

Town of Plymouth Connecticut



Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2013

Town of Plymouth Connecticut

Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2013

Prepared by:
COMPTROLLER'S OFFICE

DIRECTOR OF FINANCE
David Bertnagel

TOWN OF PLYMOUTH, CONNECTICUT
COMPREHENSIVE ANNUAL FINANCIAL REPORT

JUNE 30, 2013

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Introductory Section

TOWN OF PLYMOUTH, CONNECTICUT

For Fiscal Year Ended June 30, 2013

PRINCIPAL OFFICIALS

MAYOR AND TOWN COUNCIL

Vincent Festa, Jr., Mayor
Councilman Richard J. Foote
Councilwoman Susan R. Murawski
Councilman Tom Zagurski
Councilwoman DiAnna Schenkel
Councilman Remie C. Ferreira Sr.

BOARD OF FINANCE

Ralph S. Zovich, Chairman
Victoria A. Carey, Vice-Chairman
Patricia A. Budnick
Peter Cook
Daniel Murray III
Michael Drozdick

ADMINISTRATION

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

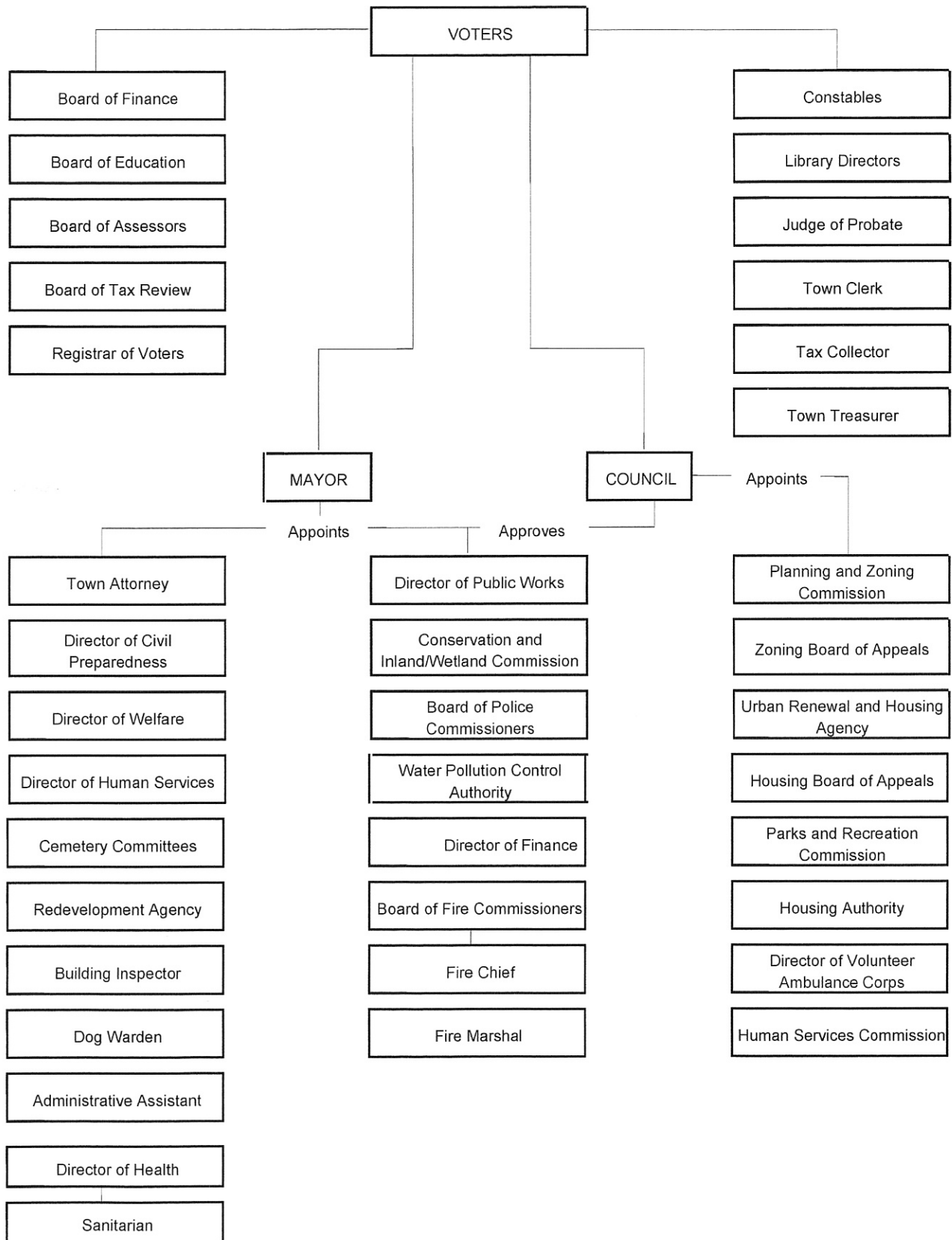
Cheryl J. Giancesini
Barbara L. Deschaine
Rae Ann Walcott
Ana LeGassey
David J. Bertnagel
David C. Mischke
William Bellotti
Salvatore Vitrano
Barbara K. Rockwell
Charles Doback
Abigail Egan
Andre Dorval
Margus T. Laan
Anthony A. Lorenzetti
David Perkins
Karen M. Krasicky
Mark Sekorski
Anthony J. Orsini
Clarence B. Atkinson
Anthony A. Lorenzetti
Dr. Antonio Scappitici
Lynn White
Michael Ganem
Eleanor S. Cruz

BOARD OF EDUCATION

Raymond Engle
Mark E. Berube
Gerard Bourbonniere
Karen E. Kulesa
Anthony J. Orsini

Patrick A. Perugino, Chairman
Daniel Gentile
Daniel Santorso
Martin E. Wetzel

TOWN OF PLYMOUTH ORGANIZATIONAL CHART





200 Years of Quality Service

80 Main Street, Terryville, Connecticut 06786

Telephone: (860) 585-4001

Fax: (860) 585-4015

January 27, 2014

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

State law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements. This report is published to fulfill that requirement for the fiscal year ended June 30, 2013.

