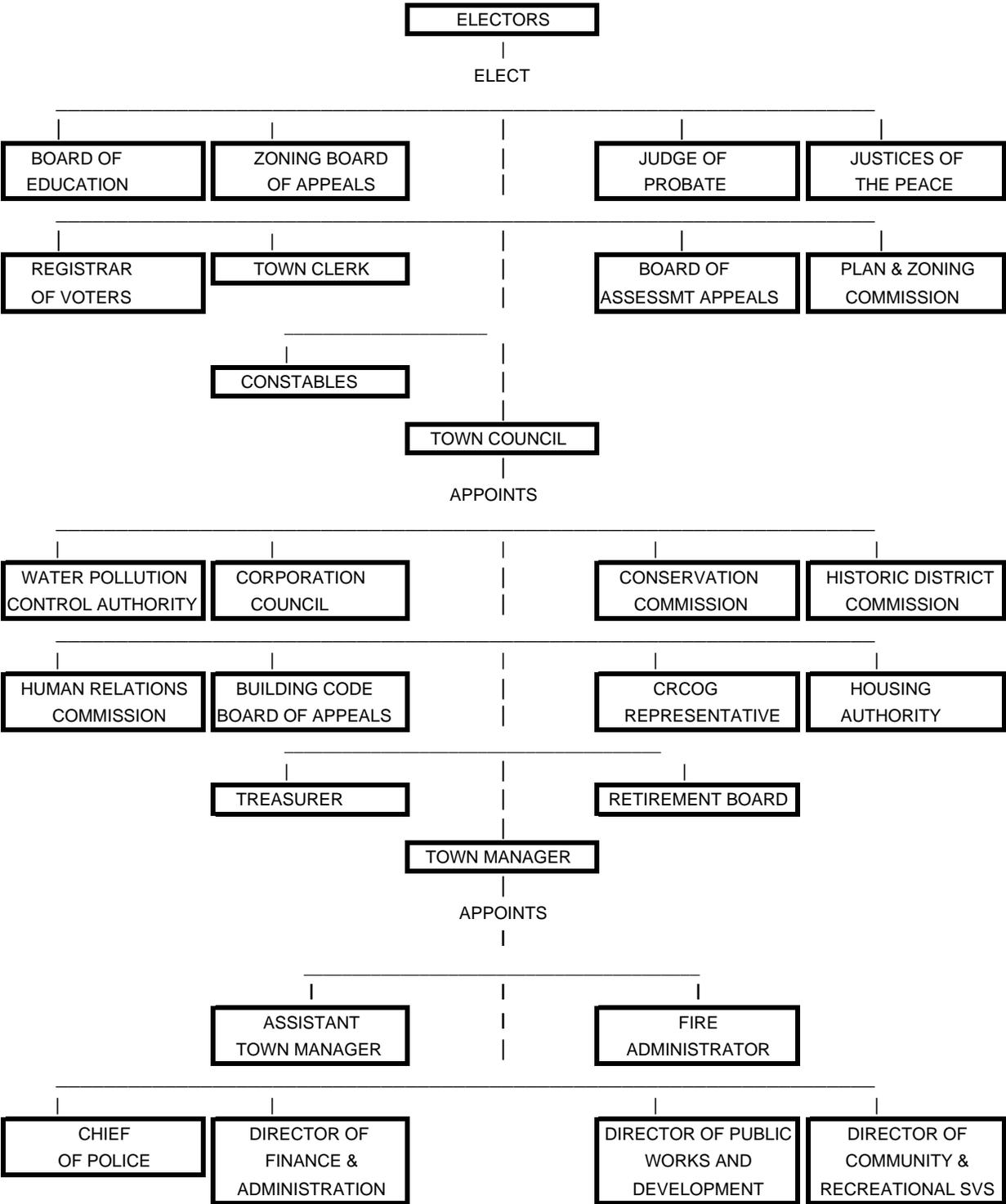


Kathleen A. Eagen
Town Manager



Joseph Swetcky, Jr.
Director of Finance/Treasurer

TOWN OF FARMINGTON ORGANIZATION CHART



TOWN OF FARMINGTON, CONNECTICUT

PRINCIPAL OFFICIALS

TOWN COUNCIL

Nancy W. Nickerson, Chairperson
Jeffry Apuzzo
John Landry
Peter Mastrobattista
Amy Suffredini
Meredith Trimble
John W. Vibert

BOARD OF EDUCATION

Mary Grace Reed, Chairperson
Paula O'Brien, Vice Chair/Secretary
William Baker
Jean Baron
William Beckert
Mark Blore
Bernard B. Erickson
Christopher Fagan
Ellen Siuta

APPOINTED OFFICIALS

Kathleen A. Eagen, Town Manager
Kathleen C. Greider, Superintendent of Schools
Halloran & Sage, LLP, Town Attorney
Joseph Swetcky, Jr., Director of Finance/Treasurer
Michael Ryan, School Business Administrator

FINANCIAL SECTION

BlumShapiro

Accounting | Tax | Business Consulting

Independent Auditors' Report

To the Members of the Town Council
Town of Farmington, Connecticut

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Town of Farmington, Connecticut, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Town of Farmington, Connecticut's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Town of Farmington, Connecticut, as of June 30, 2015 and the respective changes in financial position and, where applicable, cash flows thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As discussed in Note 7 to the financial statements, during the fiscal year ended June 30, 2015, the Town adopted new accounting guidance, GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. The net position of the Town has been restated to recognize the net pension liability required in implementing GASB No. 68. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 12, the budgetary comparison information on pages 55 through 58 and the pension schedules on pages 59 through 62 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 Farmington, 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 22, 2015 on our consideration of the Town of Farmington, Connecticut's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Farmington, Connecticut's internal control over financial reporting and compliance.

Blum, Shapiro & Company, P.C.

West Hartford, Connecticut
December 22, 2015

Town of Farmington, Connecticut
Management's Discussion and Analysis
June 30, 2015

As management of the Town of Farmington, Connecticut, we offer readers of these financial statements this narrative overview and analysis of the financial activities of the Town of Farmington for the fiscal year ended June 30, 2015. We encourage readers to consider the information presented here along with additional information we have furnished in our letter of transmittal.

Financial Highlights

The assets of the Town of Farmington exceeded its liabilities at the close of the most recent fiscal year by \$84,771,293. Of this amount, \$93,601,635 represented net investment in capital assets.

The Town's total net position increased by \$3,121,140. Net position for the governmental activities increased \$3,090,919, while net position for business-type activities increased by \$30,221.

At the close of the current fiscal year, the Town of Farmington's governmental funds reported combined ending fund balances of \$18,600,338, an increase of \$4,976,745 in comparison with the prior year. At the end of the current fiscal year, unassigned fund balance for the General Fund was \$10,343,295, or 10.79% of total General Fund expenditures.

Overview of the Financial Statements

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

Government-Wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the Town of Farmington'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 and decreases in net position could 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).

Both of the government-wide financial statements distinguish functions of the Town of Farmington that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Town include general government, education, public safety, public works and recreation. The business-type activities of the Town of Farmington include the Westwoods Golf Course and waste collection and disposal.

The government-wide financial statements can be found on Exhibits I and II of this report.

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 of Farmington, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the funds of the Town can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

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 year. Such information may be useful in evaluating a government's near-term financing requirements.

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

The Town of Farmington maintains 20 individual government 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, and the Capital Projects Fund, because they are considered to be major funds. Data from the other 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 basic governmental fund financial statements can be found in Exhibits III and IV of this report.

Proprietary Funds. The Town of Farmington maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Town of Farmington uses enterprise funds to account for the Westwoods Golf Course and for waste collection and disposal. 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 employee health insurance. Because this service predominately benefits governmental rather than business-type functions, it has been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The Westwoods Golf Course, Waste Collection Fund and employee health insurance are the only activities in the proprietary fund financial statements; therefore, they are considered major funds and information for them is shown separately.

The basic proprietary fund statements can be found in Exhibits V through 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 statement because the resources of those funds are not available to support the Town's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on Exhibits VIII and IX of this report.

Notes to the Financial Statements. The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 24-54 of this report.

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.

The Town of Farmington adopts an annual budget for its General Fund and Water Pollution Control Authority Fund. A budgetary comparison statement has been provided for these funds to demonstrate compliance with the budget.

Required supplementary information can be found on pages 55-62 of this report.

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the information on Major Governmental Funds. Combining fund statements and schedules can be found on pages 73-78.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position and an important determinant of its ability to finance services in the future. In the case of the Town, assets exceeded liabilities by \$84,771,293 at the close of the most recent fiscal year.

By far, the largest portion of the Town of Farmington's net position is its investment in capital assets (e.g., land, buildings, machinery and equipment) 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, net of accumulated depreciation, 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.

NET POSITION

June 30, 2015 and 2014

	Governmental Activities		Business-Type Activities		Total	
	2015	2014 (Restated)	2015	2014	2015	2014 (Restated)
Current assets	\$ 28,434,132	\$ 24,465,581	\$ 685,985	\$ 503,811	\$ 29,120,117	\$ 24,969,392
Capital assets	136,377,551	134,539,665	1,520,054	1,582,819	137,897,605	136,122,484
Total assets	<u>164,811,683</u>	<u>159,005,246</u>	<u>2,206,039</u>	<u>2,086,630</u>	<u>167,017,722</u>	<u>161,091,876</u>
Deferred outflows of resources	<u>7,378,976</u>	<u>2,082,289</u>			<u>7,378,976</u>	<u>2,082,289</u>
Current liabilities	5,565,202	5,049,048	971,566	791,044	6,536,768	5,840,092
Noncurrent liabilities	81,859,322	75,123,354	122,577	210,711	81,981,899	75,334,065
Total liabilities	<u>87,424,524</u>	<u>80,172,402</u>	<u>1,094,143</u>	<u>1,001,755</u>	<u>88,518,667</u>	<u>81,174,157</u>
Deferred inflows of resources	<u>1,033,241</u>	<u>273,158</u>	<u>73,497</u>	<u>76,697</u>	<u>1,106,738</u>	<u>349,855</u>
Net investment in capital assets	92,204,158	87,902,192	1,397,477	1,372,108	93,601,635	89,274,300
Unrestricted	<u>(8,471,264)</u>	<u>(7,260,217)</u>	<u>(359,078)</u>	<u>(363,930)</u>	<u>(8,830,342)</u>	<u>(7,624,147)</u>
Total Net Position	<u>\$ 83,732,894</u>	<u>\$ 80,641,975</u>	<u>\$ 1,038,399</u>	<u>\$ 1,008,178</u>	<u>\$ 84,771,293</u>	<u>\$ 81,650,153</u>

Unrestricted net position may be used to meet the government's ongoing obligations to citizens and creditors.

During the fiscal year, the government's total net position increased by \$3,121,140. The increase is primarily attributable to an increase in Noncurrent Liabilities. The increase in Noncurrent Liabilities resulted from implementation of GASB Statement No. 68, Accounting and Financial Reporting for Pensions. GASB 68 requires the recording of net pension liability in the Government Wide Financial Statements. As a result of this new reporting requirement the Government Wide Financial Statements for 2014 were restated by adding \$19,959,914 to Noncurrent Liabilities. An increase in net pension liability of \$5,783,982 was added to Noncurrent Liabilities for 2015.

CHANGES IN NET POSITION
For the Years Ended June 30, 2015 and 2014

	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
Revenues:						
Program revenues:						
Charges for services	\$ 11,834,091	\$ 11,688,951	\$ 2,239,838	\$ 2,261,629	\$ 14,073,929	\$ 13,950,580
Operating grants and contributions	13,139,053	13,887,649			13,139,053	13,887,649
Capital grants and contributions	2,273,299	1,635,327			2,273,299	1,635,327
General revenues:						
Property taxes	85,676,586	83,659,303			85,676,586	83,659,303
Grants and contributions not restricted to specific programs	4,359,360	3,722,109			4,359,360	3,722,109
Investment income	111,892	272,091	1,065	946	112,957	273,037
Capital contributions			23,619	45,445	23,619	45,445
Miscellaneous	270,242	103,712	31,026	40,360	301,268	144,072
Total revenues	<u>117,664,523</u>	<u>114,969,142</u>	<u>2,295,548</u>	<u>2,348,380</u>	<u>119,960,071</u>	<u>117,317,522</u>
Expenses:						
Education	73,623,378	73,274,762			73,623,378	73,274,762
Public safety	14,877,800	13,319,434			14,877,800	13,319,434
Public works	8,476,511	8,044,343			8,476,511	8,044,343
Culture and recreation	2,163,703	2,018,087			2,163,703	2,018,087
General administration	9,778,229	9,415,184			9,778,229	9,415,184
Plant operations	4,810,134	3,835,971			4,810,134	3,835,971
Debt service	843,849	1,906,930			843,849	1,906,930
Waste Collection			1,577,806	1,512,107	1,577,806	1,512,107
Golf Course			687,521	644,009	687,521	644,009
Total expenses	<u>114,573,604</u>	<u>111,814,711</u>	<u>2,265,327</u>	<u>2,156,116</u>	<u>116,838,931</u>	<u>113,970,827</u>
Change in net position	3,090,919	3,154,431	30,221	192,264	3,121,140	3,346,695
Net Position - July 1	<u>80,641,975</u>	<u>97,447,458</u>	<u>1,008,178</u>	<u>815,914</u>	<u>81,650,153</u>	<u>98,263,372</u>
Restatement		(19,959,914)				(19,959,914)
Net Position - June 30	<u>\$ 83,732,894</u>	<u>\$ 80,641,975</u>	<u>\$ 1,038,399</u>	<u>\$ 1,008,178</u>	<u>\$ 84,771,293</u>	<u>\$ 81,650,153</u>

Governmental Activities

Governmental activities increased the Town of Farmington's net position by \$3,090,919 thereby accounting for the majority of the increase in the net position of the Town. Key elements of the change in net position are:

72.5% of all revenues were derived from property taxes, followed by 11.1% from operating grants and contributions.

Charges for Services revenue increased by 1.2% due to sewer use charge increases.

Grants from all sources and for all purposes made up 17.2% of all revenue. This was an increase of .5% from the previous year.

Investment income increased by 160.6% due to favorable equity investment performance in certain special revenue funds.

In total, expenses increased 10.6% over the prior year. All expense categories except for Debt Service (-55.7%) experienced spending increases. Expense categories experiencing the largest increases were: Public Safety (+46.7%); Culture and recreation (+35.7%); Public Works (+34.0%).

Financial Analysis of the Fund Financial Statements

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 government's net resources available for spending at the end of the fiscal year.

The General Fund is the chief operating fund of the Town. At the end of the current fiscal year, the General Fund's total fund balance was \$10,861,650. Of this amount, \$518,355 is assigned for encumbrances, and the remaining balance of \$10,343,295 is unassigned.

The Town's General Fund fund balance increased by \$1,187,460 by the end of the fiscal year. The assigned fund balance increased by \$396,058, and the unassigned fund balance increased by \$791,402.

The Capital Projects Fund had a fund balance of \$3,769,952 at the end of the fiscal year, an increase of \$2,781,592. The increase was the result of the receipt of grant funds (\$2,205,093); the issuance of general obligation bonds (\$4,075,000); and, transfers in from other funds (\$4,853,273).

Proprietary Funds

The Town's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The Town has three proprietary funds, the Westwoods Golf Course, the Waste Collection Fund and an internal service fund used for employee health insurance.

Total Net Position of the Westwoods Golf Course at June 30, 2015 was \$400,263, a decrease of \$91,598. Total Net Position was helped by a capital contribution of \$23,619 from the General Fund. The Unrestricted net position of the Westwoods Golf Course Fund at the end of the year amounted to (\$871,679), a decrease of \$95,595. This is the tenth year out of the last eleven that the operations at the golf course resulted in a decrease in Unrestricted net position.

The Waste Collection Fund was established in order to separately account for the costs of collecting and disposing of solid and bulky waste and recyclables and for the operation of the town landfill. At fiscal year end Unrestricted Net position equaled \$512,601, an increase of \$100,447. This was primarily a result of charges for services and other revenue exceeding operating expenses.

General Fund Budgetary Highlights

For the fiscal year ended June 30, 2015, actual revenues and operating transfers in totaled \$100,764,679 while actual expenditures and operating transfers out totaled \$99,577,219. The excess of revenues and operating transfers in over expenditures and operating transfers out resulted in an increase of \$1,187,460 to budgetary fund equity. A detailed schedule of revenues and expenditures, budget and actual, can be found on pages 55-58 of this report.

Capital Asset and Debt Administration

Capital Assets

The Town's investment in capital assets (net of accumulated depreciation) for its governmental and business-type activities as of June 30, 2015 amounted to \$136,377,551 and \$1,520,054 respectively. This investment in capital assets included land, buildings and system improvements, machinery and equipment, park facilities, roads, highways and bridges.

**CAPITAL ASSETS (Net of Depreciation)
June 30, 2015 and 2014**

	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
Land	\$ 33,120,557	\$ 32,663,447	\$ 1,185,750	\$ 1,185,750	\$ 34,306,307	\$ 33,849,197
Improvements	5,815,265	5,225,517			5,815,265	5,225,517
Buildings	56,824,619	54,292,494			56,824,619	54,292,494
Machinery and equipment	4,296,787	3,884,160	334,304	397,069	4,631,091	4,281,229
Infrastructure	33,899,661	34,479,946			33,899,661	34,479,946
Construction in progress	2,420,662	3,994,101			2,420,662	3,994,101
Total	<u>\$ 136,377,551</u>	<u>\$ 134,539,665</u>	<u>\$ 1,520,054</u>	<u>\$ 1,582,819</u>	<u>\$ 137,897,605</u>	<u>\$ 136,122,484</u>

Additional information on the Town's capital asset activity can be found in Note 3C.

Long-Term Debt

At the end of the current fiscal year, the Town had total bonded debt outstanding of \$39,180,000. All of the debt is backed by the full faith and credit of the Town.

**OUTSTANDING DEBT
June 30, 2015 and 2014**

	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
General Obligation Bonds	<u>\$ 39,180,000</u>	<u>\$ 40,565,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 39,180,000</u>	<u>\$ 40,565,000</u>

The Town's total debt had a net decrease of \$1,385,000 during the fiscal year. The decrease was a result of the Town paying its scheduled debt service. The Town undertook two debt issuances during the year. In April 2015 the Town issued \$4,075,000 of 15 year general obligation bonds with a true interest cost of 2.255%.

In June 2015 the Town issued \$7,440,000 of general obligation refunding bonds. The bonds were used to refund \$7,705,000 of general obligation bonds issued in 2009.

The Town's credit rating for all of its general obligation debt is AAA by Moody's Investor Services. This rating was reaffirmed by Moody's Investor Services in June 2015.

Also in June the Town issued \$725,000 in bond anticipation notes. The notes which mature in November 2015 had a true interest cost of .85%.

State statutes limit the amount of general obligation debt a governmental entity may issue to 7.0 times its total prior year tax collections. The current statutory debt limitation for the Town is \$600,516,609 which is significantly more than the Town's outstanding general obligation debt.

Additional information on the Town's long-term debt can be found in Note 3E.

Economic Factors and Next Year's Budgets and Rates

The Town's unemployment rate was 3.7% as of June 2015, a significant decrease of 1.2% from June 2014. The June 2015 rate remains significantly lower than the Hartford Labor Market Area and the State of Connecticut rates of 5.4%.

As of June 30, 2015, the unassigned fund balance in the General Fund was \$10,343,295 which was 10.79%% of General Fund expenditures. The Town did not appropriate any of the fund balance for the fiscal year 2015-2016 budget.

The Town Council adopted a budget for FY2015/2016 that was 3.4% higher than the previous year's budget. This budget required a tax rate of 25.1 mills, which is .66 mills more than the prior year. The budget was approved by the voters at referendum on the first attempt.

Requests for Information

This financial report is designed to provide a general overview for all those with an interest in the Town's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Finance Director, Town of Farmington, One Monteith Drive, Farmington, CT 06032.