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

Blum, Shapiro & Company, Certified Public Accountants, have issued an unqualified ("clean") opinion on the Town of Plymouth's financial statements for the year ended June 30, 2013. The independent auditor's report is located at the front of the financial section of this report.

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

PROFILE OF THE GOVERNMENT

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

Plymouth is a community predominantly composed of owner-occupied, single-family dwellings. Single-family dwellings comprise over 80% of all housing units in the Town. During the 2010 U. S. Census, the Town population was 12,243.

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

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

In 1965 the Town adopted its first Plan of Development. As part of that plan, and subsequent revised plans, comprehensive planning and zoning regulations have been enacted to reflect current development standards and practices. These have resulted in a balanced economy, improved residential development and have helped to stabilize the tax rate. The most recent Plan of Development was adopted in April 2005 and is in the process of being updated for 2015.

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

Form of Government

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

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

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

NATIONAL, STATE & LOCAL ECONOMY

The national economy is still recovering from a long economic recession and is starting to rebound very slowly. As the economy is recovering, policies have been tightened to deal with expected inflationary issues towards the end of 2013 and 2014. Despite this outlook, the Town has a mix of manufacturing base that has been somewhat stable during the past year and several new business openings in the Town's business park. There are several expansion prospects that look good given the aggressive policies with the tax incentive committee.

The State of Connecticut has the same outlook; the structural problems with the State budget were addressed last year that affect all businesses and citizens of the State. In some instances, there will be reduced grants to cities and towns, including Plymouth in the next few years. This will affect in some instances services provided to the citizens.

Even though there was a downturn in the economy, the October 1, 2012 Grand List increased by a slight margin in comparison to many communities surrounding Plymouth. This reverses the downward trend from last year due to a mandated statistical revaluation.

The Town has also been very aggressive in the collection of current and back taxes during the past few years and will continue to pursue all tax dollars owed.

UNEMPLOYMENT

Unemployment rates and the number of unemployed people, not seasonally adjusted, were up equal or slightly improved over a year in all of the states nine labor market areas. Connecticut's unemployment rate was at 8.2% and was slightly higher than the national rate at 7.8% for June 2013. The Hartford region unemployment rate stood at 8.2% and locally, the Town of Plymouth's unemployment rate is higher than the national and regional average at 8.7% in June 2013. It is expected that the rates will slowly decrease during the next few months and year at employment becomes available in the various labor markets.

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

LONG-TERM FINANCIAL PLANNING

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

The Town has also evaluated all its expenditure objects and properly identified categories of expenditures and has required complete justification for all its line items. This practice has allowed the Town to operate more efficiently and effectively, while at the same time being able to hold the line on property taxes (the Town's most significant revenue source).

The Town is in the process of adopting a new investment policy using the Government Finance Officer's Association (GFOA) model during the 2013-2014 budget year. This will ensure that the Town maximizes the return on all its investments while preserving the initial investment.

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

FINANCIAL POLICIES

The Town has several financial policies as summarized below:

Budgetary Procedures

The Town adheres to the following procedure in establishing the annual budget. No later than February 10, each department head, office or agency shall file with the mayor, a detailed estimate of the expenditures and revenues to be made by his or her department, office or agency in the ensuing fiscal year. These estimates shall be filed with the Board of Finance on or before February 22. The Board of Education shall file estimated expenditures with the Board of Finance on or before February 28. The Board of Finance shall hold one or more public hearings no later than April 23. Immediately after the

public hearings the Board of Finance shall meet with the Town Council and representatives of the Board of Education to present the recommended budget, at which time the Board of Finance, if a quorum of its members are present, may, by majority vote of its members, make changes to the budget to be recommended to the town referendum. Within ten business days after such meeting the Board of Finance shall present the recommended budget to the budget referendum, and, at least five business days prior to the referendum, the Board of Finance shall cause the recommended budget to be published in the newspaper. The Town Council schedules the annual budget referendum to be held on or before May 3. If the budget is rejected by a majority vote, a second referendum will be scheduled by the Town Council to be held within twenty days. If the budget is rejected a second time, the Town Council is authorized to adopt a budget by June 15. Council adjustments to the individual department budgets, excluding debt service shall not exceed three percent of the current year's budgets. When adopted, the Board of Finance shall file the same with the Town Clerk and also fix the tax rate in mills.