**BASIC
FINANCIAL
STATEMENTS**

TOWN OF FARMINGTON, CONNECTICUT
STATEMENT OF NET POSITION
JUNE 30, 2015

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Assets:			
Cash and cash equivalents	\$ 22,651,909	\$ 670,551	\$ 23,322,460
Investments	1,112,274		1,112,274
Receivables, net of allowance:			
Property taxes	462,126		462,126
Other	1,272,572	15,434	1,288,006
Assessments	150,576		150,576
Due from other governments	1,706,187		1,706,187
Inventory	16,820		16,820
Prepays	12,070		12,070
Due from fiduciary fund	267,424		267,424
Internal balances	782,174	(782,174)	-
Noncurrent assets:			
Capital assets, nondepreciable	35,541,219	1,185,750	36,726,969
Capital assets, net of accumulated depreciation	<u>100,836,332</u>	<u>334,304</u>	<u>101,170,636</u>
Total assets	<u>164,811,683</u>	<u>1,423,865</u>	<u>166,235,548</u>
Deferred Outflows of Resources:			
Deferred charge on refunding	1,996,037		1,996,037
Changes related to projected pension investment returns	3,127,795		3,127,795
Changes related to pension actuarial assumptions	<u>2,255,144</u>		<u>2,255,144</u>
Total deferred outflows of resources	<u>7,378,976</u>		<u>7,378,976</u>
Liabilities:			
Accounts payable and accrued liabilities	2,847,634	189,392	3,037,026
Bond anticipation note payable	725,000		725,000
Accrued interest	349,787		349,787
Unearned revenue	1,642,781		1,642,781
Noncurrent liabilities:			
Due within one year	6,116,306	113,007	6,229,313
Due in more than one year	<u>75,743,016</u>	<u>9,570</u>	<u>75,752,586</u>
Total liabilities	<u>87,424,524</u>	<u>311,969</u>	<u>87,736,493</u>
Deferred Inflows of Resources:			
Advance tax collections	218,107		218,107
Advance fee collections		73,497	73,497
Changes related to pension actuarial experience	<u>815,134</u>		<u>815,134</u>
Total deferred inflows of resources	<u>1,033,241</u>	<u>73,497</u>	<u>1,106,738</u>
Net Position:			
Net investment in capital assets	92,204,158	1,397,477	93,601,635
Unrestricted	<u>(8,471,264)</u>	<u>(359,078)</u>	<u>(8,830,342)</u>
Total Net Position	\$ <u>83,732,894</u>	\$ <u>1,038,399</u>	\$ <u>84,771,293</u>

The accompanying notes are an integral part of the financial statements

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

Function/Program Activities	Expenses	Program Revenues			Net Revenue (Expense) and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities:							
Education	\$ 73,623,378	\$ 3,508,176	\$ 12,227,375	\$ 893,280	\$ (56,994,547)	\$	\$ (56,994,547)
Public safety	14,877,800	1,705,228	137,520		(13,035,052)		(13,035,052)
Public works	8,476,511	4,607,389	374,238	1,380,019	(2,114,865)		(2,114,865)
Culture and recreation	2,163,703	626,807	7,776		(1,529,120)		(1,529,120)
General administration	9,778,229	1,386,491	221,019		(8,170,719)		(8,170,719)
Plant operations	4,810,134				(4,810,134)		(4,810,134)
Interest expense	843,849		171,125		(672,724)		(672,724)
Total governmental activities	<u>114,573,604</u>	<u>11,834,091</u>	<u>13,139,053</u>	<u>2,273,299</u>	<u>(87,327,161)</u>	<u>-</u>	<u>(87,327,161)</u>
Business-type activities:							
Westwoods Fund	687,521	567,770				(119,751)	(119,751)
Waste Collection Fund	1,577,806	1,672,068				94,262	94,262
Total business type activities	<u>2,265,327</u>	<u>2,239,838</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(25,489)</u>	<u>(25,489)</u>
Total	<u>\$ 116,838,931</u>	<u>\$ 14,073,929</u>	<u>\$ 13,139,053</u>	<u>\$ 2,273,299</u>	<u>(87,327,161)</u>	<u>(25,489)</u>	<u>(87,352,650)</u>
General revenues:							
Property taxes					85,676,586		85,676,586
Grants and contributions not restricted to specific programs					4,359,360		4,359,360
Unrestricted investment earnings					111,892	1,065	112,957
Capital contribution						23,619	23,619
Miscellaneous					270,242	31,026	301,268
Total general revenues					<u>90,418,080</u>	<u>55,710</u>	<u>90,473,790</u>
Change in net position					3,090,919	30,221	3,121,140
Net Position at Beginning of Year, as Restated					80,641,975	1,008,178	81,650,153
Net Position at End of Year					<u>\$ 83,732,894</u>	<u>\$ 1,038,399</u>	<u>\$ 84,771,293</u>

The accompanying notes are an integral part of the financial statements

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

	<u>General</u>	<u>Capital Projects Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash and cash equivalents	\$ 15,892,471	\$ 455,671	\$ 1,995,348	\$ 18,343,490
Investments			1,112,274	1,112,274
Receivables:				
Property taxes receivable, net	462,126			462,126
Due from other governments	11,908	1,467,949	226,330	1,706,187
Sewer assessments	141,635		8,941	150,576
Other receivables	508,045		559,956	1,068,001
Due from other funds	1,562,560	3,997,240	1,590,050	7,149,850
Inventories			16,820	16,820
Prepaid items			12,070	12,070
Total Assets	<u>\$ 18,578,745</u>	<u>\$ 5,920,860</u>	<u>\$ 5,521,789</u>	<u>\$ 30,021,394</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 1,044,545	\$ 552,615	\$ 252,473	\$ 1,849,633
Bond anticipation note payable		725,000		725,000
Due to other funds	5,677,909		446,421	6,124,330
Unearned revenue	225,684	873,293	543,804	1,642,781
Total liabilities	<u>6,948,138</u>	<u>2,150,908</u>	<u>1,242,698</u>	<u>10,341,744</u>
Deferred Inflows of Resources:				
Unavailable revenue - property taxes	409,215			409,215
Unavailable revenue - sewer use			27,816	27,816
Unavailable revenue - sewer assessment	141,635		8,941	150,576
Unavailable revenue - loans receivable			273,598	273,598
Advance property tax collections	218,107			218,107
Total deferred inflows of resources	<u>768,957</u>	<u>-</u>	<u>310,355</u>	<u>1,079,312</u>
Fund balances:				
Nonspendable			28,890	28,890
Restricted		3,769,952	1,382,511	5,152,463
Committed			2,602,308	2,602,308
Assigned	518,355			518,355
Unassigned	10,343,295		(44,973)	10,298,322
Total fund balances	<u>10,861,650</u>	<u>3,769,952</u>	<u>3,968,736</u>	<u>18,600,338</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 18,578,745</u>	<u>\$ 5,920,860</u>	<u>\$ 5,521,789</u>	<u>\$ 30,021,394</u>

(Continued on next page)

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

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

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

Fund balances - total governmental funds (Exhibit III)	\$ 18,600,338
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Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:

Governmental capital assets	\$ 263,969,372	
Less accumulated depreciation	<u>(127,591,821)</u>	
Net capital assets		136,377,551

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

Property taxes receivable greater than 60 days	409,215
Sewer usage fees	27,816
Loans receivable	273,598
Interest receivable on property taxes	27,968
Assessments receivable	150,576
Receivable from the State for school construction projects	159,801
Deferred outflows related to expected and actuarial experience	2,255,144
Deferred outflows related to projected pension investment earnings	3,127,795

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

3,351,298

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

Bonds payable	(39,180,000)
Deferred charges on refunding	1,996,037
Premium on bond refunding	(2,458,528)
Interest payable on bonds	(349,787)
Other postemployment benefit obligation	(8,139,556)
Capital lease payable	(3,805,902)
Net pension liability	(26,068,727)
Compensated absences	(2,206,609)
Deferred intflows related to changes in pension actuarial experience	<u>(815,134)</u>

Net Position of Governmental Activities (Exhibit I)	<u>\$ 83,732,894</u>
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The accompanying notes are an integral part of the financial statements

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

	<u>General</u>	<u>Capital Projects Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:				
Property taxes, interest and lien fees	\$ 85,678,697	\$	\$	\$ 85,678,697
Intergovernmental revenues	12,526,132	2,205,993	3,572,451	18,304,576
Charges for current services	1,378,991		8,604,557	9,983,548
Sewer assessments			94,021	94,021
Licenses and permits	855,416		20,530	875,946
Fines and penalties	39,952			39,952
Net investment income	65,555		40,276	105,831
Other local revenues	219,936	258,556	2,500,487	2,978,979
Total revenues	<u>100,764,679</u>	<u>2,464,549</u>	<u>14,832,322</u>	<u>118,061,550</u>
Expenditures:				
Current:				
Education	63,453,677		8,307,129	71,760,806
Public safety	9,477,482			9,477,482
Public works	4,126,010			4,126,010
Culture and recreation	829,870		628,413	1,458,283
Plant operations			2,744,068	2,744,068
General government	5,542,498			5,542,498
Pension and other employee benefits	5,976,301			5,976,301
Other			915,574	915,574
Debt service	6,469,644		396,623	6,866,267
Capital outlay		8,930,601	28,995	8,959,596
Total expenditures	<u>95,875,482</u>	<u>8,930,601</u>	<u>13,020,802</u>	<u>117,826,885</u>
Excess (Deficiency) of Revenues over Expenditures	<u>4,889,197</u>	<u>(6,466,052)</u>	<u>1,811,520</u>	<u>234,665</u>
Other Financing Sources (Uses):				
Issuance of general obligation bonds		4,075,000		4,075,000
Premium on general obligation bonds			221,823	221,823
Issuance of refunding bonds			7,440,000	7,440,000
Premium on refunding bonds			543,736	543,736
Payment to refunded bond escrow agent			(7,857,850)	(7,857,850)
Capital Lease		319,371		319,371
Transfers in from other funds		4,853,273		4,853,273
Transfers out to other funds	(3,701,737)		(1,151,536)	(4,853,273)
Total other financing sources (uses)	<u>(3,701,737)</u>	<u>9,247,644</u>	<u>(803,827)</u>	<u>4,742,080</u>
Net Change in Fund Balances	1,187,460	2,781,592	1,007,693	4,976,745
Fund Balances at Beginning of Year	<u>9,674,190</u>	<u>988,360</u>	<u>2,961,043</u>	<u>13,623,593</u>
Fund Balances at End of Year	<u>\$ 10,861,650</u>	<u>\$ 3,769,952</u>	<u>\$ 3,968,736</u>	<u>\$ 18,600,338</u>

(Continued on next page)

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

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

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

Net change in fund balances - total governmental funds (Exhibit IV)	\$ 4,976,745
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Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay	7,371,215
Depreciation expense	(6,265,641)

Donations of capital assets increase net assets in the statement of activities, but do not appear in the governmental funds because they are not financial resources.	732,312
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Property taxes collected after 60 days	(825)
Sewer usage revenue	10,277
Accrued interest on property taxes	(1,286)
Assessment revenue	(168,239)
Intergovernmental revenue on school bonds	(161,774)
Change in deferred inflows related to actuarial experience	(815,134)

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

General obligation bonds issued	(4,075,000)
Refunding bonds issued	(7,440,000)
Premium and amortization, and other net	694,058
Deferred charges on refunding	(239,102)
Capital lease proceeds	(319,371)
Premium on bonds refunded	(765,559)
Bonds refunded	(7,705,000)
Accrued interest	92,306
Payment to escrow agent	7,857,850
Principal payments on bonds, notes and leases	13,098,915

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

Change in long-term compensated absences	36,502
Change in net pension liability	(5,783,982)
Change in net other post employment benefit obligation	(2,181,531)
Changes in deferred outflows related to pension actuarial assumptions	2,255,144
Changes in deferred outflows related to projected pension investment earnings	3,127,795

The net income of the internal service funds is reported with governmental activities.	<u>(1,239,756)</u>
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Change in Net Position of Governmental Activities (Exhibit II)	<u>\$ 3,090,919</u>
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The accompanying notes are an integral part of the financial statements

TOWN OF FARMINGTON, CONNECTICUT
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
JUNE 30, 2015

	Business-Type Activities			Governmental
	Enterprise Funds		Total	Activities
	Westwoods Fund	Waste Collection Fund	Business-Type Activities	Internal Service Fund
Assets:				
Current assets:				
Cash and cash equivalents	\$ 110,999	\$ 559,552	\$ 670,551	\$ 4,308,419
Accounts receivable	554	14,880	15,434	16,793
Due from other funds		66,541	66,541	24,078
Total current assets	111,553	640,973	752,526	4,349,290
Noncurrent assets:				
Capital assets, nondepreciable	1,185,750		1,185,750	
Capital assets, net of accumulated depreciation	134,304	200,000	334,304	
Total assets	1,431,607	840,973	2,272,580	4,349,290
Liabilities:				
Current liabilities:				
Accounts payable	66,304	123,088	189,392	31,468
Claims payable				966,524
Capital lease	38,542	74,465	113,007	
Due to other funds	848,715		848,715	
Total current liabilities	953,561	197,553	1,151,114	997,992
Noncurrent liabilities:				
Capital lease, net of current portion	9,570		9,570	
Total liabilities	963,131	197,553	1,160,684	997,992
Deferred Inflows of Resources:				
Advance fee collections	68,213	5,284	73,497	
Net Position:				
Net investment in capital assets	1,271,942	125,535	1,397,477	
Unrestricted	(871,679)	512,601	(359,078)	3,351,298
Total Net Position	\$ 400,263	\$ 638,136	\$ 1,038,399	\$ 3,351,298

The accompanying notes are an integral part of the financial statements

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

	Business-Type Activities			Governmental
	Enterprise Funds		Total	Activities
	Westwoods Fund	Waste Collection Fund	Business-Type Activities	Internal Service Fund
Operating Revenues:				
Charges for services	\$ 567,770	\$ 1,672,068	\$ 2,239,838	\$
Other	4,388	26,638	31,026	1,017
Contributions			-	9,737,828
Total operating revenues	<u>572,158</u>	<u>1,698,706</u>	<u>2,270,864</u>	<u>9,738,845</u>
Operating Expenses:				
Claims				10,984,662
Operations	651,134	1,527,806	2,178,940	
Depreciation expense	36,387	50,000	86,387	
Total operating expenses	<u>687,521</u>	<u>1,577,806</u>	<u>2,265,327</u>	<u>10,984,662</u>
Operating Income (Loss)	(115,363)	120,900	5,537	(1,245,817)
Nonoperating Revenues:				
Interest	<u>146</u>	<u>919</u>	<u>1,065</u>	<u>6,061</u>
Income (Loss) Before Capital Contributions	(115,217)	121,819	6,602	(1,239,756)
Capital Contributions	<u>23,619</u>		<u>23,619</u>	
Change in Net Position	(91,598)	121,819	30,221	(1,239,756)
Net Position at Beginning of Year	<u>491,861</u>	<u>516,317</u>	<u>1,008,178</u>	<u>4,591,054</u>
Net Position at End of Year	<u>\$ 400,263</u>	<u>\$ 638,136</u>	<u>\$ 1,038,399</u>	<u>\$ 3,351,298</u>

The accompanying notes are an integral part of the financial statements

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

	Business-Type Activities			Governmental
	Enterprise Funds		Total	Activities
	Westwoods Fund	Waste Collection Fund	Business-Type Activities	Internal Service Fund
Cash Flows from Operating Activities:				
Receipts from customers and users	\$ 578,458	\$ 1,670,318	\$ 2,248,776	\$ 9,722,052
Payments to suppliers	(610,513)	(1,498,946)	(2,109,459)	(10,992,357)
Payments for interfund services	127,793		127,793	(61,060)
Net cash provided by (used in) operating activities	<u>95,738</u>	<u>171,372</u>	<u>267,110</u>	<u>(1,331,365)</u>
Cash Flows from Capital and Related Financing Activities:				
Payment on capital lease	<u>(16,762)</u>	<u>(71,372)</u>	<u>(88,134)</u>	
Net cash used in capital and related financing activities	<u>(16,762)</u>	<u>(71,372)</u>	<u>(88,134)</u>	<u>-</u>
Cash Flows from Investing Activities:				
Interest on investments	<u>146</u>	<u>919</u>	<u>1,065</u>	<u>6,061</u>
Net Increase (Decrease) in Cash and Cash Equivalents	79,122	100,919	180,041	(1,325,304)
Cash and Cash Equivalents at Beginning of Year	<u>31,877</u>	<u>458,633</u>	<u>490,510</u>	<u>5,633,723</u>
Cash and Cash Equivalents at End of Year	<u>\$ 110,999</u>	<u>\$ 559,552</u>	<u>\$ 670,551</u>	<u>\$ 4,308,419</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used In) Operating Activities:				
Operating income (loss)	\$ (115,363)	\$ 120,900	\$ 5,537	\$ (1,245,817)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	36,387	50,000	86,387	
Change in assets and liabilities:				
(Increase) decrease in accounts receivable	3,347	(5,483)	(2,136)	(16,793)
(Increase) decrease in loans from other funds	(76)		(76)	(61,060)
Increase (decrease) in loans to other funds	127,869	(16,752)	111,117	
Increase (decrease) in deferred inflows	2,953	(6,153)	(3,200)	
Increase (decrease) in accounts payable	40,621	28,860	69,481	(32,895)
Increase (decrease) in claims payable				25,200
Total adjustments	<u>211,101</u>	<u>50,472</u>	<u>261,573</u>	<u>(85,548)</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ 95,738</u>	<u>\$ 171,372</u>	<u>\$ 267,110</u>	<u>\$ (1,331,365)</u>

The accompanying notes are an integral part of the financial statements

TOWN OF FARMINGTON, CONNECTICUT
STATEMENT OF NET POSITION - FIDUCIARY FUNDS
JUNE 30, 2015

	<u>Pension Trust Fund</u>	<u>Agency Funds</u>
Assets:		
Cash and cash equivalents		\$ 1,678,082
Investments:		
Fixed income	\$ 28,472,446	284,053
Domestic equities	31,832,758	
International equities	15,616,955	
Real estate investment trust	4,532,105	
Total investments	<u>80,454,264</u>	<u>284,053</u>
Total assets	<u>80,454,264</u>	<u>\$ 1,962,135</u>
Liabilities:		
Fiduciary deposits		\$ 1,962,135
Accounts payable	15,176	
Due to general fund	267,424	
Total liabilities	<u>282,600</u>	<u>\$ 1,962,135</u>
Net Position:	<u>\$ 80,171,664</u>	

The accompanying notes are an integral part of the financial statements

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

Additions:	
Contributions:	
Employer	\$ 2,751,795
Plan members	1,363,022
Total contributions	<u>4,114,817</u>
Investment income:	
Net change in fair value of investments	(323,835)
Interest	19,468
Dividends	1,907,200
Operating income	77,077
Total investment income	<u>1,679,910</u>
Less investment expense	49,549
Net investment income	<u>1,630,361</u>
Total additions	<u>5,745,178</u>
Deductions:	
Benefits	5,583,029
Administrative expense	58,021
Total deductions	<u>5,641,050</u>
Change in Net Position	104,128
Net Position at Beginning of Year	<u>80,067,536</u>
Net Position at End of Year	<u>\$ 80,171,664</u>

The accompanying notes are an integral part of the financial statements

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Town of Farmington, Connecticut (the Town) was settled in 1640 and incorporated in 1645. Its current charter was adopted in 1947 and amended as of 2003. The Town operates under a Council-Manager form of government. The financial statements include all of the funds of the Town that meet the criteria for inclusion as set forth in Statement of Governmental Accounting Standards No. 14 issued by the Governmental Accounting Standards Board (GASB).

Accounting principles generally accepted in the United States of America (GAAP) require that the reporting entity include the primary government and its component units, entities for which the government is considered to be financially accountable, all organizations for which the primary government is financially accountable, and other organizations which by the nature and significance of their relationship with the primary government would cause the financial statements to be incomplete or misleading if excluded. Blended component units, although legally separate entities, are, in substance, part of the government's operations; therefore, data from these units are combined with data of the primary government. Based on these criteria, there are no component units requiring inclusion in these financial statements.

The Farmington Housing Authority (the Authority) has been determined to be a related organization of the Town of Farmington, Connecticut, as the governing body of the Authority is appointed by the Town. The Farmington Housing Authority is not included in this report, as the Town is not obligated to finance any deficit that the Authority may incur, nor does the Town significantly subsidize the Authority; the Town obtains no financial benefit, nor can it impose its will upon the Authority.

B. Basis of Presentation

The accompanying financial statements have been prepared in conformity with GAAP as applied to government units. The GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Town's accounting policies are described below.

Government-Wide and Fund Financial Statements

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

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

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

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

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.

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. In determining when to recognize intergovernmental revenues (grants and entitlements), the legal and contractual requirement of the individual programs are used as guidance. Revenues are recognized when the eligibility requirements have been met. 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 by the Town.

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.

Agency funds use the accrual basis of accounting, but have no measurement focus since they report only assets and liabilities.

The Town reports the following major governmental funds:

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

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

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

The Town reports the following major proprietary funds:

The *Westwoods Fund* is a proprietary (enterprise) fund used to account for the operation and maintenance of the Westwoods Golf Course, which is owned by the Town and is primarily supported through charges to customers.

The *Waste Collection Fund* is a proprietary (enterprise) fund used to account for the operation and maintenance of Waste Collection and Recycling and Landfill operations within the Town and is primarily supported through charges to customers.

Additionally, the Town reports the following fund types:

The *Internal Service Fund* is used to account for the Town's self-insurance program, which provides health insurance coverage for Town and Board of Education employees.

The *Pension Trust Fund* is used to account for the activities of the Town's defined benefit plan, which accumulates resources for pension benefit payments to qualified employees.

The *Agency Funds* account for the various student activities and clubs and contractors deposits.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the enterprise funds and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

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

When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, then unrestricted resources as they are needed. Unrestricted resources are used in the following order: committed, assigned then unassigned.

C. Cash Equivalents

For purposes of reporting cash flows, all savings, checking and money market accounts and certificates of deposit with an original maturity of less than 90 days are considered to be cash equivalents.

D. Investments

Investments are stated at fair value.

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

E. Inventories and Prepaid Items

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

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

F. Receivables and Payables

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

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

Property tax receivables are shown net of an allowance for uncollectibles.

G. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$25,000 and an estimated useful life of more than five years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. 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.