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

Investment Policies and Procedures

The Town's investment practices have been to invest only in the following investments: (1) certificates of deposit; (2) overnight repurchase agreements collateralized by U.S. government agency obligations which are priced daily; (3) the State of Connecticut Short-Term Investment Fund (STIF); and (4) MBIA Class, an investment fund managed by MBIA Municipal Investors Service Corporation, which, according to MBIA Class, invests only in (i) high grade short-term federal securities and variable rate obligations backed by federal agencies having monthly or quarterly assets based on indices like the prime rate, LIBOR, or a combination of the two, and (ii) very short-term (usually overnight) repurchase agreements secured by high quality collateral which is valued daily and fully delivered to the programs' custodial bank to be held for the benefit of the pool's participants. Additional information on the Town's specific investment policies and investments are available upon request to the Town Comptroller.

Assessment Practices

The Town of Plymouth last revalued its real property effective October 1, 2006. Under Section 12-62 of the Connecticut General Statutes, the Town must revalue all real estate by physical inspection no later than ten years following the preceding physical inspection. The Town must conduct a statistical revaluation no later than five years after the last physical inspection. The maintenance of an equitable tax base and the location and appraisal of all real and personal property within the Town for inclusion on the Grand List is the responsibility of the Assessor. The Grand List represents the total of assessed value for all taxable real and personal property located within the Town as of October 1. A Board of Assessment Appeals determines whether adjustments to the Assessor's list on assessments under appeal are warranted. Assessments are computed at seventy percent (70%) of market value at the time of the last general revaluation.

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

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

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

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

Tax Collection Procedures

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

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

AWARDS AND ACKNOWLEDGEMENTS

Comprehensive Annual Financial Report (CAFR):

The Town of Plymouth received its first award with the Government Finance Officers Association (GFOA) for its CAFR ending June 30, 2012 A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report meets the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for its certificate.

I would personally like to commend our independent auditors, Blum, Shapiro & Company, Certified Public Accountants, specifically Director Nikoleta McTigue for her expertise in guiding the Town through the required annual reporting updates and modifications as well as the entire audit process.

The preparation of this report would not have been possible without the efficient and dedicated service of the entire staff of Town's Comptroller's Office, as well as the Board of Education business office, Lastly, credit must also be given to the Mayor and the Town Council and Board of Finance for their support for maintaining the highest standards of professionalism in the management for the Town of Plymouth's finances.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "David J. Bertnagel", written in a cursive style.

David J. Bertnagel
Director of Finance



Government Finance Officers Association

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

Presented to

**Town of Plymouth
Connecticut**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2012

Executive Director/CEO

Financial Section

BlumShapiro

Accounting | Tax | Business Consulting

Independent Auditors' Report

To the Board of Finance
Town of Plymouth, Connecticut

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Plymouth, Connecticut, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the Town of Plymouth, Connecticut's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Plymouth, Connecticut, as of June 30, 2013 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 13 and the budgetary comparison information on pages 50 through 53 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 27, 2014 on our consideration of the Town of Plymouth, Connecticut's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is 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 Plymouth, Connecticut's internal control over financial reporting and compliance.

Blum, Shapiro & Company, P.C.

West Hartford, Connecticut
January 27, 2014

**TOWN OF PLYMOUTH, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2013**

As management of the Town of Plymouth, Connecticut, we offer readers of the Town of Plymouth's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2013.

Financial Highlights

- The assets of the Town exceeded its liabilities at the close of the most recent fiscal year by \$175,639,214 (*net position*). *Unrestricted net position*, the amount that may be used to meet the Town's ongoing obligations to citizens and creditors, was \$16,853,737 at June 30, 2013.
- The Town's total net position increased by \$1,347,072 or .77%. The increase is primarily due to the issuance of long term debt during the year that increased the Town's cash position.
- As of the close of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$12,527,654.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$2,163,609 or 5.62% of total general fund expenditures and other financing uses.
- The Town of Plymouth's total bond/note debt increased by a net of \$8,365,000 or 54% during the current fiscal year due to the issuance of long-term debt for the approval capital infrastructure improvements.

Overview of the Basic Financial Statements

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

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

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

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

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

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

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

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

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

The Town maintains 28 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund and Capital Projects Fund, which are considered to be major funds. Data from the other 25 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

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

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

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

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Town's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

Notes to the basic financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

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

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information on pensions.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a town's financial position. In the case of the Town, assets exceeded liabilities by \$175,639,214 at the close of the most recent fiscal year.

By far the largest portion of the Town's net position (90%) reflects its investment in capital assets (e.g., land, buildings, machinery, equipment and infrastructure), less any related debt used to acquire those assets that are still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Town of Plymouth, Connecticut Net Position

	Governmental Activities	
	2013	2012
Current and other assets	\$ 24,283,364	\$ 15,606,505
Capital assets, net of accumulated depreciation	183,417,001	184,796,600
Total assets	<u>207,700,365</u>	<u>200,403,105</u>
Long-term debt outstanding	28,866,550	19,558,929
Other liabilities	3,194,601	6,552,034
Total liabilities	<u>32,061,151</u>	<u>26,110,963</u>
Net Position:		
Net investment in capital assets	157,424,652	163,863,638
Restricted	1,360,825	1,102,567
Unrestricted	<u>16,853,737</u>	<u>9,325,937</u>
Total Net Position	<u>\$ 175,639,214</u>	<u>\$ 174,292,142</u>

An additional portion of the Town's net position of \$1,360,825 represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position is \$16,853,737.

At the end of the current fiscal year, the Town is able to report positive balances in all of the categories of net position.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

The Town's net position increased by \$1,347,072 or .77% during the current fiscal year. The majority of the changes occurred due to reduction of notes payable with the issuance of long term debt to improve cash position.