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

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

<u>Assets</u>	<u>Years</u>
Land improvements	20-30
Irrigation system	15
Buildings	25-40
Sewage treatment plant	25
Pump station and drainage	30
Vehicles	5-15
Construction equipment	10
School equipment	10-12
Public safety equipment	5-10
Office equipment	10
Roads	40
Bridges	50

H. Deferred Outflows/Inflows of Resources

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

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period or periods and so will not be recognized as an inflow of resources (revenue) until that time. The Town reports advance property tax collections and advance fee collections in the government-wide statement of net position and in the governmental funds balance sheet and proprietary funds statement of net position. Advance property tax collections and advance fee collections represent taxes and fees inherently associated with a future period. This amount is recognized during the period in which the revenue is associated. The Town also reports deferred inflows related to pension 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). Also, for governmental funds, the Town reports unavailable revenue, which arises only under the modified

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

accrual basis of accounting. The governmental funds report unavailable revenues from several sources: property taxes, sewer use, sewer assessment, and long-term loans. These amounts are deferred and recognized as an inflow of resources (revenue) in the period in which the amounts become available.

I. 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.

J. Net Other Postemployment Benefit (OPEB) Obligation

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

K. Long-Term Obligations

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

L. Compensated Absences

Under the terms of various union contracts, Town and Board of Education employees are granted vacation in varying amounts based on length of service. Town and noncertified Board of Education employees may carry over five unused vacation days to subsequent years. Police may carry over vacation days equal to the number of days the employee was entitled to for the present year. In the event of termination of employment, employees are reimbursed for accumulated vacation.

Town employees covered by the AFSCME union agreement accumulate 1¼ sick days per month up to a maximum of 150 working days. Employees receive 35% of accumulated sick leave upon retirement or 25% upon termination of employment after at least five years of service in good standing.

Firefighters covered by the union agreement receive 35% of accumulated sick leave upon retirement. They receive no accumulated sick leave upon resignation or termination.

Other employees including Police employees are not compensated for accumulated sick leave upon retirement or termination of employment. Sick leave is expensed when incurred.

All vacation and sick pay is accrued when incurred in the government-wide, proprietary and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

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

M. 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

Restrictions on net position 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. The Town currently has no restricted net position.

Unrestricted Net Position

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

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

Nonspendable Fund Balance

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

Restricted Fund Balance

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

Committed Fund Balance

This represents amounts constrained for a specific purpose by a government using its highest level of decision-making authority (Town Council) through the passage of a resolution.

Assigned Fund Balance

This represents amounts constrained for the intent to be used for a specific purpose by the Town Council or Finance Director to assign amounts by the Town Charter.

Unassigned Fund Balance

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

N. Property Taxes

The Town’s property tax is levied each July 1 on the assessed value listed on the prior October 1 Grand List for all taxable property located in the Town. Although taxes are levied in July, the legal right to attach property does not exist until August 1. Taxes are due and payable in two installments, on July 1 following the date of the Grand List and on January 1 of the subsequent year.

Additional property taxes are assessed for motor vehicles registered subsequent to the Grand List date through July 31 and are payable in one installment due January 1.

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

Taxes not paid within 30 days of the due date are subject to an interest charge of 1.5% per month. The Town files liens against property if taxes that are due July 1 remain unpaid on the following June 30.

Property tax revenues are recognized when they become available. Available means due or past due and receivable within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. The Town defines the current period to mean within 60 days after year-end. Property taxes receivable not expected to be collected during the available period are reflected in deferred revenue in the fund financial statements. The entire receivable is recorded as revenue in the government-wide financial statements. Property taxes collected prior to June 30 that are applicable to the subsequent years' assessment are reflected as advance tax collections in both the fund financial statements and the government-wide financial statements.

O. Accounting Estimates

The preparation of financial statements in conformity with GAAP 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 uses the following procedures in establishing the budgetary data included in the financial statements. No later than 45 days before the annual town meeting, the Town Manager submits a proposed budget for the General Fund to the Town Council. On the third Monday in April, the budget is presented to the annual town meeting; 10 days thereafter, the budget is voted on at a Town-wide referendum. Town management may transfer amounts between line items within a department, but only the Town Council is authorized to transfer the legally budgeted amounts between departmental accounts. In this function, departmental budget accounts serve as the level of management control. Formal legally adopted annual budgets are employed as a management control device in the General Fund (including capital expenditures) and the Water Pollution Control Authority (WPCA) special revenue funds. The legal level of budgetary control is at the fund level for the WPCA.

All unencumbered appropriations lapse at year-end, except for those for capital expenditures. Appropriations for these expenditures are continued until completion of applicable projects, which often last more than one fiscal year.

The Town's budgeting system requires accounting for certain transactions to be on a basis other than GAAP. The major difference between the budgetary and GAAP basis is that encumbrances are recognized as a charge against a budget appropriation in the year in which the purchase order is issued, and, accordingly, encumbrances outstanding at year-end are recorded in budgetary reports as expenditures of the current year, whereas, on a GAAP basis, encumbrances are recorded as either restricted, committed or assigned fund balance, depending on the level of restriction.

As explained above, the Town's budgetary fund structure accounts for certain transactions differently than reporting in conformity with GAAP. A reconciliation of these differences at June 30, 2015 can be found at RSI-1 and RSI-2.

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

B. Fund Balance Deficits

The Special Projects Education Fund has a deficit balance of \$18,903 and municipal grants of \$26,070 will be funded by future grant receipts and donations.

3. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

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

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

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

Deposits

Deposit Custodial Credit Risk

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

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

Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, \$16,522,552 of the Town's bank balance of \$19,627,259 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 14,786,326
Uninsured and collateral held by the pledging bank's trust department, not in the Town's name	<u>1,736,226</u>
Total Amount Subject to Custodial Credit Risk	<u>\$ 16,522,552</u>

Cash Equivalents

At June 30, 2015, the Town's cash equivalents amounted to \$6,139,302. The following table provides a summary of the Town's cash equivalents (excluding U.S. government guaranteed obligations) as rated by nationally recognized statistical rating organizations. The pools all have maturities of less than one year.

	<u>Standard & Poor's</u>	<u>Fitch Ratings</u>
State Short-Term Investment Fund (STIF)	AAAm	

Investments

As of June 30, 2015, 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>
Interest-bearing investments:				
U.S. Treasury bonds	N/A	\$ 928,842	\$ 928,842	\$
Certificates of deposit	N/A	284,053		284,053
U.S. Treasury notes	N/A	<u>183,432</u>		<u>183,432</u>
		1,396,327	<u>\$ 928,842</u>	<u>\$ 467,485</u>
Other investments:				
Mutual funds		75,922,159		
Real estate investment trust		<u>4,532,105</u>		
Total Investments		<u>\$ 81,850,591</u>		

N/A - Not applicable

Interest Rate Risk

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

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

Credit Risk - Investments

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

Concentration of Credit Risk

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

Custodial Credit Risk

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

B. Receivables

Receivables at year end for the government's individual major funds and nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>Capital Projects Fund</u>	<u>Westwoods Fund</u>	<u>Waste Collection Fund</u>	<u>Nonmajor Governmental Funds and Other</u>	<u>Total</u>
Receivables:						
Taxes	\$ 554,443					\$ 554,443
Less allowance for uncollectibles	(92,317)					(92,317)
Taxes, net	462,126					462,126
Other governments	11,908	1,467,949			226,330	1,706,187
Assessments	141,635				8,941	150,576
Other	508,045		554	14,880	576,749	1,100,228
Net Total Receivables	<u>\$ 1,123,714</u>	<u>1,467,949</u>	<u>\$ 554</u>	<u>\$ 14,880</u>	<u>\$ 812,020</u>	<u>\$ 3,419,117</u>

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

C. Capital Assets

Capital asset activity for the year ended June 30, 2015 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 32,663,447	\$ 457,110	\$ -	\$ 33,120,557
Construction in progress	3,994,101	5,567,220	7,140,659	2,420,662
Total capital assets not being depreciated	<u>36,657,548</u>	<u>6,024,330</u>	<u>7,140,659</u>	<u>35,541,219</u>
Capital assets being depreciated:				
Buildings	107,320,803	5,673,035	-	112,993,838
Improvements	7,841,418	1,054,866	-	8,896,284
Machinery and equipment	14,707,867	1,172,726	253,234	15,627,359
Infrastructure	89,591,443	1,319,229	-	90,910,672
Total capital assets being depreciated	<u>219,461,531</u>	<u>9,219,856</u>	<u>253,234</u>	<u>228,428,153</u>
Less accumulated depreciation for:				
Buildings	53,028,309	3,140,910	-	56,169,219
Improvements	2,615,901	465,118	-	3,081,019
Machinery and equipment	10,823,707	760,099	253,234	11,330,572
Infrastructure	55,111,497	1,899,514	-	57,011,011
Total accumulated depreciation	<u>121,579,414</u>	<u>6,265,641</u>	<u>253,234</u>	<u>127,591,821</u>
Net capital assets being depreciated	<u>97,882,117</u>	<u>2,954,215</u>	<u>-</u>	<u>100,836,332</u>
Governmental Activities Capital Assets, Net	<u>\$ 134,539,665</u>	<u>\$ 8,978,545</u>	<u>\$ 7,140,659</u>	<u>\$ 136,377,551</u>
	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 1,185,750	\$ -	\$ -	\$ 1,185,750
Capital assets being depreciated:				
Improvements	253,829	-	-	253,829
Machinery and equipment	690,837	23,622	-	714,459
Total capital assets being depreciated	<u>944,666</u>	<u>23,622</u>	<u>-</u>	<u>968,288</u>
Less accumulated depreciation for:				
Improvements	253,829	-	-	253,829
Machinery and equipment	293,768	86,387	-	380,155
Total accumulated depreciation	<u>547,597</u>	<u>86,387</u>	<u>-</u>	<u>633,984</u>
Net capital assets being depreciated	<u>397,069</u>	<u>(62,765)</u>	<u>-</u>	<u>334,304</u>
Business-Type Activities Capital Assets, Net	<u>\$ 1,582,819</u>	<u>\$ (62,765)</u>	<u>\$ -</u>	<u>\$ 1,520,054</u>

**TOWN OF FARMINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
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Depreciation expense was charged to functions/programs of the government as follows:

Governmental activities:	
General government	\$ 424,385
Education	1,833,898
Public safety	657,666
Public works including depreciation of infrastructure	2,066,066
Treatment plant	1,158,960
Parks and recreation	<u>124,666</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 6,265,641</u>
Business-type activities:	
Westwoods Golf	\$ 36,387
Waste Collection	<u>50,000</u>
Total Depreciation Expense - Business-type Activities	<u>\$ 86,387</u>

Construction Commitments

The Town has active construction projects as of June 30, 2015. The projects include widening and reconstruction of existing streets and bridges, the construction of pump stations, and bike/walking trails. At year end, the government's commitments with contractors are as follows:

	<u>Spent to Date</u>	<u>Remaining Commitment</u>
Roads and Bridges	\$ 2,845,618	\$ 4,654,382
School Buildings	1,576,447	2,393,553
Town Buildings	305,772	459,228
Waste Water Treatment	3,325,006	371,310
Land Improvements	<u>1,147,132</u>	<u>5,241,868</u>
	<u>\$ 9,199,975</u>	<u>\$ 13,120,341</u>

The commitments are being financed with general obligation bonds, state and federal grants and town appropriations.

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

D. Interfund Receivables, Payables and Transfers

The composition of interfund balances as of June 30, 2015 is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Nonmajor Governmental Funds	\$ 446,421
	Westwoods Fund	848,715
	Fiduciary Fund	<u>267,424</u>
		1,562,560
Capital Projects Fund	General Fund	3,997,240
Nonmajor Governmental Funds	General Fund	1,590,050
Internal Service Fund	General Fund	24,078
Waste Collection Fund	General Fund	<u>66,541</u>
		<u>\$ 7,240,469</u>

Interfund receivables and payables represent temporary loans for operations.

Interfund transfers that occurred during the year are as follows:

	<u>Transfers Out</u>		
	<u>General Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Transfers In</u>
Capital Projects Fund	\$ <u>3,701,737</u>	\$ <u>1,151,536</u>	\$ <u>4,853,273</u>

Interfund transfers represent monies used to fund projects, return excess monies to originating fund from completed projects, or to cover budget overages.

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

E. Long-Term Debt

Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2015 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 payable:					
General obligation bonds	\$ 40,565,000	\$ 11,515,000	\$ 12,900,000	\$ 39,180,000	\$ 5,455,000
Issuance premiums	<u>2,387,027</u>	<u>765,559</u>	<u>694,058</u>	<u>2,458,528</u>	
	42,952,027	12,280,559	13,594,058	41,638,528	5,455,000
Capital lease	3,685,446	319,371	198,915	3,805,902	204,311
OPEB obligation	5,958,025	2,181,531		8,139,556	
Net pension liability	20,284,745	5,783,982		26,068,727	
Compensated absences	<u>2,243,111</u>	<u>727,188</u>	<u>763,690</u>	<u>2,206,609</u>	<u>456,995</u>
Governmental Activities					
Long-Term Liabilities	<u>\$ 75,123,354</u>	<u>\$ 21,292,631</u>	<u>\$ 14,556,663</u>	<u>\$ 81,859,322</u>	<u>\$ 6,116,306</u>
Business-Type Activities:					
Capital lease	<u>\$ 210,711</u>	<u>\$ -</u>	<u>\$ 88,134</u>	<u>\$ 122,577</u>	<u>\$ 113,007</u>

For the governmental activities, compensated absences are generally liquidated by the fund where the employee is charged.

General Obligation Bonds

General obligation bonds are direct obligations of the Town for which full faith and credit are pledged and are payable from taxes levied on all taxable properties located within the Town. School building grants of \$159,801 will be used to repay respective debt; however, the Town is liable for all outstanding bonds.

**TOWN OF FARMINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
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General obligation bonds currently outstanding are as follows:

<u>Description</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Interest Rate (%)</u>	<u>Date of Maturity</u>	<u>Annual Principal</u>	<u>Principal Outstanding June 30, 2015</u>
General Obligation Bonds	5/1/2009	\$ 13,475,000	2.25-5.00	9/15/2021	\$ 1,455,000- 1,560,000	\$ 10,370,000
General Obligation Bonds	6/23/2011	11,550,000	2.00-4.00	4/1/2026	210,000- 1,085,000	8,910,000
General Obligation Bonds	5/24/2012	4,840,000	2.00-4.00	7/1/2025	420,000- 790,000	4,420,000
General Obligation Bonds	1/31/2013	4,220,000	2.00-3.00	1/15/2028	115,000- 545,000	3,965,000
General Obligation Bonds	4/21/2015	4,075,000	2.00-4.00	4/15/2030	270,000- 275,000	4,075,000
General Obligation Bonds	6/17/2015	7,440,000	2.00-5.00	9/15/2020	760,000- 2,060,000	<u>7,440,000</u>
Total						\$ <u><u>39,180,000</u></u>

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

	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2016	\$ 5,455,000	\$ 1,254,948
2017	4,485,000	1,183,213
2018	4,510,000	1,037,563
2019	4,485,000	847,238
2020	4,490,000	651,188
2021-2025	12,200,000	1,295,655
2026-2029	<u>3,555,000</u>	<u>186,262</u>
	\$ <u><u>39,180,000</u></u>	\$ <u><u>6,456,067</u></u>

General Obligation Bonds

In April 2015, the Town issued \$4,075,000 of general obligation bonds with an interest rate of 2.0% to 4.0%.

**TOWN OF FARMINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
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Refunding Bonds

In June 2015, the Town issued \$7,440,000 of general obligation refunding bonds with interest rates ranging from 2.0% to 5.0%. The bonds were issued to fully refund July 2009 general obligation bonds. The net proceeds of \$7,857,850 (after an original issue premium of \$543,736 and \$125,886 in underwriter's fees and other issuance costs) were deposited in an irrevocable trust fund under an escrow agreement between the escrow Agent and the Town. The escrow Agent will deposit such proceeds in a United States Treasury Money Market Fund. All investment income on and the maturing principal of the escrow securities held in the escrow deposit fund will be irrevocably deposited by the Town for payment of the refunding bonds. The Town refunded the above bonds to reduce total debt service payments over the next five years by \$304,092 and to obtain an economic gain (difference between the present value of the debt service payments on the old and new debt of \$294,451.

In May 2012, the Town advance refunded \$2,520,000 of outstanding 2008 general obligation bonds. The balance of the defeased bonds outstanding at June 30, 2015 is \$2,100,000 and the amount in escrow is \$2,175,839.

In February 2013, the Town advance refunded an additional \$3,360,000 of outstanding 2008 general obligation bonds. The balance of the defeased bonds outstanding at June 30, 2015 is \$3,360,000 and the amount in escrow is \$3,449,381.

Bond Anticipation Notes

In June 2015, the Town also issued \$725,000 of bond anticipation notes with a maturity date of November 18, 2015 and an interest rate of 2.0%.

Legal Debt Limit

The Town's indebtedness does not exceed the legal debt limitation as established 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	\$ 193,023,196	\$ 26,263,241	\$ 166,759,955
Schools	386,046,392	17,570,999	368,475,393
Sewers	321,705,326	1,180,469	320,524,857
Urban renewal	278,811,283		278,811,283
Pension deficit	257,364,261		257,364,261

The total overall statutory debt limit for the Town is equal to seven times annual receipts from taxation or \$600,516,609.

Authorized but Unissued Bonds

The total of authorized but unissued bonds at June 30, 2015 is \$5,406,241. In most cases, interim financing is obtained through bond anticipation notes or other short-term borrowings until the issuance of long-term debt.

**TOWN OF FARMINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
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Capital Leases

Governmental Activities

The Town has entered into lease agreements as lessee for financing the acquisition of rolling stock and for energy conservation improvements to various Town and School buildings. The leases qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of the future minimum lease payments as of the inception date.

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

<u>Year Ending June 30</u>	<u>Governmental Activities</u>
2016	\$ 314,336
2017	322,101
2018	330,098
2019	338,335
2020	346,819
2021-2025	1,587,158
2026-2029	1,450,541
Less amount representing interest	<u>(883,486)</u>
Present Value of Minimum Lease Payments	<u>\$ 3,805,902</u>

Business Activities

The Town has entered into lease agreements as lessee for financing the acquisition of golf carts and recycling containers. The lease qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of the future minimum lease payments as of the inception date.

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

<u>Year Ending June 30</u>	<u>Business-Type Activities</u>
2016	\$ 116,458
2017	9,725
Less amount representing interest	<u>(3,606)</u>
Present Value of Minimum Lease Payments	<u>\$ 122,577</u>

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

F. Fund Balance

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

	<u>General Fund</u>	<u>Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Fund balances:				
Nonspendable:				
Inventory	\$	\$	\$ 16,820	\$ 16,820
Prepaid items			12,070	12,070
Restricted for:				
General government			191,043	191,043
Education			1,150,193	1,150,193
Public safety			41,035	41,035
Capital projects		3,769,952	240	3,770,192
Committed to:				
Public works			1,372,966	1,372,966
General government			136,579	136,579
Culture and recreation			67,078	67,078
Education			821,601	821,601
Debt Service			204,084	204,084
Assigned to:				
Education	518,355			518,355
Unassigned	<u>10,343,295</u>		<u>(44,973)</u>	<u>10,298,322</u>
 Total Fund Balances	 <u>\$ 10,861,650</u>	 <u>\$ 3,769,952</u>	 <u>\$ 3,968,736</u>	 <u>\$ 18,600,338</u>

Encumbrances of \$518,355 are contained in the above table in the assigned category of the General Fund.

4. EMPLOYEE RETIREMENT PLAN

Pension Trust Fund

A. Plan Description and Benefits Provided

The Town is the administrator of a single-employer defined-benefit pension plan, the Public Employee Retirement System (PERS), established and administered by the Town to provide pension benefits to substantially all full-time employees, except certified personnel of the Board of Education who are covered under the State Teachers' Retirement System. Both the employer and the employee are obligated to contribute to the Plan. The PERS is considered to be part of the Town's financial reporting entity and is included in the Town's financial reports as a Pension Trust Fund. The Plan does not issue a separate stand-alone financial report.

Management of the plan rests with a Retirement Board, which consists of eleven (11) members appointed by the Town Council. At least one member of the Board must also be a member of the Town Council and at least five members of the Retirement Board must be Town employees. The Board has

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

all the powers necessary for the proper administration of the Plan. These powers include prescribing procedures to be followed in filing applications for benefits; having periodic actuarial valuations of the Plan undertaken by an actuary; and directing and monitoring investment Plan assets.

The Plan provides retirement, disability and death benefits to plan members and their beneficiaries. All eligible full-time employees must participate in the Town's pension plan. All employees, except police, are 100% vested after 5 years of service. Police are 100% vested after 10 years of service. Employees who retire at normal retirement age receive a retirement benefit. The Town of Farmington has the authority to establish and amend the contribution requirements of the Plan. Effective July 1, 2011, the Plan was closed to all new employees, except police, fire and education employees. To be eligible, a Town employee, including fire employees, must have attained age 25 if hired before July 1, 1983; if hired after such date, the employee is eligible at date of hire. Any employees hired after July 1, 2011 are required to participate in a defined contribution plan.