**Town of Plymouth, Connecticut
Change in Net Position**

	Governmental Activities	
	2013	2012
Revenues:		
Program revenues:		
Charges for services	\$ 2,965,353	\$ 2,631,841
Operating grants and contributions	15,160,952	15,336,169
Capital grants and contributions	2,176,497	1,705,314
General revenues:		
Property taxes	26,512,181	26,206,360
Grants and contributions not restricted to specific purposes	484,554	525,354
Unrestricted investment earnings	143,188	39,059
Miscellaneous	46,863	52,062
Total revenues	<u>47,489,588</u>	<u>46,496,159</u>
Program expenses:		
General administration	4,951,895	5,344,207
Public safety	3,173,319	2,731,321
Public works	8,207,132	7,142,486
Health and welfare	480,436	470,324
Library	486,295	500,323
Recreation	268,241	279,488
Education	27,636,311	28,268,369
Land use	227,292	239,813
Interest on long-term debt	711,595	707,960
Total program expenses	<u>46,142,516</u>	<u>45,684,291</u>
Change in Net Position	1,347,072	811,868
Net Position - Beginning of Year	<u>174,292,142</u>	<u>173,480,274</u>
Net Position - End of Year	<u>\$ 175,639,214</u>	<u>\$ 174,292,142</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

- Operating grants decreased by \$175,217 during the year. This decrease is primarily due to disaster grants from FEMA that the Town received last year for significant weather events. These grants had reimbursed the Town for 75% of the total expenses last year.
- Capital grants and contributions increased by \$471,183 primarily due to the school renovation projects being completed and closed out during the year.
- Property taxes showed an increase this year due to continued efforts to collect back taxes as well as increase of the mill rate. There are economic challenges facing some residents in paying their current taxes. Efforts are continuing to try and improve collections from the Mayor's and Tax Collector's office. This amount is fairly consistent with the previous fiscal year.
- Investment earnings are higher due to a larger cash investment from bond proceeds as well as new investments the Town invested on its idle funds throughout the year.
- General Administration expenses decreased by \$392,312 due slightly due to lower than anticipated costs in several departments throughout town hall as well as no capital improvement projects in general administration this year. Last year saw the purchase of the Plymouth Reservoir property off North Street that showed a significant increase over the previous year.
- Public works expenses increased by \$1,064,646 due to the road improvements bond that was approved by the voters last year. This project consisted of many road improvement projects throughout town and will be continued into next year.
- Public safety expenses increased due to the purchase of capital outlay as well as expenses related to police extra duty for traffic control.
- Education decreased by \$632,058 due to the completion of the JOBS grant that the town received last fiscal year from the federal government as well as the completion of the ARRA grant funds.

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

Town of Plymouth, Connecticut				
Governmental Activities				
	Total Cost of Services		Net Cost of Services	
	2013	2012	2013	2012
Education	\$ 27,636,311	\$ 28,268,369	\$ 11,440,805	\$ 13,000,582
Public works	8,207,132	7,142,486	5,256,972	3,633,729
General administration	4,951,895	5,344,207	4,686,086	5,028,642
Public safety	3,173,319	2,731,321	2,842,961	2,546,314
Interest expense	711,595	707,960	711,595	692,324
All others	1,462,264	1,489,948	901,295	1,109,376
Total	\$ 46,142,516	\$ 45,684,291	\$ 25,839,714	\$ 26,010,967

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Financial Analysis of the Government's Funds

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

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

As of the end of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$12,527,654 an increase of \$12,176,656 in comparison with the prior year. The fund balance is reserved to indicate that it is not available for new spending because it has already been committed (1) to liquidate contracts and purchase orders of the prior period \$1,173,169 (2) to pay debt service \$205,530 and (3) endowments \$1,030,251.

The Capital Projects funds shows a surplus fund balance of \$34,408 at June 30, 2013 primarily due to the issuance of long-term bonds for infrastructure improvements.

The General Fund is the operating fund of the Town. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$2,163,609 while total fund balance reached \$3,586,778. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 5.62% of total general fund expenditures, while total fund balance represents 9.31% of that same amount.

The Board of Finance transferred a total of \$377,373 between departments within the general fund throughout the year.

- Over-expenditure of general government departments by \$151,667 mainly due to increased personnel costs in human resources. The largest overage of \$81,064 was due to winter storm Charlotte that occurred in February 2013. The costs incurred were for overtime and school roof snow removal that would not be reimbursed by the federal disaster grants. Savings occurred in Town Clerks office due to lower activity and volume during the year as well as savings in employee benefits due to changes in employee cost sharing and savings from newly negotiated employee contracts.
- Over-expenditure in public safety primarily due to traffic control duty costs that are reimbursed to the town. Overtime is paid to police officers for work performed and is later reimbursed to the town.
- The public works budget returned a sum of \$159,303 from the revised appropriation. The largest savings was found in the transfer station that recognized savings through increased recycling initiatives lowering the cost for solid waste. Additionally, lower personnel costs in the highway department resulted in savings of over \$50,000.
- Under-expenditures within the Board of Education in the amount of \$112,267 due to cost savings measures with energy initiatives and outplacement costs. The Board of Finance in concert with CT General Statutes transferred funds in the amount of \$72,000 to the education sinking fund for Board of Education Capital outlay and thus left a balance of \$40,267 to be returned to the Town at the end of the year.

The debt service fund has a total fund balance of \$205,530, all of which is restricted for the payment of debt service.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Proprietary fund. Unrestricted net position of the Board of Education Health Insurance Fund at the end of the year amounted to \$560,975, an increase of \$2,946 from the balance at June 30, 2012 of \$558,029.

General Fund Budgetary Highlights

There were no additional (special) appropriations within the General Fund during the fiscal year.

As explained above in the Governmental Funds category, the General Fund under expended its appropriations by \$404,216. Most of the under-expenditures are related to the continued savings in personnel consolidations, overtime and benefits, debt service refinancing. Most of the savings is attributed to cost saving energy conservation efforts at the Board of Education as well as reduced usage of tonnage at the transfer station due to new recycling initiatives.

The total revenue increases from budget within the General Fund can be found in several categories. The total revenue increases amounted to \$156,040.

- Current tax collections fell short \$398,159 from the original budget. Efforts are continuing to reduce this amount by taking off "dead" properties off the grand list and revising collection rates to actual collections. In total, tax collections were under budget by \$114,071. Aggressive efforts are still underway by the Mayor's office, Board of Finance, and the Tax Office to collect delinquent taxes.
- Charges for services was short by \$732, primarily due to a decrease in conveyance tax fees charged by the Town Clerk. This can be attributed to the sluggish housing market and fewer recordings taking place. There are reduced expenditures found in the Town Clerk's expenditure budget due to the lower activity.
- There was no use of fund balance to balance operating expenses in the current fiscal year.

Capital Assets and Debt Administration

Capital assets. The Town's investment in capital assets for its governmental activities as of June 30, 2013, amounts to \$183,417,001 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, buildings, building improvements, machinery and equipment, vehicles, and infrastructure. There was a decrease in the Town's investment in capital assets for the current fiscal year of \$1,379,599 or .75%. The majority of this decrease is due to the depreciation expenses.

Current year major capital asset events during the current fiscal year included the following:

- Two new police patrol vehicles, a new fire truck, and two public works vehicles.
- Infrastructure improvements in various sections of Town amounting to \$422,800.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

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

	Governmental Activities	
	2013	2012
Land	\$ 6,362,352	\$ 6,362,352
Buildings	23,935,683	24,325,767
Buildings improvements	1,659,065	1,709,670
Land improvements	3,186,667	3,387,093
Machinery and equipment	4,094,729	4,057,843
Vehicle	3,397,853	3,558,884
Infrastructure	93,435,861	94,050,200
Construction in progress	47,344,791	47,344,791
Total	<u>\$ 183,417,001</u>	<u>\$ 184,796,600</u>

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

Long-term debt. At the end of the current fiscal year, the Town had total bonds and notes outstanding of \$23,850,000. All of this amount comprises debt backed by the full faith and credit of the Town.

**Town of Plymouth, Connecticut
Long-Term Debt**

	Governmental Activities	
	2013	2012
General obligation bonds	<u>\$ 23,850,000</u>	<u>\$ 15,485,000</u>

The Town's total debt increased by \$8,365,000 (13.52%) during the current fiscal year due to scheduled principal payments and recent refunding of debt service.

The Town maintains an "AA3" rating from Moody's for general obligation debt and a MIG 1 rating on its bond anticipation notes (BANS).

State statutes limit the amount of general obligation debt a governmental entity may issue to seven times total tax collections including interest and lien fees and the tax relief for elderly freeze grant. The current debt limitation for the Town is \$186,229,050 which is significantly in excess of the Town's outstanding general obligation debt.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for the Town as of June 2012 was 8.7%, which is a decrease from last year of 9.7%. This is higher than the state's average unemployment rate of 8.2%.
- Inflationary trends in the region compare favorably to national indices.
- The business park has a new water booster station that was completed that will assist in the development and expansion of the business base in the park.
- The Town is continuing to aggressively pursuing new tenants with and expansions within the business park and has two new businesses that will be building and taking empty space by the spring of 2014. There have been the addition of six new businesses during the past two years.

The 2013-2014 budget was evaluated using the anticipated fund balance projections from the past. The 2013-2014 budget uses \$250,000 from its fund balance to balance operations. The overall budget in the General Fund increased by \$197,770. This was the result of evaluating all expenditures within the Town and Board of Education. The 2013-2014 budget has a property tax rate of 35.45 mills after a small increase the previous two years and prior three years of property tax freezes.

All revenue sources were evaluated and adjusted in the 2013-2014 budget. The most significant revenue increase is the property tax revenue. This resulted in the increased property tax rate increase of .55 mills.

Property tax collections have become the focus of the Board of Finance meetings and adjustments were made based on goals set by the Board as well as a downward projection of the current collection rate from 97.5% to 97.0% in the 2012-2013 budget and continued with the 2013-2014 budget. Monthly, the Board of Finance reviews tax collections and results from the Tax office with the assistance from the Mayor's office.

The expenditure side of the budget was scrutinized in all office supply, conferences and salaries. The expenditure side was slightly increased primarily in the area of heart and hypertension for retired police officers as well as increases to pensions for the police officers with the State of Connecticut. The largest budget, Board of Education, was increased by \$123,115 due to additional grant monies from the State of Connecticut.

With anticipated contracts coming due becoming open in the 2013-2014 year, funds were set aside in the budget to address these issues in 2013-2014.