Municipal employees are entitled to 2% of final earnings times years of credited service with the maximum benefit being 65% of final earnings. Firemen are entitled to 2.5% of final earnings times years of credited service with the maximum benefit being 60% of final earnings. Police are entitled to 2.5% of final earnings times years of credited service with the maximum benefit being 65% (70% for supervisors) of final earnings. Police who retire after January 12, 2012 are subject to a maximum benefit equal to 105% of the Police employee's base salary at time of retirement. Police who are hired after June 12, 2012 are subject to a maximum benefit equal to 85% of their base salary at time of retirement. Early eligibility is available at age 55 with 5 years of service for municipal employees and age 55 with 10 years of service for firemen. Benefits are fixed by contract and may be amended by union negotiations.

Plan membership consisted of the following at July 1, 2014, the date of the latest actuarial valuation:

Retirees, disabled employees, and beneficiaries currently receiving benefits	221
Terminated employees entitled to benefits but not yet receiving them	64
Current plan members	<u>335</u>
	<u><u>620</u></u>

B. Summary of Significant Accounting Policies

Basis of Accounting

The Town's Pension Plan's financial statements are prepared using the accrual basis of accounting. Plan member and employer contributions are recognized when due, pursuant to formal commitments, as well as statutory or contractual requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

All funds are administered through a custodial contract with Wells Fargo Bank, N.A. and are reported at fair value.

Funding Policy

Town employees other than fire employees and police contribute 6%, while fire employees contribute 7.75% and police contribute 7% of their respective gross earnings.

**TOWN OF FARMINGTON, CONNECTICUT
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The Town is required to contribute the amount necessary to finance the benefits for its employees. For the fiscal year ended June 30, 2015, the Town contributed \$2,751,795 which represents approximately 13.66% of covered payroll of \$20,141,456.

Administrative costs of the Plan are financed through investment earnings.

C. Investments

Investment Policy

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

<u>Asset Class</u>	<u>Target Allocation</u>
Cash	2.50 %
Core Fixed Income	34.50
Inflation-Indexed Bonds	1.67
Broad US Equities	22.50
Mid Cap US Equities	5.00
Small Cap US Equities	5.00
Developed Foreign Equities	20.00
Real Estate (REITS)	5.00
Commodities	3.83
	<u>100.00 %</u>

Rate of Return

For the year ended June 30, 2015, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 2.03%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

D. Net Pension Liability of the Town

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

Total pension liability	\$ 106,240,391
Plan fiduciary net position	<u>80,171,664</u>
Net Pension Liability	<u>\$ 26,068,727</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>75.46%</u>

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

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of July 1, 2014, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Salary increases	Graded from 6.5% to 3.5%
Investment rate of return	7.00%

Mortality rates were based on the RP-2000 Mortality Tables for Employees, Healthy Annuitants, and Disabled Annuitants with generational projection of future mortality improvement per Scale AA.

The actuarial assumptions used in the July 1, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2013-June 30, 2014.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2014 (see the discussion of the pension plan's investment policy) are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Core Fixed Income	2.09 %
Inflation-Indexed Bonds	1.05
Broad US Equities	5.87
Mid Cap US Equities	6.36
Small Cap US Equities	7.36
Developed Foreign Equities	6.02
Real Estate (REITS)	5.56
Commodities	3.58

Discount Rate

The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that Town contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**TOWN OF FARMINGTON, CONNECTICUT
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The discount rate changed from 7.25% to 7.0% since the prior measurement date.

	Changes in the Net Pension Liability		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances as of June 30, 2014	\$ 100,352,281	\$ 80,067,536	\$ 20,284,745
Changes for the year:			
Service cost	2,617,259		2,617,259
Interest on total pension liability	7,136,946		7,136,946
Differences between expected and actual experience	1,716,934		1,716,934
Employer contributions		2,751,795	(2,751,795)
Member contributions		1,363,022	(1,363,022)
Net investment income		1,630,361	(1,630,361)
Benefit payments, including refund to employee contributions	(5,583,029)	(5,583,029)	-
Administrative expenses		(58,021)	58,021
Net changes	<u>5,888,110</u>	<u>104,128</u>	<u>5,783,982</u>
Balances as of June 30, 2015	<u>\$ 106,240,391</u>	<u>\$ 80,171,664</u>	<u>\$ 26,068,727</u>

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

The following presents the net pension liability of the Town, calculated using the discount rate of 7.00%, as well as what the Town's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.00%) or 1 percentage point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00)
Total Net Pension Liability	\$ 38,412,080	\$ 26,068,727	\$ 15,626,781

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

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

For the year ended June 30, 2015, the Town recognized pension expense of \$3,967,954. At June 30, 2015, the Town reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Town's Pension Plan	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$	\$ 815,134
Changes of assumptions	2,255,144	
Net difference between projected and actual earnings on pension plan investments	<u>3,127,795</u>	
Total	<u>\$ 5,382,939</u>	<u>\$ 815,134</u>

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

Year Ending June 30,

2016	\$	1,058,873
2017		1,058,873
2018		1,058,873
2019		1,058,873
2020		276,924
Thereafter		55,389

Teachers 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.

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

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.

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

At June 30, 2015, the Town reports no amounts for its proportionate share of the net pension liability, and related deferred outflows and inflows, due to the statutory requirement that the State pay 100% of the required contribution. The amount recognized by the Town as its proportionate share of the net pension liability, the related state support, and the total portion of the net pension liability that was associated with the Town were as follows:

Town's proportionate share of the net pension liability	\$	-
State's proportionate share of the net pension liability associated with the Town		<u>78,837,748</u>
Total	\$	<u><u>78,837,748</u></u>

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

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

For the year ended June 30, 2015, the Town recognized pension expense and revenue of \$5,915,085 on 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, 2014, using the following actuarial assumptions, applied to all periods included in the measurement:

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

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

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

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

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

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

F. Discount Rate

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

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. Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued financial statements available at www.ct.gov.

I. Other Information

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

5. OTHER POSTEMPLOYMENT BENEFITS

A. Summary of Significant Accounting Policies

Basis of Accounting

The Town funding and payment of postemployment benefits are accounted for in the Internal Service Fund on a pay-as-you-go basis. The Town has not established a trust fund to irrevocably segregate assets to fund the liability associated with postemployment benefits in accordance with GASB guidelines. The Town is currently developing a funding strategy to provide for normal cost and the amortization of the accrued liability. Although a trust fund may not be established in the future to exclusively control the funding and reporting of postemployment benefits, the Town anticipates a commitment to fund normal cost and a long-term approach to the amortization of the actuarial accrued liability. The goal is to absorb, within the budgetary process, the actual cost of benefits in the determination of the costs of providing services to taxpayers.

B. Plan Description

The Town, in accordance with various collective bargaining agreements, is committed to providing medical benefits to certain eligible retirees and their spouses. The Post-Retirement Medical Program (RMP) covers Town and Board of Education employees. The RMP is a single-employer defined benefit healthcare plan administered by the Town. Retired program members and beneficiaries currently receiving benefits are required to contribute active employee premiums. The percentage contribution of the employees and retirees for these benefits vary and are detailed within the Town's various bargaining agreements. The Town does not issue a separate stand-alone financial statement for this program.

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

At July 1, 2013, plan membership consisted of the following:

Retired participants and spouses	237
Active plan members	<u>752</u>
	<u><u>989</u></u>

C. Funding Policy

The Town’s funding strategy for postemployment obligations is based upon characteristics of benefits on Town and Board of Education employees established within their respective collective bargaining units and/or contracts and include the following:

- All Town and Board of Education employees retiring with at least 15 years of creditable service are eligible at age 55, excluding certified school staff who are assumed to be covered by plans offered through the Connecticut Teachers Retirement Board.
- Benefits are payable to the employee and to a spouse for their lifetime, regardless of when the retiree dies.
- Police employees are covered 100%; however, Police Benevolent Association pays 25% of the premium cost. Spouses pay 50% of the premium cost.
- All other employees pay 50% of the premium cost and spouses pay 100% of the premium cost.

D. Annual OPEB Cost and Net OPEB Obligations

The Town of Farmington’s annual other postemployment benefit (OPEB) cost is calculated based on the annual required contribution (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The following table shows the components of the Town’s annual OPEB cost for the year, the amount actually contributed to the plan and changes in the Town’s net OPEB obligation:

Annual required contribution (ARC)	\$ 3,303,639
Interest on net OPEB obligation	238,321
Adjustment to annual required contribution	<u>(235,996)</u>
Annual OPEB cost	3,305,964
Contributions made	<u>1,124,433</u>
Increase in net OPEB obligation	2,181,531
Net OPEB obligation at beginning of year	<u>5,958,025</u>
Net OPEB Obligation at End of Year	<u><u>\$ 8,139,556</u></u>

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

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, 2015 is presented below. The year of transition was June 30, 2009.

<u>Fiscal Year Ending</u>	<u>Annual OPEB Cost (AOC)</u>	<u>Actual Contribution</u>	<u>Percentage of AOC Contributed</u>	<u>Net OPEB Obligation</u>
6/30/2013	\$ 2,291,036	\$ 1,261,121	55.05%	\$ 3,920,480
6/30/2014	3,138,817	1,101,272	35.09%	5,958,025
6/30/2015	3,305,964	1,124,433	34.01%	8,139,556

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.

Schedule of Funding Progress

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets (a)</u>	<u>Actuarial Accrued Liability (AAL) (b)</u>	<u>Unfunded AAL (UAAL) (b-a)</u>	<u>Funded Ratio (a/b)</u>	<u>Covered Payroll (c)</u>	<u>UAAL as a percentage of Covered Payroll (b-a)/c</u>
6/30/2009	\$ -	\$ 23,383,486	\$ 23,383,486	0%	N/A	N/A
6/30/2011	-	30,822,853	30,822,853	0%	N/A	N/A
7/1/2013	-	36,108,188	36,108,188	0%	N/A	N/A

Schedule of Employer Contributions

<u>Fiscal Year</u>	<u>Employer Contribution</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
6/30/2013	\$ 1,261,121	\$ 2,268,808	55.59%
6/30/2014	1,101,272	3,132,286	35.16%
6/30/2015	1,124,433	3,303,639	34.04%

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 FARMINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

In the July 1, 2013 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions include a 4.0% investment rate of return, which is the rate of the expected long-term investment returns of plan assets calculated based on the funding policy of the plan at the valuation date. The annual healthcare cost trend rate is 6.8% initially, reduced by decrements to an ultimate rate of 4.7% after 70 years. The general inflation assumption is 3.5%. Projected salary increases start at 6.5% and are reduced to 3.5% depending on age. The actuarial value of assets was determined using the closed group method. The UAAL is being amortized on a level dollar basis with a remaining amortization period at June 30, 2015 at 30 years.

6. OTHER INFORMATION

A. Risk Management

The Town is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; error and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks did not exceed commercial insurance coverage during the years ended June 30, 2015, 2014 or 2013.

The Town's self-insurance program, which commenced July 1, 1983, is used to account health insurance coverage for Town and Board of Education employees on a cost-reimbursement basis. The program also covers retired employees under 65, provided that they pay a yearly premium to the Town. Under the program, the Town is obligated for claim payments. A stop loss insurance contract executed with an insurance carrier covers claims in excess of 120% of expected claim payments in the aggregate for the Town and 125% of expected claim payments in the aggregate for the Board of Education. In addition, the policies on an individual basis cover claims in excess of \$100,000 (Town) and \$125,000 (Board of Education). During 2015, total claims expense was \$10,984,662, which did not exceed 120% of expected claim payments and an estimate for claims incurred but not reported as of June 30, 2015.

The Fund establishes claims liabilities based on estimates of claims that have been incurred but not reported; accordingly, the Fund recorded claims payable at June 30, 2015 of \$966,524.

Premium payments are reported as quasi-external interfund transactions for the General Fund, Enterprise Fund and the WPCA Fund, and, accordingly, they are treated as operating revenues of the Self-Insurance Fund and operating expenditures of the participating funds.

Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNR). The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines and damage awards. Accordingly, claims are reevaluated periodically to consider the effects of inflation, recent claim settlement trends (including frequency and amount of payouts), and other economic and social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims. Estimated recoveries, for example for salvage or subrogation, are another component of the claims liability estimate.

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

Changes in the claims liability for the past two years are as follows:

	<u>Accrued Liability Beginning of Fiscal Year</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Accrued Liability Claim Payments</u>	<u>Accrued Liability End of Fiscal Year</u>
2013-14	\$ 942,992	\$ 10,554,716	\$ (10,556,384)	941,324
2014-15	941,324	10,984,662	(10,959,462)	966,524

B. Contingent Liabilities

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

The Town has received state and federal grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursement to the grantor agency for any expenditure disallowed under terms of the grant. Based on prior experience, Town management believes such disallowances, if any, will not be material.

The Town may be subject to rebate penalties to the federal government relating to various bond and note issues. The Town expects such amounts, if any, to be immaterial.

7. RESTATEMENT

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

Net position at June 30, 2014, as previously reported	\$ 100,601,889
Adjustments:	
Eliminate net pension obligation reported per GASB No. 27	324,831
Record net pension liability per GASB No. 68	<u>(20,284,745)</u>
Net Position at July 1, 2014, as Restated	<u>\$ 80,641,975</u>

**REQUIRED
SUPPLEMENTARY
INFORMATION**

**TOWN OF FARMINGTON, CONNECTICUT
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2015**

	Budget		Actual	Variance with
	Original	Final		Final Budget - Positive (Negative)
Property Taxes:				
Current taxes	\$ 84,580,607	\$ 84,580,607	\$ 84,505,795	\$ (74,812)
Delinquent taxes	215,000	215,000	222,501	7,501
Interest and lien fees	200,000	200,000	266,928	66,928
Supplemental MV taxes	625,000	625,000	683,473	58,473
Total property taxes	<u>85,620,607</u>	<u>85,620,607</u>	<u>85,678,697</u>	<u>58,090</u>
Federal and State Grants:				
General education	1,635,775	1,635,775	1,643,933	8,158
School building	171,125	171,125	171,125	-
Social services grants	13,596	13,596	8,008	(5,588)
In lieu of taxes	3,383,538	3,383,538	3,833,189	449,651
Police grant	73,533	73,533	55,633	(17,900)
State capital improvement	138,512	138,512		(138,512)
Highway grants	372,175	372,175	372,988	813
Municipal Revenue Sharing	513,328	513,328	513,328	-
Hold Harmless Grant	12,843	12,843	12,843	-
Total federal and state grants	<u>6,314,425</u>	<u>6,314,425</u>	<u>6,611,047</u>	<u>296,622</u>
Charges for Current Services:				
Housing	38,000	38,000	52,144	14,144
Police services	226,000	226,000	293,828	67,828
Rentals	5,500	5,500	2,319	(3,181)
Sewer inspection fees	20,000	20,000		(20,000)
Town clerk fees	325,000	325,000	260,705	(64,295)
Tower space rental	165,000	165,000	173,868	8,868
Conveyance tax	500,000	500,000	590,267	90,267
Busing fees	6,000	6,000	5,860	(140)
Total charges for current services	<u>1,285,500</u>	<u>1,285,500</u>	<u>1,378,991</u>	<u>93,491</u>
Licenses and Permits:				
Dog licenses	6,000	6,000	6,244	244
Building permits	750,000	750,000	840,880	90,880
Other permits	13,500	13,500	8,292	(5,208)
Total licenses and permits	<u>769,500</u>	<u>769,500</u>	<u>855,416</u>	<u>85,916</u>

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**TOWN OF FARMINGTON, CONNECTICUT
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2015**

	Budget		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Fines and Penalties:				
Court fines	\$ 44,000	\$ 44,000	\$ 37,471	\$ (6,529)
Dog fines and charges	3,200	3,200	2,481	(719)
Total fines and penalties	<u>47,200</u>	<u>47,200</u>	<u>39,952</u>	<u>(7,248)</u>
Investment Income	<u>80,000</u>	<u>80,000</u>	<u>65,555</u>	<u>(14,445)</u>
Other:				
Zoning hearings	10,000	10,000	22,110	12,110
Other assessments	141,562	141,562	141,125	(437)
Alarm fines and connections	12,500	12,500	15,000	2,500
Miscellaneous	<u>68,000</u>	<u>68,000</u>	<u>41,701</u>	<u>(26,299)</u>
Total other	<u>232,062</u>	<u>232,062</u>	<u>219,936</u>	<u>(12,126)</u>
Total revenues	<u>94,349,294</u>	<u>94,349,294</u>	<u>94,849,594</u>	<u>500,300</u>
Total Revenues and Other Financing Sources	\$ <u>94,349,294</u>	\$ <u>94,349,294</u>	94,849,594	\$ <u>500,300</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			<u>5,915,085</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>100,764,679</u>	

**TOWN OF FARMINGTON, CONNECTICUT
GENERAL FUND
SCHEDULE OF EXPENDITURES, ENCUMBRANCES AND OTHER FINANCING USES -
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2015**

	Budget		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
General Government:				
General administration:				
Town Manager	\$ 400,173	\$ 405,173	\$ 403,821	\$ 1,352
Finance	1,086,361	1,064,561	1,045,347	19,214
Probate Court	15,000	15,000	14,762	238
Registrars	98,140	99,040	99,034	6
Town Council	57,650	59,750	59,726	24
Personnel services	387,000	87,000	76,361	10,639
Legal	145,000	213,500	213,131	369
Town Clerk	328,382	328,382	314,511	13,871
Economic Development	111,155	112,455	112,351	104
Payments to outside agencies	2,507,640	2,507,640	2,507,480	160
Planning and zoning	275,059	280,059	280,024	35
Public buildings	221,078	181,078	173,827	7,251
Insurance	286,000	258,000	242,123	15,877
	<u>5,918,638</u>	<u>5,611,638</u>	<u>5,542,498</u>	<u>69,140</u>
Public safety:				
Fire marshal	971,806	971,806	931,336	40,470
Fire department	1,518,110	1,535,110	1,534,810	300
Police department	5,709,197	5,770,197	5,769,805	392
Communications center	909,711	969,711	967,988	1,723
EMS services	59,910	60,910	60,902	8
Building inspector	213,152	213,152	212,641	511
	<u>9,381,886</u>	<u>9,520,886</u>	<u>9,477,482</u>	<u>43,404</u>
Public works:				
Highway and grounds	3,467,972	3,565,972	3,564,638	1,334
Engineering	448,533	458,533	458,030	503
Public works and development	105,291	105,291	103,342	1,949
	<u>4,021,796</u>	<u>4,129,796</u>	<u>4,126,010</u>	<u>3,786</u>
Community and recreation services:				
Community services	844,992	838,992	809,924	29,068
Housing	25,575	25,575	19,946	5,629
	<u>870,567</u>	<u>864,567</u>	<u>829,870</u>	<u>34,697</u>
Other:				
Benefits	5,976,986	5,976,986	5,976,301	685
Other	10,000	5,000		5,000
	<u>5,986,986</u>	<u>5,981,986</u>	<u>5,976,301</u>	<u>5,685</u>

(Continued on next page)

**TOWN OF FARMINGTON, CONNECTICUT
GENERAL FUND
SCHEDULE OF EXPENDITURES, ENCUMBRANCES AND OTHER FINANCING USES -
BUDGET AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2015**

	Budget		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Debt service	\$ 6,988,196	\$ 6,479,811	\$ 6,469,644	\$ 10,167
Total general government	33,168,069	32,588,684	32,421,805	166,879
Board of Education	58,236,460	58,058,873	58,056,947	1,926
Total Board of Education and General Government	91,404,529	90,647,557	90,478,752	168,805
Other Financing Uses:				
Transfers out:				
Capital Projects Fund	2,944,765	3,701,737	3,701,737	-
Total Expenditures, Encumbrances and Other Financing Uses	\$ 94,349,294	\$ 94,349,294	94,180,489	\$ 168,805

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 5,915,085

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 (518,355)

Total Expenditures and Other Financing Uses as Reported on the Statement of
Revenues, Expenditures and Changes in Fund Balances - Governmental
Funds - Exhibit IV \$ 99,577,219

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

	<u>2014</u>	<u>2015</u>
Total pension liability:		
Service cost	\$ 2,423,489	\$ 2,617,259
Interest	6,781,290	7,136,946
Differences between expected and actual experience	2,633,994	1,716,934
Benefit payments, including refunds of member contributions	<u>(5,106,731)</u>	<u>(5,583,029)</u>
Net change in total pension liability	6,732,042	5,888,110
Total pension liability - beginning	<u>93,620,239</u>	<u>100,352,281</u>
Total pension liability - ending	<u>100,352,281</u>	<u>106,240,391</u>
Plan fiduciary net position:		
Contributions - employer	2,270,080	2,751,795
Contributions - member	1,365,672	1,363,022
Net investment income	9,995,112	1,630,361
Benefit payments, including refunds of member contributions	(5,106,731)	(5,583,029)
Administrative expense	(99,291)	(58,021)
Other	<u>34,041</u>	<u> </u>
Net change in plan fiduciary net position	8,458,883	104,128
Plan fiduciary net position - beginning	<u>71,608,653</u>	<u>80,067,536</u>
Plan fiduciary net position - ending	<u>80,067,536</u>	<u>80,171,664</u>
Net Pension Liability - Ending	<u>\$ 20,284,745</u>	<u>\$ 26,068,727</u>
Plan fiduciary net position as a percentage of the total pension liability	79.79%	75.46%
Covered-employee payroll	\$ 20,652,300	\$ 20,141,456
Net pension liability as a percentage of covered-employee payroll	98.22%	129.43%

**TOWN OF FARMINGTON, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS - TOWN PENSION PLAN
LAST TEN FISCAL YEARS**

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Actuarially determined contribution	\$ 764,182	\$ 854,474	\$ 945,584	\$ 1,135,040	\$ 1,951,127	\$ 2,013,158	\$ 1,971,693	\$ 2,108,977	\$ 2,267,150	\$ 2,751,795
Contributions in relation to the actuarially determined contribution	<u>764,182</u>	<u>854,474</u>	<u>992,469</u>	<u>1,183,279</u>	<u>1,291,590</u>	<u>1,950,000</u>	<u>2,055,490</u>	<u>2,109,000</u>	<u>2,270,080</u>	<u>2,751,795</u>
Contribution Deficiency (Excess)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>(46,885)</u>	\$ <u>(48,239)</u>	\$ <u>659,537</u>	\$ <u>63,158</u>	\$ <u>(83,797)</u>	\$ <u>(23)</u>	\$ <u>(2,930)</u>	\$ <u>-</u>
Covered-employee payroll	\$ 16,232,926	\$ 17,180,785	\$ 18,324,455	\$ 18,748,405	\$ 19,085,815	\$ 19,627,086	\$ 21,334,076	\$ 20,652,300	\$ 20,652,300	\$ 20,141,456
Contributions as a percentage of covered-employee payroll	4.71%	4.97%	5.42%	6.31%	6.77%	9.94%	9.63%	10.21%	10.99%	13.66%

Notes to Schedule

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

Methods and assumptions used to determine contribution rates:

Actuarial cost method: Entry age
 Amortization method: Level percentage of payroll, closed
 Remaining amortization period: 28 years
 Asset valuation method: 5-year smoothed market
 Inflation: 2.75%
 Salary increases: Graded from 6.5% to 3.5%
 Investment rate of return: 7.00%
 Retirement age: Rates that vary by age and group

Mortality: RP-2000 Mortality for Employees, Health Annuitants, and Disabled Annuitants, with generational projection per Scale AA

**TOWN OF FARMINGTON, CONNECTICUT
SCHEDULE OF INVESTMENT RETURNS - TOWN PENSION PLAN
LAST TWO FISCAL YEARS**

	<u>2015</u>	<u>2014</u>
Annual money-weighted rate of return, net of investment expense	2.03%	13.88%

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

	2015
Town's proportion of the net pension liability	0.00%
Town's proportionate share of the net pension liability	\$ -
State's proportionate share of the net pension liability associated with the Town	<u>78,837,748</u>
Total	<u>\$ 78,837,748</u>
Town's covered-employee payroll	\$ 30,857,874
Town's proportionate share of the net pension liability as a percentage of its covered-employee payroll	0.00%
Plan fiduciary net position as a percentage of the total pension liability	61.51%

Notes to Schedule

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

MAJOR GOVERNMENTAL FUNDS

CAPITAL PROJECTS FUND

Capital projects funds are used to account for financial resources used for the acquisition or construction of major capital facilities and equipment.

TOWN OF FARMINGTON, CONNECTICUT
 CAPITAL PROJECTS FUND
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN PROJECT/FUND BALANCE
 FOR THE YEAR ENDED JUNE 30, 2015

EXHIBIT A-1

	<u>Fields/Play Ground Equipment</u>	<u>Housing Land Bank</u>	<u>Farmington Valley Greenways</u>	<u>Farmington Canal Heritage Greenway</u>	<u>Tunxis Meade Imps</u>	<u>Alice Clover Pinney Gazebo</u>	<u>High School Turf Field</u>	<u>High School Tennis Courts</u>
Total Project Authorization	\$ <u>389,000</u>	\$ <u>390,000</u>	\$ <u>3,532,148</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>400,000</u>
Revenues:								
State and federal grants	\$	\$	\$	\$ 13,657	\$ 84,543	\$	\$ 500,000	\$
Other			100				38,310	
Total revenues	<u>-</u>	<u>-</u>	<u>100</u>	<u>13,657</u>	<u>84,543</u>	<u>-</u>	<u>538,310</u>	<u>-</u>
Project Expenditures	<u>4,601</u>		<u>11,049</u>	<u>13,657</u>	<u>84,543</u>	<u>12,439</u>	<u>1,048,932</u>	<u>2,733</u>
Other Financing Sources (Uses):								
Capital Lease								
Bond Proceeds								
Operating transfers in:								
General Fund					25,000	25,000	500,000	
Capital Projects Fund	3,289						59,435	
Water Pollution Control Authority								
Special Revenue Fund								
Operating transfers out:								
Capital Projects Fund						(7,000)		(31,001)
Total other financing sources (uses)	<u>3,289</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,000</u>	<u>18,000</u>	<u>559,435</u>	<u>(31,001)</u>
Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	(1,312)	-	(10,949)	-	25,000	5,561	48,813	(33,734)
Project/Fund Balance at Beginning of Year	<u>1,312</u>	<u>7,637</u>	<u>210,249</u>	<u>16,514</u>	<u>(18,484)</u>		<u>15,227</u>	<u>41,295</u>
Project/Fund Balance at End of Year	\$ <u>-</u>	\$ <u>7,637</u>	\$ <u>199,300</u>	\$ <u>16,514</u>	\$ <u>6,516</u>	\$ <u>5,561</u>	\$ <u>64,040</u>	\$ <u>7,561</u>

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TOWN OF FARMINGTON, CONNECTICUT
 CAPITAL PROJECTS FUND
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN PROJECT/FUND BALANCE (CONTINUED)
 FOR THE YEAR ENDED JUNE 30, 2015

EXHIBIT A-1

	High School Track	Bridge Repair	Sidewalk Replacement	Sidewalk Construction	School Code & Safety	School Security	5/6 School	High School Renovation
Total Project Authorization	\$ 100,000	\$ 815,000	\$ 467,800	\$ 215,000	\$ 1,075,000	\$ -	\$ 26,400,000	\$ 8,500,000
Revenues:								
State and federal grants	\$	\$	\$	\$	\$	\$ 98,921	\$	\$
Other								
Total revenues	-	-	-	-	-	98,921	-	-
Project Expenditures	855				161,725	98,921		
Other Financing Sources (Uses):								
Capital Lease								
Bond Proceeds								
Operating transfers in:								
General Fund					145,000	50,000		
Capital Projects Fund					2,479			2,810
Water Pollution Control Authority								
Special Revenue Fund								
Operating transfers out:								
Capital Projects Fund	(20,249)						(2,810)	
Total other financing sources (uses)	(20,249)	-	-	-	147,479	50,000	(2,810)	2,810
Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	(21,104)	-	-	-	(14,246)	50,000	(2,810)	2,810
Project/Fund Balance at Beginning of Year	20,250	57,936	8,021	32,690	20,365		2,810	(189,556)
Project/Fund Balance at End of Year	\$ (854)	\$ 57,936	\$ 8,021	\$ 32,690	\$ 6,119	\$ 50,000	\$ -	\$ (186,746)

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TOWN OF FARMINGTON, CONNECTICUT
 CAPITAL PROJECTS FUND
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN PROJECT/FUND BALANCE (CONTINUED)
 FOR THE YEAR ENDED JUNE 30, 2015

EXHIBIT A-1

	<u>Chiller Replacement</u>	<u>School Roof Replacement</u>	<u>School Wide Technology Improvements</u>	<u>School Furniture</u>	<u>IAR Generator</u>	<u>IAR Tennis Courts</u>	<u>IAR Parking Lot</u>	<u>IAR Heating System</u>
Total Project Authorization	\$ 168,250	\$ 2,147,500	\$ 1,177,800	\$ 110,000	\$ 225,000	\$ 200,000	\$ 950,000	\$ 1,100,000
Revenues:								
State and federal grants	\$	\$ 294,358	\$	\$	\$	\$	\$	\$
Other							1,000	
Total revenues	-	294,358	-	-	-	-	1,000	-
Project Expenditures		525,658	635,617	118,254	30,993		714	
Other Financing Sources (Uses):								
Capital Lease								
Bond Proceeds		550,000			167,538	142,573	939,889	
Operating transfers in:								
General Fund			595,000					
Capital Projects Fund								
Water Pollution Control Authority								
Special Revenue Fund								
Operating transfers out:								
Capital Projects Fund	(2,479)							
Total other financing sources (uses)	(2,479)	550,000	595,000	-	167,538	142,573	939,889	-
Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	(2,479)	318,700	(40,617)	(118,254)	136,545	142,573	940,175	-
Project/Fund Balance at Beginning of Year	2,479	(404,170)	17,793	118,190	(3,154)	(139,848)		(57,828)
Project/Fund Balance at End of Year	\$ -	\$ (85,470)	\$ (22,824)	\$ (64)	\$ 133,391	\$ 2,725	\$ 940,175	\$ (57,828)

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TOWN OF FARMINGTON, CONNECTICUT
 CAPITAL PROJECTS FUND
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN PROJECT/FUND BALANCE (CONTINUED)
 FOR THE YEAR ENDED JUNE 30, 2015

EXHIBIT A-1

	2003 Open Space Acquisition	2004 Open Space Acquisition	2005 Open Space Acquisition	Road Reconstruction	New Britain Avenue Design	Town Hall Improvements	Building Equipment Improvements
Total Project Authorization	\$ 3,500,000	\$ 1,500,000	\$ 1,000,000	\$ 7,228,000	\$ 125,000	\$ 2,269,500	\$ 180,000
Revenues:							
State and federal grants	\$	\$	\$	\$	\$	\$	\$
Other						350	94,717
Total revenues	-	-	-	-	-	350	94,717
Project Expenditures	405,889		6,605	1,050,075	29,396	14,847	38,240
Other Financing Sources (Uses):							
Capital Lease							
Bond Proceeds		275,000		2,000,000			
Operating transfers in:							
General Fund		447,236	61,149	350,000			80,000
Capital Projects Fund							
Water Pollution Control Authority							
Special Revenue Fund							
Operating transfers out:							
Capital Projects Fund							
Total other financing sources (uses)	-	722,236	61,149	2,350,000	-	-	80,000
Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	(405,889)	722,236	54,544	1,299,925	(29,396)	(14,497)	136,477
Project/Fund Balance at Beginning of Year	(77,096)	(845,570)	(225,857)	(1,601,726)	125,000	367,494	82,632
Project/Fund Balance at End of Year	\$ (482,985)	\$ (123,334)	\$ (171,313)	\$ (301,801)	\$ 95,604	\$ 352,997	\$ 219,109

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TOWN OF FARMINGTON, CONNECTICUT
 CAPITAL PROJECTS FUND
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN PROJECT/FUND BALANCE (CONTINUED)
 FOR THE YEAR ENDED JUNE 30, 2015

EXHIBIT A-1

	Salt Storage Shed Roof	Overhead Door Replacements	H&G Gas Boiler Conversions	Emergency Operations	Fuel Tank Replacement	Staples House Improvements	SR CTR Gas Burner Conversion	WWGC Maintenance Shed
Total Project Authorization	\$ -	\$ -	\$ -	\$ 130,000	\$ 250,000	\$ 180,000	\$ -	\$ 25,000
Revenues:								
State and federal grants	\$	\$	\$	\$	\$	\$	\$	\$
Other								
Total revenues	-	-	-	-	-	-	-	-
Project Expenditures	32,879	21,007	44,146	25,327			29,443	24,243
Other Financing Sources (Uses):								
Capital Lease								
Bond Proceeds								
Operating transfers in:								
General Fund	55,000	25,000	30,000				40,000	
Capital Projects Fund			14,146	28,133		33,880		
Water Pollution Control Authority								
Special Revenue Fund								
Operating transfers out:								
Capital Projects Fund	(10,000)	(4,049)		(8,185)	(12,991)		(10,557)	(7,384)
Total other financing sources (uses)	45,000	20,951	44,146	19,948	(12,991)	33,880	29,443	(7,384)
Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	12,121	(56)	-	(5,379)	(12,991)	33,880	-	(31,627)
Project/Fund Balance at Beginning of Year				120,113	12,991	(8,880)		25,000
Project/Fund Balance at End of Year	\$ 12,121	\$ (56)	\$ -	\$ 114,734	\$ -	\$ 25,000	\$ -	\$ (6,627)

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TOWN OF FARMINGTON, CONNECTICUT
 CAPITAL PROJECTS FUND
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN PROJECT/FUND BALANCE (CONTINUED)
 FOR THE YEAR ENDED JUNE 30, 2015

EXHIBIT A-1

	<u>Energy Performance Projects</u>	<u>Exterior Facility Lighting</u>	<u>Town Technology Improvements</u>	<u>Tax & Assessment Software</u>	<u>New Computer System</u>	<u>Land Record Indexing</u>	<u>Police Technology Improvements</u>	<u>Police Supervisor Vehicle</u>
Total Project Authorization	\$ <u>3,705,081</u>	\$ <u>-</u>	\$ <u>127,000</u>	\$ <u>-</u>	\$ <u>328,220</u>	\$ <u>25,000</u>	\$ <u>147,000</u>	\$ <u>30,000</u>
Revenues:								
State and federal grants	\$	\$	\$	\$	\$	\$	\$	\$
Other								
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Project Expenditures	<u>305,772</u>	<u>6,425</u>	<u>147,202</u>	<u>24,625</u>	<u>7,921</u>	<u>23,349</u>	<u>18,135</u>	<u>35,000</u>
Other Financing Sources (Uses):								
Capital Lease								
Bond Proceeds								
Operating transfers in:								
General Fund	250,123		170,000	130,765		25,000	50,000	35,000
Capital Projects Fund								
Water Pollution Control Authority								
Special Revenue Fund		350,000						
Operating transfers out:								
Capital Projects Fund								
Total other financing sources (uses)	<u>250,123</u>	<u>350,000</u>	<u>170,000</u>	<u>130,765</u>	<u>-</u>	<u>25,000</u>	<u>50,000</u>	<u>35,000</u>
Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	(55,649)	343,575	22,798	106,140	(7,921)	1,651	31,865	-
Project/Fund Balance at Beginning of Year	<u>665,407</u>	<u>(4,316)</u>	<u>8,666</u>	<u>(95,088)</u>	<u>39,722</u>	<u>2,180</u>	<u>36,927</u>	<u>-</u>
Project/Fund Balance at End of Year	<u>\$ 609,758</u>	<u>\$ 339,259</u>	<u>\$ 31,464</u>	<u>\$ 11,052</u>	<u>\$ 31,801</u>	<u>\$ 3,831</u>	<u>\$ 68,792</u>	<u>\$ -</u>

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TOWN OF FARMINGTON, CONNECTICUT
 CAPITAL PROJECTS FUND
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN PROJECT/FUND BALANCE (CONTINUED)
 FOR THE YEAR ENDED JUNE 30, 2015

EXHIBIT A-1

	<u>Police Gas Burner Conversion</u>	<u>Storm Water Management Plan</u>	<u>Town Code Compliance</u>	<u>Environmental Code Compliance</u>	<u>Hydrologic Watershed Study</u>	<u>Open Space Management Plan</u>	<u>Pumper Fire Truck</u>	<u>Dump Truck Highway</u>
Total Project Authorization	\$ <u>-</u>	\$ <u>25,000</u>	\$ <u>131,900</u>	\$ <u>275,000</u>	\$ <u>25,000</u>	\$ <u>50,000</u>	\$ <u>644,730</u>	\$ <u>1,135,000</u>
Revenues:								
State and federal grants	\$	\$	\$	\$	\$	\$	\$	\$
Other								
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Project Expenditures	<u>25,716</u>			<u>66,593</u>		<u>19,568</u>		<u>167,272</u>
Other Financing Sources (Uses):								
Capital Lease								
Bond Proceeds								
Operating transfers in:								
General Fund	40,000			50,000				130,000
Capital Projects Fund				8,862				7,897
Water Pollution Control Authority								
Special Revenue Fund								
Operating transfers out:								
Capital Projects Fund	<u>(14,284)</u>	<u>(8,862)</u>	<u>(5,793)</u>				<u>(219)</u>	
Total other financing sources (uses)	<u>25,716</u>	<u>(8,862)</u>	<u>(5,793)</u>	<u>58,862</u>	<u>-</u>	<u>-</u>	<u>(219)</u>	<u>137,897</u>
Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	-	(8,862)	(5,793)	(7,731)	-	(19,568)	(219)	(29,375)
Project/Fund Balance at Beginning of Year		<u>8,862</u>	<u>5,793</u>	<u>71,227</u>	<u>26,125</u>	<u>14,638</u>	<u>219</u>	<u>23,565</u>
Project/Fund Balance at End of Year	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>63,496</u>	\$ <u>26,125</u>	\$ <u>(4,930)</u>	\$ <u>-</u>	\$ <u>(5,810)</u>

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TOWN OF FARMINGTON, CONNECTICUT
 CAPITAL PROJECTS FUND
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN PROJECT/FUND BALANCE (CONTINUED)
 FOR THE YEAR ENDED JUNE 30, 2015

EXHIBIT A-1

	Dump Truck Small	Rotary Mower	Rotary Mower Golf	Utility Vehicle Golf	Rolling Stock	Dial-A-Ride Bus	Fire Marshal Vehicle	Turnout Gear	SCBA System
Total Project Authorization	\$ 379,000	\$ 300,000	\$ 50,000	\$ -	\$ 251,760	\$ 79,000	\$ -	\$ 345,000	\$ 375,000
Revenues:									
State and federal grants	\$	\$	\$	\$	\$	\$	\$	\$	\$
Other					16,254				
Total revenues	-	-	-	-	16,254	-	-	-	-
Project Expenditures	158,363	39,341		23,619	37,882			38,441	66,068
Other Financing Sources (Uses):									
Capital Lease									
Bond Proceeds									
Operating transfers in:									
General Fund	130,000	40,000		25,000			25,000	57,000	25,000
Capital Projects Fund	28,363								
Water Pollution Control Authority									
Special Revenue Fund									
Operating transfers out:									
Capital Projects Fund		(659)	(4,555)	(1,381)		(29,561)			
Total other financing sources (uses)	158,363	39,341	(4,555)	23,619	-	(29,561)	25,000	57,000	25,000
Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	-	-	(4,555)	-	(21,628)	(29,561)	25,000	18,559	(41,068)
Project/Fund Balance at Beginning of Year			4,555		46,377	29,561		2,579	74,404
Project/Fund Balance at End of Year	\$ -	\$ -	\$ -	\$ -	\$ 24,749	\$ -	\$ 25,000	\$ 21,138	\$ 33,336

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TOWN OF FARMINGTON, CONNECTICUT
 CAPITAL PROJECTS FUND
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN PROJECT/FUND BALANCE (CONTINUED)
 FOR THE YEAR ENDED JUNE 30, 2015

EXHIBIT A-1

	<u>Hose Replacement</u>	<u>Thermal Imaging Cameras</u>	<u>Apparatus Refurbishing</u>	<u>Medic Truck</u>	<u>Tunxis Hose Boiler</u>	<u>Live Burn Facility</u>	<u>Fire Station Study</u>	<u>Fire Technology IMPS</u>	<u>Plant Equipment Replacement</u>
Total Project Authorization	\$ <u>50,000</u>	\$ <u>72,000</u>	\$ <u>25,000</u>	\$ <u>305,000</u>	\$ <u>25,000</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>375,000</u>
Revenues:									
State and federal grants	\$	\$	\$	\$	\$	\$	\$	\$	\$
Other						106,200			
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>106,200</u>	<u>-</u>	<u>-</u>	<u>-</u>
Project Expenditures				3,358		450	15,132	23,284	12,947
Other Financing Sources (Uses):									
Capital Lease									
Bond Proceeds									
Operating transfers in:									
General Fund						25,000	25,000	42,000	
Capital Projects Fund									
Water Pollution Control Authority									50,000
Special Revenue Fund									
Operating transfers out:									
Capital Projects Fund		(2,030)	(894)	(1,694)	(2,657)				
Total other financing sources (uses)	<u>-</u>	<u>(2,030)</u>	<u>(894)</u>	<u>(1,694)</u>	<u>(2,657)</u>	<u>25,000</u>	<u>25,000</u>	<u>42,000</u>	<u>50,000</u>
Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	-	(2,030)	(894)	(5,052)	(2,657)	130,750	9,868	18,716	37,053
Project/Fund Balance at Beginning of Year	<u>25,821</u>	<u>2,030</u>	<u>894</u>	<u>5,052</u>	<u>2,657</u>	<u>60,738</u>			<u>46,623</u>
Project/Fund Balance at End of Year	\$ <u>25,821</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>191,488</u>	\$ <u>9,868</u>	\$ <u>18,716</u>	\$ <u>83,676</u>

(Continued on next page)

TOWN OF FARMINGTON, CONNECTICUT
 CAPITAL PROJECTS FUND
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN PROJECT/FUND BALANCE (CONTINUED)
 FOR THE YEAR ENDED JUNE 30, 2015

EXHIBIT A-1

	<u>Plant Odor Abatement</u>	<u>Plant Upgrade Design</u>	<u>Upgrade Sewer Lines</u>	<u>Route 4 Sewer Line Replacements</u>	<u>Pump Station Improvements</u>	<u>Phosphorous Reduction</u>	<u>Nitrogen Reduction</u>	<u>WPCA Rolling Stock</u>	<u>Total</u>
Total Project Authorization	\$ <u>650,000</u>	\$ <u>3,044,197</u>	\$ <u>2,719,197</u>	\$ <u>-</u>	\$ <u>700,000</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>145,000</u>	\$ <u>82,239,083</u>
Revenues:									
State and federal grants	\$	\$	\$	\$ 1,214,514	\$	\$	\$	\$	\$ 2,205,993
Other			1,625						258,556
Total revenues	<u>-</u>	<u>-</u>	<u>1,625</u>	<u>1,214,514</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,464,549</u>
Project Expenditures		<u>1,415,175</u>	<u>82,656</u>	<u>1,214,496</u>	<u>48,417</u>	<u>28,269</u>		<u>402,337</u>	<u>8,930,601</u>
Other Financing Sources (Uses):									
Capital Lease								319,371	319,371
Bond Proceeds									4,075,000
Operating transfers in:									
General Fund									3,703,273
Capital Projects Fund									189,294
Water Pollution Control Authority		275,000	200,000		100,000	100,000		75,000	800,000
Special Revenue Fund									350,000
Operating transfers out:									
Capital Projects Fund									(189,294)
Total other financing sources (uses)	<u>-</u>	<u>275,000</u>	<u>200,000</u>	<u>-</u>	<u>100,000</u>	<u>100,000</u>	<u>-</u>	<u>394,371</u>	<u>9,247,644</u>
Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	-	(1,140,175)	118,969	18	51,583	71,731	-	(7,966)	2,781,592
Project/Fund Balance at Beginning of Year	<u>48,582</u>	<u>1,498,143</u>	<u>309,375</u>		<u>211,668</u>			<u>81,545</u>	<u>988,360</u>
Project/Fund Balance at End of Year	\$ <u>48,582</u>	\$ <u>357,968</u>	\$ <u>428,344</u>	\$ <u>18</u>	\$ <u>263,251</u>	\$ <u>71,731</u>	\$ <u>-</u>	\$ <u>73,579</u>	\$ <u>3,769,952</u>

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for proceeds of special revenue sources (except for major capital projects and trust funds) that are legally restricted to expenditure for specific purposes. The Town's special revenue funds are:

Cafeteria - To account for the food service operations of the public school system.