Long-term obligations such as Other Post Employment Benefits are addressed in the 2013-2014 budget in the line item nonemployee benefits. \$40,000 will be placed into a new trust that was adopted in June 2012. The Board of Finance has adopted a long term liabilities funding strategy that will fund the program \$100,000 each year for the next twenty years. Funds for this proposal can be found in the employee benefits section of the budget.

The Mayor's office, in conjunction with the Comptroller's office, have continued to institute spending freezes that control noncontractual line items. This has proved to be successful in stopping unnecessary expenditures as well as being able to deliver quality and efficient services to the Town residents. In addition, the Board of Education has followed suit and reduced energy consumption and instituted programmatic changes to reduce special education costs as well as programmatic costs.

It is anticipated that growth in the grand list, the total of all taxable property that sets the property tax collection rate, will grow at a minimal pace of approximately .25% in the upcoming year.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

During the current fiscal year, unassigned fund balance in the General Fund increased to \$2,163,609. Total unassigned and assigned fund balance in the General Fund amounts to \$3,586,778. Of this amount, \$250,000 is being used to offset the 2013-2014 General Fund budget.

Requests for Information

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

**Basic Financial
Statements**

TOWN OF PLYMOUTH, CONNECTICUT

STATEMENT OF NET POSITION

JUNE 30, 2013

	<u>Governmental Activities</u>
Assets:	
Cash and cash equivalents	\$ 11,575,801
Investments	33,227
Restricted investments	1,221,210
Receivables, net	8,939,568
Assets held for sale	2,513,558
Capital assets not being depreciated	53,707,143
Capital assets being depreciated, net	129,709,858
Total assets	<u>207,700,365</u>
Liabilities:	
Accounts and other payables	1,313,931
Accrued interest payable	208,811
Due to agency funds	118,805
Unearned revenue	53,054
Bond anticipation notes payable	1,500,000
Noncurrent liabilities:	
Due within one year	2,068,955
Due in more than one year	26,797,595
Total liabilities	<u>32,061,151</u>
Net Position:	
Net investment in capital assets	157,424,652
Restricted for:	
Perpetual care:	
Expendable	84,491
Nonexpendable	738,943
Libraries:	
Expendable	40,553
Nonexpendable	291,308
Debt service	205,530
Unrestricted	<u>16,853,737</u>
Total Net Position	<u>\$ 175,639,214</u>

The accompanying notes are an integral part of the financial statements

TOWN OF PLYMOUTH, CONNECTICUT

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2013

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
General administration	\$ 4,951,895	\$ 227,517	\$ 38,292	\$	(4,686,086)
Public safety	3,173,319	330,358			(2,842,961)
Public works	8,207,132	1,598,798	592,923	758,439	(5,256,972)
Health and welfare	480,436	235,963	242,050		(2,423)
Library	486,295	16,391	1,830		(468,074)
Recreation	268,241	56,174			(212,067)
Education	27,636,311	491,591	14,285,857	1,418,058	(11,440,805)
Land use	227,292	8,561			(218,731)
Interest expense	711,595				(711,595)
Total Governmental Activities	\$ 46,142,516	\$ 2,965,353	\$ 15,160,952	\$ 2,176,497	(25,839,714)
General revenues:					
Property taxes					26,512,181
Grants and contributions not restricted to specific programs					484,554
Investment earnings					143,188
Miscellaneous					46,863
Total general revenues					<u>27,186,786</u>
Change in net position					1,347,072
Net Position at Beginning of Year					<u>174,292,142</u>
Net Position at End of Year					<u>\$ 175,639,214</u>

The accompanying notes are an integral part of the financial statements

TOWN OF PLYMOUTH, CONNECTICUT
BALANCE SHEET - GOVERNMENTAL FUNDS

JUNE 30, 2013

	<u>General</u>	<u>Capital Projects</u>	<u>Capital and Nonrecurring</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash and cash equivalents	\$ 4,487,361	\$ 987,937	\$ 2,667,864	\$ 1,939,103	\$ 10,082,265
Investments				33,227	33,227
Restricted investments				1,221,210	1,221,210
Receivables, net:					
Property taxes	2,667,651				2,667,651
Interest	1,334,997			233,643	1,568,640
Assessments/use charges				1,141,352	1,141,352
Intergovernmental	164,135	1,418,058	658,726	354,588	2,595,507
Loans				619,270	619,270
Other	271,626			75,522	347,148
Due from other funds	<u>2,664,650</u>	<u>357,400</u>	<u>2,915,984</u>	<u>675,448</u>	<u>6,613,482</u>
Total Assets	<u>\$ 11,590,420</u>	<u>\$ 2,763,395</u>	<u>\$ 6,242,574</u>	<u>\$ 6,293,363</u>	<u>\$ 26,889,752</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 550,169	\$ 117,380	\$ 406,749	\$ 46,633	\$ 1,120,931
Due to other funds	3,732,398	1,111,607	228,000	920,721	5,992,726
Deferred revenue	3,721,075			2,027,366	5,748,441
Bond anticipation notes payable		1,500,000			1,500,000
Total liabilities	<u>8,003,642</u>	<u>2,728,987</u>	<u>634,749</u>	<u>2,994,720</u>	<u>14,362,098</u>
Fund balances:					
Nonspendable				1,030,251	1,030,251
Restricted				1,170,858	1,170,858
Committed		260,654	5,607,825	1,185,651	7,054,130
Assigned	1,423,169				1,423,169
Unassigned	2,163,609	(226,246)		(88,117)	1,849,246
Total fund balances	<u>3,586,778</u>	<u>34,408</u>	<u>5,607,825</u>	<u>3,298,643</u>	<u>12,527,654</u>
Total Liabilities and Fund Balances	<u>\$ 11,590,420</u>	<u>\$ 2,763,395</u>	<u>\$ 6,242,574</u>	<u>\$ 6,293,363</u>	<u>\$ 26,889,752</u>