Special Projects Education - To account for federal and state education grants and other special projects.

Farmington Festival - To account for donations and expenditures related to the annual Farmington Festival.

Open Space Rental - To account for revenues and expenditures related to Town land designated as open space.

Adult Education - To account for educational programs for adults of the Town.

Veterans' Memorial - To account for the donations received for the building and maintenance of a veterans' memorial.

Drug Enforcement - To account for drug enforcement forfeiture monies received from the federal and state governments.

School Aged Child Care - To account for a childcare program operated by the Board of Education.

Community Development - To account for receipts and expenditures related to a residential housing improvement program.

Recreation - To account for various recreational, cultural and social programs.

Noah Wallace - To account for a bequest made to the Town by a former resident of Farmington.

FLIS Scholarship - To account for a scholarship fund in honor of a former town manager.

Donation - To account for the receipt and use of donations received by the Department of Community and Recreational Services.

Municipal Grants - To account for the receipt and use of grants received from the federal and state governments.

Small Cities - To account for grants used to offer low interest loans to eligible homeowners to make improvements to their homes. .

Water Pollution Control Authority - To account for sewer assessments, user charges and sewer plan operations. The fund's major source of revenue comes from assessments and user charges.

DEBT SERVICE FUNDS

Debt Service funds are used to account for money that will be used to pay the interest and principal of long-term debts.

Debt Service Fund - The Debt Service Fund is used to account for and report financial resources that are restricted, committed, or assigned to pay principal and interest.

CAPITAL PROJECTS FUND

Capital Project funds are used to account for money that will be used for capital project and improvements.

STEAP Grant - To account for grants received from the Department of Economic and Community Development under the Small Town Economic Assistance Program.

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

EXHIBIT B-1

	Special Revenue								
	Cafeteria Fund	Special Projects Education Fund	Farmington Festival Fund	Open Space Rental Fund	Adult Education Fund	Veterans' Memorial Fund	Drug Enforcement Fund	School Aged Child Care Fund	Community Development Fund
ASSETS									
Cash and cash equivalents	\$ 2,209		\$ 35,834	\$ 135,421	\$ 269,336	\$ 16,464	\$ 46,985	\$ 899,218	\$ 105,213
Investments									
Receivables:									
Accounts	18,163	12,004			4,869			60,345	100,606
Assessments									
Intergovernmental	42,659	161,614							
Due from other funds				1,158					
Inventories	16,820								
Prepaid assets					12,070				
Total Assets	\$ 79,851	\$ 173,618	\$ 35,834	\$ 136,579	\$ 286,275	\$ 16,464	\$ 46,985	\$ 959,563	\$ 205,819
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES									
Liabilities:									
Accounts payable	\$ 11,518	\$ 4,662	\$	\$	\$	\$	\$	\$	\$
Due to other funds		131,596			38,667			148,222	
Unearned revenue	45,843	56,263			165,674		5,950	65,274	
Total liabilities	57,361	192,521	-	-	204,341	-	5,950	213,496	-
Deferred Inflows of Resources:									
Unavailable revenue - special assessments									
Unavailable revenue - sewer use									
Unavailable revenue - loans receivable									100,606
Total deferred inflows of resources	-	-	-	-	-	-	-	-	100,606
Fund Balances:									
Nonspendable	16,820				12,070				
Restricted							41,035		105,213
Committed	5,670		35,834	136,579	69,864	16,464		746,067	
Unassigned		(18,903)							
Total fund balances	22,490	(18,903)	35,834	136,579	81,934	16,464	41,035	746,067	105,213
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 79,851	\$ 173,618	\$ 35,834	\$ 136,579	\$ 286,275	\$ 16,464	\$ 46,985	\$ 959,563	\$ 205,819

(Continued on next page)

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

EXHIBIT B-1

	Special Revenue						Debt Service	Capital Projects	Total Nonmajor Governmental Funds
	Recreation Fund	Noah Wallace Fund	FLIS Scholarship Fund	Donation Fund	Municipal Grants	Small Cities	Water Pollution Control Authority	Debt Service	
ASSETS									
Cash and cash equivalents	\$ 146,149	\$ 70,659	\$ 5,248	\$	\$	\$ 1,261	\$ 261,351	\$	\$ 1,995,348
Investments		1,112,274							1,112,274
Receivables:									
Accounts					163,161	172,992	27,816		559,956
Assessments							8,941		8,941
Intergovernmental					22,057				226,330
Due from other funds				93,791	18,238		1,212,328	256,374	1,590,050
Inventories									16,820
Prepaid assets									12,070
Total Assets	\$ 146,149	\$ 1,182,933	\$ 5,248	\$ 93,791	\$ 203,456	\$ 174,253	\$ 1,510,436	\$ 256,374	\$ 5,521,789
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES									
Liabilities:									
Accounts payable	\$ 41,213	\$ 208	\$	\$ 9,222	\$ 41,646	\$	\$ 91,714	\$ 52,290	\$ 252,473
Due to other funds	90,156	37,780							446,421
Unearned revenue					187,880		8,999	7,921	543,804
Total liabilities	<u>131,369</u>	<u>37,988</u>	<u>-</u>	<u>9,222</u>	<u>229,526</u>	<u>-</u>	<u>100,713</u>	<u>52,290</u>	<u>1,242,698</u>
Deferred Inflows of Resources:									
Unavailable revenue - special assessments							27,816		27,816
Unavailable revenue - sewer use							8,941		8,941
Unavailable revenue - loans receivable						172,992			273,598
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>172,992</u>	<u>36,757</u>	<u>-</u>	<u>310,355</u>
Fund Balances:									
Nonspendable									28,890
Restricted		1,144,945	5,248	84,569		1,261		240	1,382,511
Committed	14,780						1,372,966	204,084	2,602,308
Unassigned					(26,070)				(44,973)
Total fund balances	<u>14,780</u>	<u>1,144,945</u>	<u>5,248</u>	<u>84,569</u>	<u>(26,070)</u>	<u>1,261</u>	<u>1,372,966</u>	<u>204,084</u>	<u>3,968,736</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 146,149	\$ 1,182,933	\$ 5,248	\$ 93,791	\$ 203,456	\$ 174,253	\$ 1,510,436	\$ 256,374	\$ 5,521,789

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

EXHIBIT B-2

	Special Revenue								
	Cafeteria Fund	Special Projects Education Fund	Farmington Festival Fund	Open Space Rental Fund	Adult Education Fund	Veterans' Memorial Fund	Drug Enforcement Fund	School Aged Child Care Fund	Community Development Fund
Revenues:									
Federal and state grants	\$ 316,800	\$ 3,016,267	\$	\$ 7,776	\$	\$	\$	\$	
Charges for current services	1,043,538			36,570	657,479			1,807,159	
Sewer assessments									
Licenses and permits									
Net investment income	309		72	155			77	158	
Other		1,497,064							
Total revenues	<u>1,360,647</u>	<u>4,513,331</u>	<u>72</u>	<u>44,501</u>	<u>657,479</u>	<u>33</u>	<u>77</u>	<u>1,807,159</u>	<u>158</u>
Expenditures:									
Education	1,386,088	4,467,963			670,486			1,744,195	
Culture and recreation									
Plant operations									
Other				11,102					
Debt Service									
Capital outlay									
Total expenditures	<u>1,386,088</u>	<u>4,467,963</u>	<u>-</u>	<u>11,102</u>	<u>670,486</u>	<u>-</u>	<u>-</u>	<u>1,744,195</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(25,441)</u>	<u>45,368</u>	<u>72</u>	<u>33,399</u>	<u>(13,007)</u>	<u>33</u>	<u>77</u>	<u>62,964</u>	<u>158</u>
Other Financing Sources (Uses):									
Premium on General Obligation Bonds									
Refunding Bonds issuance									
Premium on refunding bond issuance									
Payment to refunded bond escrow agent									
Transfers out									
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	(25,441)	45,368	72	33,399	(13,007)	33	77	62,964	158
Fund Balances at Beginning of Year	47,931	(64,271)	35,762	103,180	94,941	16,431	40,958	683,103	105,055
Fund Balances at End of Year	<u>\$ 22,490</u>	<u>\$ (18,903)</u>	<u>\$ 35,834</u>	<u>\$ 136,579</u>	<u>\$ 81,934</u>	<u>\$ 16,464</u>	<u>\$ 41,035</u>	<u>\$ 746,067</u>	<u>\$ 105,213</u>

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

EXHIBIT B-2

	Special Revenue						Debt Service	Capital Projects	Total Nonmajor Governmental Funds	
	Recreation Fund	Noah Wallace Fund	FLIS Scholarship Fund	Donation Fund	Municipal Grants	Small Cities	Water Pollution Control Authority	Debt Service		STEAP Grant
Revenues:										
Federal and state grants	\$	\$	\$	\$	\$ 202,613	\$	\$	\$ 28,995	\$ 3,572,451	
Charges for current services	606,688					4,453,123			8,604,557	
Sewer assessments						94,021			94,021	
Licenses and permits						20,530			20,530	
Net investment income	238	38,827	12			393			40,276	
Other				37,591	866,596	17,991	81,245		2,500,487	
Total revenues	<u>606,926</u>	<u>38,827</u>	<u>12</u>	<u>37,591</u>	<u>1,069,209</u>	<u>2</u>	<u>4,586,058</u>	<u>81,245</u>	<u>28,995</u>	<u>14,832,322</u>
Expenditures:										
Education		37,897	500							8,307,129
Culture and recreation	628,413									628,413
Plant operations						2,744,068				2,744,068
Other				37,680	866,792					915,574
Debt Service							171,753	224,870		396,623
Capital outlay									28,995	28,995
Total expenditures	<u>628,413</u>	<u>37,897</u>	<u>500</u>	<u>37,680</u>	<u>866,792</u>	<u>-</u>	<u>2,915,821</u>	<u>224,870</u>	<u>28,995</u>	<u>13,020,802</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(21,487)</u>	<u>930</u>	<u>(488)</u>	<u>(89)</u>	<u>202,417</u>	<u>2</u>	<u>1,670,237</u>	<u>(143,625)</u>	<u>-</u>	<u>1,811,520</u>
Other Financing Sources (Uses):										
Premium on General Obligation Bonds								221,823		221,823
Refunding Bonds issuance								7,440,000		7,440,000
Premium on refunding bond issuance								543,736		543,736
Payment to refunded bond escrow agent								(7,857,850)		(7,857,850)
Transfers out					(350,000)		(801,536)			(1,151,536)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(350,000)</u>	<u>-</u>	<u>(801,536)</u>	<u>347,709</u>	<u>-</u>	<u>(803,827)</u>
Net Changes in Fund Balances	(21,487)	930	(488)	(89)	(147,583)	2	868,701	204,084	-	1,007,693
Fund Balances at Beginning of Year	<u>36,267</u>	<u>1,144,015</u>	<u>5,736</u>	<u>84,658</u>	<u>121,513</u>	<u>1,259</u>	<u>504,265</u>	<u>-</u>	<u>240</u>	<u>2,961,043</u>
Fund Balances at End of Year	<u>\$ 14,780</u>	<u>\$ 1,144,945</u>	<u>\$ 5,248</u>	<u>\$ 84,569</u>	<u>\$ (26,070)</u>	<u>\$ 1,261</u>	<u>\$ 1,372,966</u>	<u>\$ 204,084</u>	<u>\$ 240</u>	<u>\$ 3,968,736</u>

**TOWN OF FARMINGTON
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - WATER POLLUTION CONTROL AUTHORITY FUND
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Budget</u>		<u>Actual</u>	<u>Variance - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Program revenues	\$ 4,124,387	4,124,387	\$ 4,586,058	\$ 461,671
Expenditures:				
Program expenditures	<u>3,324,387</u>	<u>3,322,851</u>	<u>2,915,821</u>	<u>407,030</u>
Excess of Revenues over Expenditures	800,000	801,536	1,670,237	868,701
Other Financing Uses:				
Operating transfers out:				
Capital Projects Fund	<u>(800,000)</u>	<u>(801,536)</u>	<u>(801,536)</u>	<u>-</u>
Net Change in Fund Balance	\$ <u>-</u>	\$ <u>-</u>	868,701	\$ <u>868,701</u>
Fund Balance at Beginning of Year			<u>504,265</u>	
Fund Balance at End of Year			\$ <u>1,372,966</u>	

FIDUCIARY FUND TYPES

Fiduciary fund types are used to account for assets held by the Town in a trustee capacity or as an agent for individuals, private organizations or others. The Town's fiduciary funds are:

AGENCY FUNDS:

Student Activities - To account for various student activities and clubs.

Contractor's Deposit - To account for deposits from contractors and developers, which are held by the Town as surety for satisfactory completion of construction and development projects.

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

	<u>Balance June 30, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2015</u>
Student Activities:				
Assets:				
Cash and cash equivalents	\$ 658,442	\$ 1,789,278	\$ 1,790,784	\$ 656,936
Investments	<u>279,980</u>	<u>4,073</u>	<u> </u>	<u>284,053</u>
Total Assets	<u>\$ 938,422</u>	<u>\$ 1,793,351</u>	<u>\$ 1,790,784</u>	<u>\$ 940,989</u>
Liabilities:				
Fiduciary deposits	<u>\$ 938,422</u>	<u>\$ 1,793,351</u>	<u>\$ 1,790,784</u>	<u>\$ 940,989</u>
Contractor's Deposit:				
Assets:				
Cash and cash equivalents	<u>\$ 603,310</u>	<u>\$ 548,270</u>	<u>\$ 130,434</u>	<u>\$ 1,021,146</u>
Liabilities:				
Fiduciary deposits	<u>\$ 603,310</u>	<u>\$ 548,270</u>	<u>\$ 130,434</u>	<u>\$ 1,021,146</u>
Total:				
Assets:				
Cash and cash equivalents	\$ 1,261,752	\$ 2,337,548	\$ 1,921,218	\$ 1,678,082
Investments	<u>279,980</u>	<u>4,073</u>	<u> </u>	<u>284,053</u>
Total Assets	<u>\$ 1,541,732</u>	<u>\$ 2,341,621</u>	<u>\$ 1,921,218</u>	<u>\$ 1,962,135</u>
Liabilities:				
Fiduciary deposits	<u>\$ 1,541,732</u>	<u>\$ 2,341,621</u>	<u>\$ 1,921,218</u>	<u>\$ 1,962,135</u>

SUPPLEMENTAL SCHEDULES

**TOWN OF FARMINGTON, CONNECTICUT
SCHEDULE OF CHANGES IN BOND INDEBTEDNESS
FOR THE YEAR ENDED JUNE 30, 2015**

Date of Issuance/Description	Interest Rate	Fiscal Year of Maturity	Original Amount	Outstanding July 1, 2014	Current Year Transactions		Outstanding June 30, 2015
					Issued	Retired	
2009 Series A Refunding Bond School							
2015	2.25%	2015	\$ 1,209,400	\$ 1,209,400		\$ 1,209,400	\$ -
2016	2.50%	2016	1,185,900	1,185,900			1,185,900
2017	3.46%	2017	1,166,300	1,166,300			1,166,300
2018	5.00%	2018	1,162,400	1,162,400			1,162,400
2019	4.00%	2019	1,158,500	1,158,500			1,158,500
2020	5.00%	2020	1,154,600	1,154,600			1,154,600
2021-2022	4.00%	2021-2022	2,289,600	2,289,600			2,289,600
2009 Series B Refunding Bond School							
2015-2021	4.00%	2015-2021	2,767,200	2,767,200		2,767,200	-
2011 School Bond Refunding							
2015-2016	3.00%	2015-2016	595,900	595,900		297,100	298,800
2017	2.00%	2017	295,200	295,200			295,200
2018-2022	4.00%	2018-2022	1,449,500	1,449,500			1,449,500
2023	3.13%	2023	268,300	268,300			268,300
2012 School Bond Refunding							
2019-2022	4.00%	2019-2022	20,600	20,600			20,600
2024	2.50%	2024	271,900	271,900			271,900
2025	2.75%	2025	266,700	266,700			266,700
2026	3.00%	2026	261,500	261,500			261,500
2015 School Bond Issue							
2016-2022	4.00%	2016-2022	840,000		840,000		840,000
2023-2025	2.00%	2023-2025	360,000		360,000		360,000
2026	2.25%	2026	120,000		120,000		120,000
2027	2.38%	2027	120,000		120,000		120,000
2028-2030	3.00%	2028-2030	360,000		360,000		360,000
2015 School Bond Refunding							
2016	2.00%	2016	595,000		595,000		595,000
2017-2018	3.00%	2017-2018	651,000		651,000		651,000
2019-2021	5.00%	2019-2021	860,000		860,000		860,000
			<u>\$ 19,429,500</u>	<u>\$ 15,523,500</u>	<u>\$ 3,906,000</u>	<u>\$ 4,273,700</u>	<u>\$ 15,155,800</u>
<u>SEWER BONDS</u>							
2011 Sewer Bond Refunding							
2015-2016	3.00%	2015-2016	\$ 247,300	\$ 247,300		\$ 124,400	\$ 122,900
2017	2.00%	2017	121,500	121,500			121,500
2018-2022	4.00%	2018-2022	596,500	596,500			596,500
2023	3.13%	2023	118,500	118,500			118,500
2012 Sewer Bond Refunding							
2019-2022	4.00%	2019-2022	9,000	9,000			9,000
2024	2.50%	2024	118,500	118,500			118,500
2025	2.75%	2025	116,300	116,300			116,300
2026	3.00%	2026	114,000	114,000			114,000
			<u>\$ 1,441,600</u>	<u>\$ 1,441,600</u>	<u>\$ -</u>	<u>\$ 124,400</u>	<u>\$ 1,317,200</u>

(Continued on next page)

**TOWN OF FARMINGTON, CONNECTICUT
SCHEDULE OF CHANGES IN BOND INDEBTEDNESS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2015**

Date of Issuance/Description	Interest Rate	Fiscal Year of Maturity	Original Amount	Outstanding July 1, 2014	Current Year Transactions		Outstanding June 30, 2015
					Issued	Retired	
OTHER BONDS							
2008 General Obligation Bond							
2012-2016	3.25%	2012-2016	\$ 2,110,000	\$ 420,000	\$	\$ 420,000	\$ -
2009 Series A Refunding Bonds General Purpose							
2015	2.25%	2015	335,600	335,600		335,600	-
2016	2.50%	2016	329,100	329,100			329,100
2017	3.46%	2017	323,700	323,700			323,700
2018	5.00%	2018	322,600	322,600			322,600
2019	4.00%	2019	321,500	321,500			321,500
2020	5.00%	2020	320,400	320,400			320,400
2021-2022	4.00%	2021-2022	635,400	635,400			635,400
2009 Series B Refunding Bond General Purpose							
2015-2021	4.00%	2015-2021	6,222,800	6,222,800		6,222,800	-
2009 Series C Refunding Bond General Purpose							
2015	2.75%	2015	125,000	125,000		125,000	-
2016	3.00%	2016	125,000	125,000		125,000	-
2017	3.25%	2017	100,000	100,000		100,000	-
2018	3.50%	2018	100,000	100,000		100,000	-
2019-2021	4.00%	2019-2021	300,000	300,000		300,000	-
2011 General Purpose Bond Refunding							
2015-2016	3.00%	2015-2016	1,286,800	1,286,800		648,500	638,300
2017	2.00%	2017	633,300	633,300			633,300
2018-2022	4.00%	2018-2022	3,124,000	3,124,000			3,124,000
2023	3.13%	2023	613,200	613,200			613,200
2024	3.25%	2024	210,000	210,000			210,000
2025	3.50%	2025	210,000	210,000			210,000
2026	3.63%	2026	210,000	210,000			210,000
2012 General Obligation Bond Refunding							
2019-2023	4.00%	2019-2023	2,065,400	2,065,400			2,065,400
2024	2.50%	2024	399,600	399,600			399,600
2025	2.75%	2025	392,000	392,000			392,000
2026	3.00%	2026	384,500	384,500			384,500
2013 General Obligation Bond Refunding							
2015	2.00%	2015	255,000	125,000		125,000	-
2016-2018	3.00%	2016-2018	1,625,000	1,625,000			1,625,000
2019-2020	2.00%	2019-2020	235,000	235,000			235,000
2024-2026	2.00%	2024-2026	1,290,000	1,290,000			1,290,000
2027	2.25%	2027	410,000	410,000			410,000
2028	2.00%	2028	405,000	405,000			405,000
2015 General Obligation Bond							
2016-2022	4.00%	2016-2022	1,075,000		1,075,000		1,075,000
2023-2025	2.00%	2023-2025	450,000		450,000		450,000
2026	2.25%	2026	150,000		150,000		150,000
2027	2.38%	2027	150,000		150,000		150,000
2028-2030	3.00%	2028-2030	450,000		450,000		450,000
2015 General Obligation Bond Refunding							
2016	2.00%	2016	1,465,000		1,465,000		1,465,000
2017-2018	3.00%	2017-2018	1,654,000		1,654,000		1,654,000
2019-2021	5.00%	2019-2021	2,215,000		2,215,000		2,215,000
			<u>\$ 33,028,900</u>	<u>\$ 23,599,900</u>	<u>\$ 7,609,000</u>	<u>\$ 8,501,900</u>	<u>\$ 22,707,000</u>
Total Bonds Payable				<u>\$ 40,565,000</u>	<u>\$ 11,515,000</u>	<u>\$ 12,900,000</u>	<u>\$ 39,180,000</u>

**TOWN OF FARMINGTON, CONNECTICUT
SCHEDULE OF TAX COLLECTIONS
FOR THE YEAR ENDED JUNE 30, 2015**

Grand List of October 1,	Mill Rate	Uncollected Taxes July 1, 2014	Adjustments and Transfers				Adjusted Taxes Collectible	Collections				Tax Refunds	Uncollected Taxes June 30, 2015
			Assessors Certificates of Correction and Other		Transfers to Suspense Tax Book	Net Additions (Deductions)		Taxes	Interest	Lien Fees	Total		
			Additions	Deductions									
2013	24.44	\$ 85,916,230	\$ 240,244	\$ (654,957)	\$ 973	\$ (413,740)	\$ 85,500,544	\$ 85,335,448	\$ 151,768	\$ 2,895	\$ 85,490,111	\$ 145,942	\$ 311,038
2012	24.07	301,787	6,524	(108,253)	5,941	(95,788)	194,117	86,916	36,401	2,192	125,509	32,339	139,540
2011	21.90	153,391	254	(3,995)	5,186	1,445	144,464	85,368	31,305	4,554	121,227	666	59,762
2010	21.27	64,825	2,014	(3,765)	5,685	3,934	57,389	34,941	17,617	278	52,836		22,448
2009	20.46	19,730	1,372	(9)	1,879	3,242	19,214	8,511	8,654	112	17,277		10,703
2008	19.76	2,663	588		790	1,378	2,461	591	547	21	1,159		1,870
2007	19.47	2,376	185	(5)	355	535	2,201	490	614	23	1,127		1,711
2006	25.95	1,769	637	(6)	69	700	2,331	1,090	1,468	26	2,584		1,241
2005	25.24	1,125	336	(8)		328	1,453	379	580	30	989		1,074
2004	24.27	1,086	646			646	1,732	648	1,051	45	1,744		1,084
2003	23.30	1,042	641			641	1,683	641	1,161	13	1,815		1,042
2002	21.90	829	1,182			1,182	2,011	1,184	1,974	48	3,206		827
2001	26.50	754	926			926	1,680	952	1,916	11	2,879	24	752
2000	25.00	709	662			662	1,371	666	1,286	18	1,970		705
1999	23.60	646	125			125	771	125	312	12	449		646
1998	22.80	624			624	624	-				-		-
		<u>\$ 86,469,586</u>	<u>\$ 256,336</u>	<u>\$ (770,998)</u>	<u>\$ 21,502</u>	<u>\$ (493,160)</u>	<u>\$ 85,933,422</u>	<u>\$ 85,557,950</u>	<u>\$ 256,654</u>	<u>\$ 10,278</u>	<u>\$ 85,824,882</u>	<u>\$ 178,971</u>	<u>\$ 554,443</u>

**TOWN OF FARMINGTON, CONNECTICUT
SCHEDULE OF DEBT LIMITATION
FOR THE YEAR ENDED JUNE 30, 2015**

Total tax collections (including interest and lien fees received) for the year ended June 30, 2015 \$ 85,645,911

Reimbursement for revenue loss on:
Tax relief for elderly 142,176

Base \$ 85,788,087

	<u>General Purposes</u>	<u>Schools</u>	<u>Sewers</u>	<u>Urban Renewal</u>	<u>Pension Deficit</u>
Debt Limitation:					
2-1/4 times base	\$ 193,023,196	\$	\$	\$	\$
4-1/2 times base		386,046,392			
3-3/4 times base			321,705,326		
3-1/4 times base				278,811,283	
3 times base					257,364,261
Total debt limitation	<u>193,023,196</u>	<u>386,046,392</u>	<u>321,705,326</u>	<u>278,811,283</u>	<u>257,364,261</u>
Indebtedness:					
Outstanding debt:					
Bonds	22,707,000	15,155,800	1,317,200		
Notes	625,000	100,000			
Debt authorized and unissued	2,931,241	2,475,000			
	<u>26,263,241</u>	<u>17,730,800</u>	<u>1,317,200</u>	<u>-</u>	<u>-</u>
Less:					
State of Connecticut school building grant receivable		159,801			
Proportionate share of costs allocated to other governments			136,731		
Total indebtedness for purpose of debt limitation calculation	<u>26,263,241</u>	<u>17,570,999</u>	<u>1,180,469</u>	<u>-</u>	<u>-</u>
Debt Limitation in Excess of Indebtedness	<u>\$ 166,759,955</u>	<u>\$ 368,475,393</u>	<u>\$ 320,524,857</u>	<u>\$ 278,811,283</u>	<u>\$ 257,364,261</u>

In no case shall total indebtedness exceed \$600,516,609 (seven times the annual base for debt limitation computations).

TOWN OF FARMINGTON, CONNECTICUT
SPECIAL REVENUE FUND
WATER POLLUTION CONTROL AUTHORITY FUND
SCHEDULE OF SEWER ASSESSMENTS LEVIED, COLLECTED AND OUTSTANDING
FOR THE YEAR ENDED JUNE 30, 2015

Project	Assessments Collectible July 1, 2014	Current Year Additions	Current Year Deductions	Collections			Assessments Collectible June 30, 2015
				Principal	Interest	Total	
CC	\$	\$ 38,720	\$	\$ 38,720	\$	\$ 38,720	\$ -
NN	34,131	62,820		92,112		92,112	4,839
BBB	3,274			546		546	2,728
DDD	1,816			455		455	1,361
QQQ	13					-	13
	<u>\$ 39,234</u>	<u>\$ 101,540</u>	<u>\$ -</u>	<u>\$ 131,833</u>	<u>\$ -</u>	<u>\$ 131,833</u>	<u>\$ 8,941</u>

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 FARMINGTON, CONNECTICUT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS**

	FISCAL YEAR									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Governmental Activities:										
Net investment in capital assets	\$ 22,036,765	\$ 55,323,795	\$ 60,678,758	\$ 66,566,819	\$ 70,786,142	\$ 70,918,707	\$ 74,181,528	\$ 82,048,851	\$ 87,902,192	\$ 92,204,158
Unrestricted	17,644,550	15,833,869	16,512,931	16,090,463	13,980,396	17,509,749	17,958,223	15,398,607	12,699,697	(8,471,264)
Total governmental activities net position	<u>39,681,315</u>	<u>71,157,664</u>	<u>77,191,689</u>	<u>82,657,282</u>	<u>84,766,538</u>	<u>88,428,456</u>	<u>92,139,751</u>	<u>97,447,458</u>	<u>100,601,889</u>	<u>83,732,894</u>
Business-Type Activities:										
Net investment in capital assets	1,211,666	1,196,623	1,193,904	1,215,364	1,219,346	1,217,095	1,323,369	1,325,594	1,372,108	1,397,477
Unrestricted	(239,842)	(310,331)	(237,201)	(330,341)	(369,886)	(495,592)	(536,591)	(509,680)	(363,930)	(359,078)
Total business-type activities net position	<u>971,824</u>	<u>886,292</u>	<u>956,703</u>	<u>885,023</u>	<u>849,460</u>	<u>721,503</u>	<u>786,778</u>	<u>815,914</u>	<u>1,008,178</u>	<u>1,038,399</u>
Total:										
Net investment in capital assets	23,248,431	56,520,418	61,872,662	67,782,183	72,005,488	72,135,802	75,504,897	83,374,445	89,274,300	93,601,635
Unrestricted	17,404,708	15,523,538	16,275,730	15,760,122	13,610,510	17,014,157	17,421,632	14,888,927	12,335,767	(8,830,342)
Total Net Position	<u>\$ 40,653,139</u>	<u>\$ 72,043,956</u>	<u>\$ 78,148,392</u>	<u>\$ 83,542,305</u>	<u>\$ 85,615,998</u>	<u>\$ 89,149,959</u>	<u>\$ 92,926,529</u>	<u>\$ 98,263,372</u>	<u>\$ 101,610,067</u>	<u>\$ 84,771,293</u>

**TOWN OF FARMINGTON, CONNECTICUT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS**

	FISCAL YEAR									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Expenses:										
Governmental activities:										
Education	\$ 54,715,445	\$ 58,185,128	\$ 76,033,311	\$ 60,697,140	\$ 63,021,971	\$ 64,652,411	\$ 68,814,931	\$ 70,418,332	\$ 73,274,762	\$ 73,623,378
Public safety	10,050,300	10,620,878	10,709,514	11,892,238	11,700,832	11,260,073	12,514,185	11,862,365	13,319,434	14,877,800
Public works	5,274,293	6,696,672	7,776,218	7,593,395	7,270,315	8,109,725	8,524,648	7,384,025	8,044,343	8,476,511
Culture and recreation	1,565,407	1,234,897	1,076,083	1,826,626	2,732,501	2,123,408	2,127,313	1,783,833	2,018,087	2,163,703
Special services	1,322,572	1,332,198	1,239,733	1,342,513						
Human services	13,341	32,044	2,400	15,495	20,764	24,935	21,298			
General administration	6,264,567	5,355,343	7,506,490	6,968,782	7,604,911	6,887,454	7,858,753	7,888,970	9,415,184	9,778,229
Plant operations	3,256,371	3,479,603	3,991,935	3,788,840	3,997,886	4,213,197	4,614,668	3,935,919	3,835,971	4,810,134
Debt service	2,663,803	3,147,147	2,847,221	2,742,670	2,435,367	2,143,185	1,967,106	1,747,126	1,906,930	843,849
Total governmental activities	<u>85,126,099</u>	<u>90,083,910</u>	<u>111,182,905</u>	<u>96,867,699</u>	<u>98,784,547</u>	<u>99,414,388</u>	<u>106,442,902</u>	<u>105,020,570</u>	<u>111,814,711</u>	<u>114,573,604</u>
Business-type activities:										
Waste Collection Fund					1,411,865	1,490,559	700,108	664,729	644,009	687,521
Westwoods Fund	612,831	734,219	722,187	754,882	767,564	741,680	1,537,224	1,555,485	1,512,107	1,577,806
Total business-type activities	<u>612,831</u>	<u>734,219</u>	<u>722,187</u>	<u>754,882</u>	<u>2,179,429</u>	<u>2,232,239</u>	<u>2,237,332</u>	<u>2,220,214</u>	<u>2,156,116</u>	<u>2,265,327</u>
Total Expenses	\$ <u>85,738,930</u>	\$ <u>90,818,129</u>	\$ <u>111,905,092</u>	\$ <u>97,622,581</u>	\$ <u>100,963,976</u>	\$ <u>101,646,627</u>	\$ <u>108,680,234</u>	\$ <u>107,240,784</u>	\$ <u>113,970,827</u>	\$ <u>116,838,931</u>
Program Revenues:										
Governmental activities:										
Charges for services:										
Education	\$ 2,721,338	\$ 3,051,543	\$ 3,152,847	\$ 3,132,163	\$ 3,191,193	\$ 3,272,594	\$ 3,262,316	\$ 3,291,208	\$ 3,328,115	\$ 3,508,176
Public safety	1,232,883	707,161	1,085,864	854,146	942,987	933,015	1,010,762	1,327,935	1,849,660	1,705,228
Public works	2,802,639	3,391,620	3,601,991	3,978,128	4,079,313	3,886,906	3,954,709	4,160,129	4,463,189	4,607,389
Culture and recreation	498,869	500,020	602,337	491,464	530,320	532,258	571,879	553,716	587,071	626,807
Special services	1,298,185	1,345,978	1,367,711	1,417,921	8,883	10,560				
Human services	49,031	18,744				2,888				
General administration	1,310,159	1,316,991	1,550,030	1,254,398	1,312,624	1,178,439	1,245,333	1,355,047	1,460,916	1,386,491
Plant operations										
Other										
Debt service	186,958									
Operating grants and contributions	6,404,232	6,799,564	24,845,653	9,604,738	9,743,514	10,747,054	13,599,923	12,224,690	13,887,649	13,139,053
Capital grants and contributions	657,360	991,887	2,047,483	5,682,481	3,588,534	2,309,334	3,145,481	806,419	1,635,327	2,273,299
Total governmental activities program revenues	<u>17,161,654</u>	<u>18,123,508</u>	<u>38,253,916</u>	<u>26,415,439</u>	<u>23,397,368</u>	<u>22,873,048</u>	<u>26,793,291</u>	<u>23,719,144</u>	<u>27,211,927</u>	<u>27,246,443</u>
Business-type activities:										
Charges for services	478,217	631,117	738,935	626,946	2,122,877	2,076,083	2,253,550	2,238,626	2,261,629	2,239,838
Capital grants and contributions				27,201	687,521	2,265,327	2,239,838			
Total Program Revenues	\$ <u>17,639,871</u>	\$ <u>18,754,625</u>	\$ <u>38,992,851</u>	\$ <u>27,069,586</u>	\$ <u>26,207,766</u>	\$ <u>27,214,458</u>	\$ <u>31,286,679</u>	\$ <u>25,957,770</u>	\$ <u>29,473,556</u>	\$ <u>29,486,281</u>
Net Expense:										
Governmental activities	\$ (67,964,445)	\$ (71,960,402)	\$ (72,928,989)	\$ (70,452,260)	\$ (75,387,179)	\$ (76,541,340)	\$ (79,649,611)	\$ (81,301,426)	\$ (84,602,784)	\$ (87,327,161)
Business-type activities	(134,614)	(103,102)	16,748	(100,735)	630,969	2,109,171	2,256,056	18,412	105,513	(25,489)
Total Net Expense	\$ <u>(68,099,059)</u>	\$ <u>(72,063,504)</u>	\$ <u>(72,912,241)</u>	\$ <u>(70,552,995)</u>	\$ <u>(74,756,210)</u>	\$ <u>(74,432,169)</u>	\$ <u>(77,393,555)</u>	\$ <u>(81,283,014)</u>	\$ <u>(84,497,271)</u>	\$ <u>(87,352,650)</u>

(Continued on next page)

**TOWN OF FARMINGTON, CONNECTICUT
CHANGES IN NET POSITION (CONTINUED)
LAST TEN FISCAL YEARS**

	FISCAL YEAR									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Revenues and Other Changes in Net Position:										
Governmental activities:										
Property taxes	\$ 64,964,369	\$ 68,660,227	\$ 71,144,342	\$ 71,108,035	\$ 73,052,220	\$ 76,149,789	\$ 79,578,060	\$ 82,425,145	\$ 83,659,303	\$ 85,676,586
Unrestricted grants and contributions	4,105,513	4,143,319	4,146,675	4,151,117	4,073,474	3,667,528	3,620,301	3,824,257	3,722,109	4,359,360
Investment earnings	1,328,401	1,949,609	1,265,058	450,608	243,739	259,363	80,052	232,993	272,091	111,892
Contributions										
Miscellaneous	1,221,960		95,320	208,093	127,002	129,466	82,493	126,738	103,712	270,242
Transfers										
Total governmental activities	<u>71,620,243</u>	<u>74,753,155</u>	<u>76,651,395</u>	<u>75,917,853</u>	<u>77,496,435</u>	<u>80,206,146</u>	<u>83,360,906</u>	<u>86,609,133</u>	<u>87,757,215</u>	<u>90,418,080</u>
Business-type activities:										
Investment earnings	1,344	8,498	14,630	9,413	1,477	504	600	1,741	946	1,065
Miscellaneous	3,790	9,072	39,033	19,642	19,512	27,695	48,457	8,983	40,360	31,026
Transfers									45,445	23,619
Total business-type activities	<u>5,134</u>	<u>17,570</u>	<u>53,663</u>	<u>29,055</u>	<u>20,989</u>	<u>28,199</u>	<u>49,057</u>	<u>10,724</u>	<u>86,751</u>	<u>55,710</u>
Total	<u>\$ 71,625,377</u>	<u>\$ 74,770,725</u>	<u>\$ 76,705,058</u>	<u>\$ 75,946,908</u>	<u>\$ 77,517,424</u>	<u>\$ 80,234,345</u>	<u>\$ 83,409,963</u>	<u>\$ 86,619,857</u>	<u>\$ 87,843,966</u>	<u>\$ 90,473,790</u>
Changes in Net Position:										
Governmental activities	\$ 3,655,798	\$ 2,792,753	\$ 3,722,406	\$ 5,465,593	\$ 955,095	\$ 556,535	\$ 2,059,480	\$ 2,006,349	\$ 430,054	\$ 3,090,919
Business-type activities	<u>(129,480)</u>	<u>(85,532)</u>	<u>70,411</u>	<u>(71,680)</u>	<u>2,130,160</u>	<u>2,284,255</u>	<u>67,469</u>	<u>116,237</u>	<u>61,262</u>	<u>30,221</u>
Total	<u>\$ 3,526,318</u>	<u>\$ 2,707,221</u>	<u>\$ 3,792,817</u>	<u>\$ 5,393,913</u>	<u>\$ 3,085,255</u>	<u>\$ 2,840,790</u>	<u>\$ 2,126,949</u>	<u>\$ 2,122,586</u>	<u>\$ 491,316</u>	<u>\$ 3,121,140</u>

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

	FISCAL YEAR									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Fund:										
Reserved	\$ 535,942	\$ 448,180	\$ 455,676	\$ 493,720	\$ 102,654	\$	\$	\$	\$	\$
Unreserved	7,879,886	8,045,726	8,584,291	7,973,480	7,965,752					
Nonspendable							16,040			
Assigned						748,869	178,623	179,726	122,297	518,355
Unassigned						7,388,642	8,063,735	8,917,875	9,551,893	10,343,295
Total General Fund	\$ 8,415,828	\$ 8,493,906	\$ 9,039,967	\$ 8,467,200	\$ 8,068,406	\$ -	\$ 8,258,398	\$ 9,097,601	\$ 9,674,190	\$ 10,861,650
All other governmental funds:										
Reserved	\$	\$	\$ 25,345	\$ 31,247	\$ 31,193	\$	\$	\$	\$	\$
Unreserved, reported in:										
Special revenue funds	3,299,651	3,653,268	3,933,499	4,146,421	4,623,104					
Capital projects funds	2,339,603	641,903	2,197,843	2,440,088	2,452,336					
Nonspendable						34,208	53,778	45,508	31,792	28,890
Restricted						7,177,624	7,340,054	5,220,574	2,491,794	5,152,463
Committed						2,684,708	2,836,861	1,194,370	1,490,088	2,602,308
Unassigned						(11,859)	(215,277)	(71,481)	(64,271)	(44,973)
Total All Other Governmental Funds	\$ 5,639,254	\$ 4,295,171	\$ 6,156,687	\$ 6,617,756	\$ 7,106,633	\$ 9,884,681	\$ 10,015,416	\$ 6,388,971	\$ 3,949,403	\$ 7,738,688

TOWN OF FARMINGTON, CONNECTICUT
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)