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TOWN OF PLYMOUTH, CONNECTICUT

BALANCE SHEET - GOVERNMENTAL FUNDS (CONTINUED)

JUNE 30, 2013

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

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

Fund balances - total governmental funds (Exhibit III)	\$ 12,527,654
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Capital assets used in governmental activities are not financial
resources and, therefore, are not reported in the funds:

Assets held for sale		2,513,558
Governmental capital assets	\$ 230,612,555	
Less accumulated depreciation	<u>(47,195,554)</u>	
Net capital assets		183,417,001

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

Property tax receivable greater than 60 days	2,366,125
Interest receivable on property taxes	1,334,997
Housing loans	619,270
Sewer use and assessments receivable	538,108
Interest receivable on sewer use and assessments	233,643
Water assessment receivable	603,244

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

The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position	560,975
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Some liabilities, including bonds payable, are not due and payable in the current
period and, therefore, are not reported in the funds:

Bonds payable	(23,850,000)
Deferred amount in refunding	64,199
Premium on refunding and general obligation bonds	(706,548)
Interest payable on bonds	(208,811)
Net OPEB obligation	(2,065,568)
Compensated absences	(1,297,476)
Heart and hypertension	(80,000)
Early retirement incentive	(25,200)
Net pension obligation	(230,957)
Landfill postclosure costs	<u>(675,000)</u>

Net Position of Governmental Activities (Exhibit I)	<u>\$ 175,639,214</u>
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The accompanying notes are an integral part of the financial statements

TOWN OF PLYMOUTH, CONNECTICUT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2013

	<u>General</u>	<u>Capital Projects</u>	<u>Capital and Nonrecurring</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:					
Property taxes	\$ 26,663,027	\$	\$	\$	\$ 26,663,027
Charges for services	466,598		1,291,438	1,943,729	3,701,765
Intergovernmental	13,523,084	1,474,957		1,682,912	16,680,953
Income from investments	28,188	2,728	21	30,044	60,981
Net decrease in fair value of investments				80,265	80,265
Contributions				2,680	2,680
Other	129,112		80,939	109,856	319,907
Total revenues	<u>40,810,009</u>	<u>1,477,685</u>	<u>1,372,398</u>	<u>3,849,486</u>	<u>47,509,578</u>
Expenditures:					
Current:					
General administration	4,634,639			36,084	4,670,723
Public safety	2,574,517			261,224	2,835,741
Public works	3,553,552			1,046,746	4,600,298
Health and welfare	189,557			265,051	454,608
Library	459,113			21,266	480,379
Recreation	183,095			44,790	227,885
Education	25,466,681			1,603,559	27,070,240
Land use	180,807				180,807
Debt service	1,785,177				1,785,177
Capital outlay		27,172	3,035,559		3,062,731
Total expenditures	<u>39,027,138</u>	<u>27,172</u>	<u>3,035,559</u>	<u>3,278,720</u>	<u>45,368,589</u>
Excess (Deficiency) of Revenues over Expenditures	<u>1,782,871</u>	<u>1,450,513</u>	<u>(1,663,161)</u>	<u>570,766</u>	<u>2,140,989</u>
Other Financing Sources (Uses):					
Transfers in	350,000		1,862,414	76,000	2,288,414
Transfers out	(1,938,414)			(350,000)	(2,288,414)
Premium on bonds				535,667	535,667
Issuance of bonds		2,350,000	7,150,000		9,500,000
Total other financing sources (uses)	<u>(1,588,414)</u>	<u>2,350,000</u>	<u>9,012,414</u>	<u>261,667</u>	<u>10,035,667</u>
Net Change in Fund Balances	194,457	3,800,513	7,349,253	832,433	12,176,656
Fund Balances at Beginning of Year	<u>3,392,321</u>	<u>(3,766,105)</u>	<u>(1,741,428)</u>	<u>2,466,210</u>	<u>350,998</u>
Fund Balances at End of Year	<u>\$ 3,586,778</u>	<u>\$ 34,408</u>	<u>5,607,825</u>	<u>\$ 3,298,643</u>	<u>\$ 12,527,654</u>

(Continued on next page)

TOWN OF PLYMOUTH, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2013

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

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

Net change in fund balances - total governmental funds (Exhibit IV) \$ 12,176,656

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

Capital outlay	1,376,453
Depreciation expense	(2,749,796)

The statement of activities reports losses arising from the trade-in of existing capital assets to acquire new capital assets. Conversely, governmental funds do not report any gain or loss on a trade-in of capital assets. (6,256)

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

Property tax receivable - accrual basis change	(160,290)
Property tax interest revenue - accrual basis change	9,444
Housing loans receivable - accrual basis change	147,800
Sewer use and assessment receivable - accrual basis change	55,664
Sewer use and assessment interest receivable - accrual change	41,700
Water assessment receivable - accrual basis change	(116,250)