	FISCAL YEAR									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Revenues:										
Property taxes, interest and lien fees	\$ 64,640,537	\$ 68,584,419	\$ 71,041,430	\$ 71,216,753	\$ 73,010,027	\$ 76,077,290	\$ 79,556,089	\$ 82,373,994	\$ 83,594,831	\$ 85,678,697
Miscellaneous taxes	1,765,899									
Intergovernmental revenues	11,039,905	12,678,308	30,309,249	14,811,288	14,294,441	15,630,669	18,303,375	15,585,163	16,705,458	18,304,576
Charges for current services	6,996,789	8,513,826	9,948,208	10,189,547	8,987,102	8,800,343	8,972,400	9,245,718	9,533,033	9,983,548
Sewer assessments	34,840	25,631	4,864	35,289	18,462	16,059	20,407	22,664	51,537	94,021
Licenses and permits	709,097	605,394	1,003,152	561,317	480,171	486,816	581,888	1,007,226	1,260,924	875,946
Sale of lunches	1,231,694	719,937								
Fines and penalties	18,892	38,900	22,719	39,419	31,924	41,713	68,958	48,533	37,273	39,952
Investment income	1,255,484	1,580,405	1,206,774	440,131	242,257	256,799	78,232	226,868	266,238	105,831
Other local revenue	514,065	685,614	1,766,631	1,473,960	1,708,997	1,750,221	1,755,781	2,008,141	2,995,514	2,978,979
Total revenues	<u>88,207,202</u>	<u>93,432,434</u>	<u>115,303,027</u>	<u>98,767,704</u>	<u>98,773,381</u>	<u>103,059,910</u>	<u>109,337,130</u>	<u>110,518,307</u>	<u>114,444,808</u>	<u>118,061,550</u>
Expenditures:										
Current:										
Board of Education	52,477,299	54,891,751	73,245,357	58,948,132	60,603,300	62,860,458	66,634,890	68,674,090	71,319,322	71,760,806
Public safety	7,798,584	7,869,928	8,237,968	8,317,622	8,287,822	8,466,147	8,812,585	8,906,148	9,039,943	9,477,482
Public works	3,596,963	3,758,288	3,739,734	3,887,998	3,732,214	3,819,074	3,811,767	3,927,011	4,151,439	4,126,010
Culture and recreation	1,329,045	1,361,395	1,312,340	1,350,583	1,247,728	1,727,483	1,658,658	1,468,714	1,470,469	1,458,283
Special services	1,322,572	1,332,048	1,239,583	1,341,388						
Human resources	13,341	22,833	20,726	15,495	20,764					
Plant operations	2,387,383	2,686,757	2,825,204	2,751,077	2,822,608	2,720,153	2,884,309	2,784,865	2,683,662	2,744,068
General government	4,539,915	4,969,829	5,169,202	5,153,948	5,125,143	5,250,988	5,251,384	5,373,243	5,499,470	5,542,498
Pension and other employee benefits	3,470,172	3,837,132	4,175,626	4,550,117	4,859,597	5,081,050	5,392,810	5,726,404	5,637,982	5,976,301
Contractual services										
Other	17,635	269,672	318,534	372,445	648,652	653,862	2,784,996	566,851	891,649	915,574
Debt service	7,897,578	9,049,542	9,038,857	9,331,668	9,225,806	9,202,135	8,892,671	8,536,931	7,713,185	6,866,267
Capital outlay	5,266,503	4,517,383	11,965,189	2,977,620	3,507,244	3,882,521	6,772,528	8,101,962	7,900,666	8,959,596
Total expenditures	<u>90,116,990</u>	<u>94,566,558</u>	<u>121,288,320</u>	<u>98,998,093</u>	<u>100,080,878</u>	<u>103,663,871</u>	<u>112,896,598</u>	<u>114,066,219</u>	<u>116,307,787</u>	<u>117,826,885</u>
Deficiency of Revenues over Expenditures	<u>(1,909,788)</u>	<u>(1,134,124)</u>	<u>(5,985,293)</u>	<u>(230,389)</u>	<u>(1,307,497)</u>	<u>(603,961)</u>	<u>(3,559,468)</u>	<u>(3,547,912)</u>	<u>(1,862,979)</u>	<u>234,665</u>
Other Financing Sources (Uses):										
Proceeds from bond issue	16,000,000		8,000,000	13,475,000	17,635,000	3,200,000				4,296,823
Proceeds of refunding bonds				1,181,368		9,096,600	5,364,576	3,670,017		7,983,736
Payment to refunded bond escrow agent				(14,537,677)	(16,237,420)	(8,845,486)	(5,274,607)	(3,608,307)		(7,857,850)
Proceeds from capital lease	123,061		392,870				3,705,081	715,000		319,371
Operating transfers in	2,514,220	2,176,750	3,339,833	2,086,000	1,335,937	2,766,309	1,710,000	4,587,891	4,061,763	4,853,273
Operating transfers out	(2,514,220)	(2,176,750)	(3,339,833)	(2,086,000)	(1,335,937)	(2,766,309)	(1,710,000)	(4,587,891)	(4,061,763)	(4,853,273)
Total other financing sources	<u>16,123,061</u>	<u>-</u>	<u>8,392,870</u>	<u>118,691</u>	<u>1,397,580</u>	<u>3,451,114</u>	<u>3,795,050</u>	<u>776,710</u>	<u>-</u>	<u>4,742,080</u>
Net Change in Fund Balances	14,213,273	(1,134,124)	2,407,577	(111,698)	90,083	2,847,153	235,582	(2,771,202)	(1,862,979)	4,976,745
Fund Balance at Beginning of Year	(290,072)	13,923,201	12,789,077	15,196,654	15,084,956	15,175,039	18,022,192	18,257,774	15,486,572	13,623,593
Fund Balance at End of Year	<u>\$ 13,923,201</u>	<u>\$ 12,789,077</u>	<u>\$ 15,196,654</u>	<u>\$ 15,084,956</u>	<u>\$ 15,175,039</u>	<u>\$ 18,022,192</u>	<u>\$ 18,257,774</u>	<u>\$ 15,486,572</u>	<u>\$ 13,623,593</u>	<u>\$ 18,600,338</u>
Debt Service as a Percentage to Noncapital Expenditures	9.05%	9.94%	8.13%	9.63%	9.33%	8.88%	7.88%	7.48%	6.63%	5.83%

TOWN OF FARMINGTON, CONNECTICUT
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(in thousands of dollars)

Fiscal Year Ended June 30,	Real Property		All Land	Motor Vehicles	Personal Property	Less: Tax Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assess Value as a Percentage of Actual Value
	Residential Property	Commercial Property								
2006	\$ 1,696,359	\$ 577,999	\$ 8,822	\$ 192,728	\$ 211,460	\$ 28,585	\$ 2,658,782	24.3	\$ 5,009,071	53.08%
2007	1,724,272	579,242	7,870	201,113	206,144	27,158	2,691,484	25.2	5,034,467	53.46%
2008	1,749,858	580,610	7,840	205,367	209,825	30,381	2,723,119	26.0	5,846,001	46.58%
2009	2,478,576	774,810	11,343	234,639	214,720	37,180	3,676,908	19.5	5,252,725	70.00%
2010	2,502,442	771,483	11,003	217,100	236,431	41,541	3,696,918	19.8	5,677,957	65.11%
2011	2,519,851	784,785	9,322	218,027	241,339	46,141	3,727,182	20.5	5,658,391	65.87%
2012	2,541,816	786,452	9,293	231,438	230,819	46,022	3,753,797	21.3	5,404,257	69.46%
2013	2,554,665	782,958	9,337	249,236	232,723	53,243	3,775,877	21.9	5,575,719	67.72%
2014	2,222,499	845,688	9,027	250,479	231,545	54,735	3,504,503	24.1	5,404,257	70.00%
2015	2,237,271	835,870	9,523	255,999	230,777	40,180	3,529,261	24.4	5,168,806	68.28%

Source: Assessor's Office, Town of Farmington

Note: Properties in the Town are reassessed once every four years per State statute. The Town assesses all property at approximately 70% of actual value. Estimated actual value is calculated by dividing assessed value by those percentages. Tax rates are per \$1,000 of assessed value.

**TOWN OF FARMINGTON, CONNECTICUT
PRINCIPAL TAXPAYERS
JUNE 30, 2015
CURRENT YEAR AND TEN YEARS AGO
(in thousands of dollars)**

Taxpayer	2015			2006		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
West Farms Associates	\$ 122,496	1	3.50 %	\$ 83,159	1	3.13 %
Dunn-Sager Affiliates	44,109	2	1.26			
United Technologies	40,465	3	1.16	43,625	2	1.64
CL&P	35,737	4	1.02	19,091	5	0.72
Trumpf, Inc	34,008	5	0.97	24,403	3	0.92
Delfino, William & Thomas	23,169	6	0.66	19,265	4	0.73
NSHE Columbia Hartford LLC	22,644	7	0.65			
The Price Rite, Inc	20,197	8	0.58	16,587	7	0.62
The Gables of Farmington	18,611	9	0.53			
Village Gate	17,620	10	0.50			
Fusco				17,677	6	0.67
HMC/RGI Hartford LP				15,790	8	0.59
Nordstrom				12,970	9	0.49
Richard Gordon, ETALS				12,062	10	0.45
	<u>\$ 379,056</u>		<u>10.83 %</u>	<u>\$ 264,629</u>		<u>9.97 %</u>

Source: Assessor's Office, Town of Farmington

**TOWN OF FARMINGTON, CONNECTICUT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(in thousands of dollars)**

Fiscal Year Ended June 30,	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2015	\$ 85,501	\$ 85,190	99.6%	\$ 190	\$ 85,379	99.9%
2014	83,534	83,232	99.6%	154	83,386	99.8%
2013	82,228	81,929	99.6%	237	82,166	99.9%
2012	79,292	78,958	99.6%	347	79,305	100.0%
2011	75,889	75,568	99.6%	220	75,788	99.9%
2010	72,659	72,460	99.7%	199	72,659	100.0%
2009	70,893	70,715	99.7%	185	70,900	100.0%
2008	70,882	70,662	99.7%	183	70,845	99.9%
2007	68,336	68,169	99.8%	127	68,296	99.9%
2006	64,843	64,677	99.7%	186	64,863	100.0%

Source: Tax Collector, Town of Farmington

TABLE 8

**TOWN OF FARMINGTON, CONNECTICUT
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS**

Fiscal Year	Operating Millage	Debt Service Millage	Total Town Millage
2015	22.6	1.8	24.4
2014	22.1	2.0	24.1
2013	19.9	2.0	21.9
2012	19.2	2.1	21.3
2011	18.3	2.2	20.5
2010	17.6	2.2	19.8
2009	17.4	2.1	19.5
2008	23.3	2.7	26.0
2007	22.5	2.7	25.2
2006	21.8	2.5	24.3

Source: Assessor's Office, Town of Farmington

TABLE 9

**TOWN OF FARMINGTON, CONNECTICUT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(in thousands of dollars, except per capita amount)**

Fiscal Year	Governmental Activities					Total Primary Government	Percentage of Estimated Actual Value of Property	Percentage of Personal Income	Per Capita
	General Obligation Bonds	School Bonds	Sewer Bonds	Capital Leases					
2006	\$ 36,136	\$ 31,255	\$ 11,055	\$ 75	\$ 78,521	1.6%	2.01%	\$ 3.32	
2007	34,081	28,583	9,889	34	72,587	1.3%	1.86%	3.07	
2008	39,907	25,870	8,704	393	74,874	1.4%	1.91%	3.17	
2009	33,000	28,235	7,499	334	69,068	1.3%	1.77%	2.92	
2010	31,447	25,121	6,274	272	63,114	1.1%	1.61%	2.67	
2011	31,693	22,690	5,047	292	59,722	1.1%	1.17%	2.37	
2012	28,668	20,160	3,778	3,847	56,453	1.0%	1.11%	2.23	
2013	26,612	17,652	1,570	3,777	49,611	0.9%	0.99%	1.95	
2014	23,600	15,523	1,442	3,685	44,250	0.9%	0.91%	1.73	
2015	22,707	15,156	1,317	3,806	42,986	0.8%	0.79%	1.68	

Source: Finance Department, Town of Farmington

**TOWN OF FARMINGTON, CONNECTICUT
 LEGAL DEBT MARGIN INFORMATION
 LAST TEN FISCAL YEARS
 (in thousands of dollars)**

	FISCAL YEAR									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Debt limit	\$ 902,239	\$ 943,746	\$ 978,678	\$ 979,641	\$ 1,003,953	\$ 1,047,566	\$ 1,095,563	\$ 1,134,188	\$ 1,151,327	\$ 1,436,950
Total net debt applicable to limit	85,587	73,920	77,914	90,838	65,633	57,520	55,748	48,766	53,266	45,015
Legal Debt Margin	\$ 816,652	\$ 869,826	\$ 900,764	\$ 888,803	\$ 938,320	\$ 990,046	\$ 1,039,815	\$ 1,085,422	\$ 1,098,061	\$ 1,391,935
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	9.49%	7.83%	7.96%	9.27%	6.54%	5.49%	5.09%	4.30%	4.63%	3.13%

Legal Debt Margin Calculation for Fiscal Year 2015

Assessed value	\$ 3,489,081
Add back: exempt real property	40,180
Total assessed value	<u>\$ 3,529,261</u>
Debt limit	\$ 1,436,950
Debt applicable to limit:	
Gross indebtedness	45,311
Debt payable by other governments	(297)
Total net debt applicable to limit	<u>45,014</u>
Legal Debt Margin	<u>\$ 1,391,936</u>

Source: Assessor's Office, Town of Farmington

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

Fiscal Year	(1) Population	Personal Income (in thousands of dollars)	(1) Per Capita Personal Income	(1) Median Age	(2) School Enrollment	(3) Unemployment Rate
2006	23,641	\$ 924,576	\$ 39,109	40.4	4,221	* 3.5%
2007	23,641	924,576	39,109	40.4	4,166	* 3.3%
2008	23,641	924,576	39,109	40.4	4,145	4.6%
2009	23,641	924,576	39,109	40.4	4,108	6.4%
2010	23,641	924,576	39,109	40.4	4,068	7.4%
2011	25,224 a	1,288,440 a	51,080	42.7	a 4,009	6.8%
2012	25,307 b	1,282,654 b	50,684	43.2	b 4,014	6.4%
2013	25,450 c	1,280,775 c	50,325	43.2	c 3,959	6.3%
2014	25,527 d	1,226,454 d	48,045	42.8	d 3,946	4.9%
2015	25,515 e	1,384,821 e	54,275	43.4	e 3,976	3.7%

(1) U.S. Census Bureau

a. 2008-2010 American Community Survey - 3 year Estimates

b. 2009-2011 American Community Survey - 3 year Estimates

c. 2010-2012 American Community Survey - 3 year Estimates

d. 2011-2013 American Community Survey - 3 year Estimates

e. 2010-2014 American Community Survey - 5 year Estimates

(2) B.O.E. School Enrollment Report as of October 1

(3) Connecticut Dept of Labor

*Revised

**TOWN OF FARMINGTON, CONNECTICUT
PRINCIPAL EMPLOYERS
CURRENT YEAR AND TEN YEARS AGO**

Employer	2015			2006		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	*Percentage of Total City Employment
UCONN Health Center/Dempsey Hospital	6,000	1	50.59%	5,200	1	53.85%
Otis Elevator Co.	800	2	6.75%	782	2	8.10%
Town of Farmington/Board of Education (FTE)	764		6.44%	661 *		6.85%
Connecticare	700	3	5.90%	505	5	5.23%
Macy's	500	4	4.22%			
Trumpf	500	4	4.22%	505	5	5.23%
Tunxis Community College	500	4	4.22%			
American Red Cross	388	5	3.27%	451	6	4.67%
Allied World Assurance Co.	350	6	2.95%			
Connecticut Spring & Stamp	350	6	2.95%	325	8	3.37%
Marriot Hotel	300	7	2.53%	195	12	2.02%
Nordstroms	300	7	2.53%	328	7	3.40%
Stanley Access Technologies	280	8	2.36%			
UTC Climate Controls & Scrty	200	9	1.69%			
UTC Fire & Security	200 a.	9	1.69%			
Moore Medical LLC	175	10	1.48%			
First Connecticut Bancorp Inc	3	11	0.03%			
Bank of America				600	4	6.21%
ebm Industries				255	9	2.64%
Gros-ite				220	10	2.28%
JC Penney				206	11	2.13%
Lord & Taylor				185	13	1.92%

*Revised

a. Last updated 2013

TABLE 13

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

	FISCAL YEAR									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Government	37	33	31	33	33	33	33	33	32	32
Public safety:										
Police Officers	44	43	43	43	44	42	45	45	42	46
Civilians	10	16	16	15	16	15	15	15	15	14
Fire:										
Firefighters	9	9	9	9	10	10	10	9	10	10
Highways and streets:										
Engineering	6	6	7	7	7	7	7	7	6	7
Maintenance	28	34	34	33	32	33	33	32	33	32
Treatment Plant	14	15	15	14	14	14	13	14	12	14
Recreation	3	3	3	3	2	2	2	2	2	2
Public Education:										
Teachers	347	347	347	347	347	345	344	354	360	367
Administrative and other	163	163	166	172	168	171	176	187	196	240
Total	661	669	671	676	673	672	678	708	708	764

Sources: Finance Department, Town of Farmington
Business Office, Farmington Board of Education

**TOWN OF FARMINGTON, CONNECTICUT
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS**

	FISCAL YEAR									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Public Safety:										
Police:										
Homicides	0	0	0	0	0	0	0	0	0	N/A
Robbery	11	10	7	8	4	12	19	10	10	N/A
Assaults	105	98	36	109	110	94	95	68	52	N/A
Burglary	61	78	77	54	41	53	49	45	58	N/A
Larceny	711	667	698	746	762	656	686	688	695	N/A
Auto Theft	28	21	20	16	17	6	16	15	10	N/A
Fire:										
Number of calls answered	2,866	3,068	3,193	3,108	3,186	3,463 (5)	3,888	3,455	3,450	3,437
Inspections	348	402	415	514	599	646 (6)	636	599	670	623
Public Works and Development:										
Building										
Permits issued	2494	2351	2062	1964	2,109	1,964	2,514	2,593	2,385	2,028
Highway and Grounds:										
Recyclable collected (tons)	6451	5,993	7382.1	7432.9	7302.2	6421.0 (7)	5,927.0	5,628.8	5304.68	5996.44
Treatment:										
Avg daily flow (millions of gallons)	4.9	4.3	3.9	4.1	4.0	3.9	4.4	3.5	3.8	3.75
Yearly avg pollution removal	97.3%	97.6%	97.0%	97.6%	98.0%	98.0%	96.3%	97.0%	97.0%	95.2%
Community and Recreational Services:										
Recreation:										
Registrations (2)	8,628	11,425	13,573	14,500	14,912	18,970	17,343	15,487	15,593	15,508
Public Education:										
Per pupil expenditure (3)	10,513	11,311	11,868	11,968	12,620	13,163	14,103	14,403	15,132	15,813
Connecticut mastery test (4) (averaged scores for grades 4, 6, 8)	82%	86%	83%	88%	88%	88%	90%	88%	(8)	82%

Source: All data from the Town of Farmington Annual Report unless otherwise noted

N/A: Information not available

(1) Police Dept, Town of Farmington, Police Statistics on calendar year basis

(2) Recreation Dept., Town of Farmington

(3) Business Office, Farmington Board of Education

(4) Farmington Public Schools website

(5) Fire and Rescue Services Dept., Town of Farmington

(6) Fire Marshall, Town of Farmington

(7) Highway and Grounds Dept, Town of Farmington

(8) Farmington students participated in the pilot SBAC testing in Reading, Writing, and Math. No individual student performance data was collected this year.

TABLE 15

**TOWN OF FARMINGTON, CONNECTICUT
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS**

	FISCAL YEAR									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Public safety:										
Police:										
Station	1	1	1	1	1	1	1	1	1	1
Vehicles:										
Marked	14	14	14	14	16	18	18	18	18	25
Unmarked	10	10	10	10	10	10	10	10	10	9
Fire:										
Stations	5	5	5	5	5	5	5	5	5	5
Public Works and Development:										
Highway										
**Streets (miles)	117.79	115.31	116.31	116.77	117.34	117.34	117.85	117.85	117.85	118.14
Street Lights	1,739	1,730	1,730	1,737	1,748	N/A	1754	1,754	1,754	1,758
Sidewalks (miles)	46.8	46.8	46.8	47.24	47.68	47.68	48.45	48.45	48.45	48.88
Treatment:										
Sanitary sewers (miles)	137.06	138.01	140.41	140.12	140.91	141.63	142.26	142.26	142.26	142.38
Community and Recreational Services:										
Parks acreage	246.2	246.2	246.2	246.2	246.2	246.2	246.2	246.2	246.2	246.2
Parks	6	6	6	6	6	6	6	6	6	6
Athletic fields	49	49	49	49	49	49	49	49	49	49
Tennis courts	12	12	12	12	12	12	12	12	12	12
Public Education:										
Schools	7	7	7	7	7	7	7	7	7	7

Source: Annual financial statements except where noted

**annual report to Department of Transportation