Change in pension asset (5,680)

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

Bonds and notes principal payments	1,135,000
Issuance of bonds	(9,500,000)

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

Net OPEB expense	(322,000)
Compensated absences	16,908
Heart and hypertension	(64,839)
Early retirement incentive	(15,000)
Net pension obligation	(103,303)
Landfill postclosure costs	25,000
Accrued interest payable	(117,698)
Deferred charges in refunding	(4,938)
Premium in refunding and general obligation bonds	(474,449)

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

Internal service funds are used by management to charge costs of medical insurance to individual departments	<u>2,946</u>
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Change in Net Position of Governmental Activities (Exhibit II) \$ 1,347,072

The accompanying notes are an integral part of the financial statements

TOWN OF PLYMOUTH, CONNECTICUT

PROPRIETARY FUNDS

STATEMENT OF NET POSITION

JUNE 30, 2013

	<u>Governmental</u> <u>Activities</u> <u>Internal</u> <u>Service</u> <u>Fund</u>
Assets:	
Cash and cash equivalents	\$ <u>1,493,536</u>
Liabilities:	
Due to other funds	739,561
Claims payable	<u>193,000</u>
Total liabilities	<u>932,561</u>
Net Position:	
Unrestricted	\$ <u><u>560,975</u></u>

The accompanying notes are an integral part of the financial statements

TOWN OF PLYMOUTH, CONNECTICUT

PROPRIETARY FUNDS

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

FOR THE YEAR ENDED JUNE 30, 2013

	<u>Governmental</u> <u>Activities</u> <u>Internal</u> <u>Service</u> <u>Fund</u>
Operating Revenues:	
Charges for services	\$ <u>3,408,401</u>
Operating Expenses:	
Claims incurred	2,902,058
Administration	<u>505,339</u>
Total operating expenses	<u>3,407,397</u>
Operating Income	1,004
Nonoperating Revenues:	
Revenues from use of money	<u>1,942</u>
Changes in Net Position	2,946
Net Position at Beginning of Year	<u>558,029</u>
Net Position at End of Year	\$ <u><u>560,975</u></u>

The accompanying notes are an integral part of the financial statements

TOWN OF PLYMOUTH, CONNECTICUT

PROPRIETARY FUNDS

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2013

	<u>Governmental Activities</u>
	<u>Internal Service Fund</u>
Cash Flows from Operating Activities:	
Cash received from charges for services	\$ 3,408,401
Cash received from interfund services provided	200,000
Cash paid for benefits	(2,949,058)
Cash paid for administration	(505,339)
Net cash provided by operating activities	<u>154,004</u>
Cash Flows from Investing Activities:	
Interest on investments	<u>1,942</u>
Net Increase in Cash and Cash Equivalents	155,946
Cash and Cash Equivalents at Beginning of Year	<u>1,337,590</u>
Cash and Cash Equivalents at End of Year	<u>\$ 1,493,536</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:	
Operating income	\$ 1,004
Adjustments to reconcile operating income to net cash provided by operating activities:	
Increase in due to other funds	200,000
Decrease in claims payable	<u>(47,000)</u>
Net Cash Provided by Operating Activities	<u>\$ 154,004</u>

The accompanying notes are an integral part of the financial statements

TOWN OF PLYMOUTH, CONNECTICUT

FIDUCIARY FUNDS

STATEMENT OF NET POSITION

JUNE 30, 2013

	<u>Pension Fund</u>	<u>Private Purpose Trust Funds</u>	<u>Agency Funds</u>
Assets:			
Cash and cash equivalents	\$ _____	\$ 3,001	\$ 427,856
Investments:			
Guaranteed investment contract	9,679,350		
Mutual funds	404,601		
Total investments	<u>10,083,951</u>	<u>-</u>	<u>-</u>
Accounts receivable	<u>35,183</u>		
Due from other funds			<u>118,805</u>
Total assets	<u>10,119,134</u>	<u>3,001</u>	<u>546,661</u>
Liabilities:			
Accounts payable and due to others			<u>546,661</u>
Net Position:			
Held in Trust for Pension/Other Benefits	<u>\$ 10,119,134</u>	<u>\$ 3,001</u>	<u>\$ -</u>

The accompanying notes are an integral part of the financial statements

TOWN OF PLYMOUTH, CONNECTICUT

FIDUCIARY FUNDS

STATEMENT OF CHANGES IN NET POSITION

FOR THE YEAR ENDED JUNE 30, 2013

	<u>Pension Fund</u>	<u>Private Purpose Trust Fund</u>
Additions:		
Contributions:		
Employer	\$ 463,200	\$
Plan members	81,518	
Total contributions	<u>544,718</u>	<u>-</u>
Investment income:		
Net appreciation in fair value of investments	43,506	
Interest and dividends	<u>445,059</u>	<u>5</u>
Total investment income	488,565	5
Less investment expense	<u>14,130</u>	
Net investment income	<u>502,695</u>	<u>5</u>
Total additions	<u>1,047,413</u>	<u>5</u>
Deductions:		
Benefits	1,175,453	
Administration	<u>97,080</u>	
Total deductions	<u>1,272,533</u>	<u>-</u>
Changes in Net Position	(225,120)	5
Net Position - Beginning of Year	<u>10,344,254</u>	<u>2,996</u>
Net Position - End of Year	<u>\$ 10,119,134</u>	<u>\$ 3,001</u>

The accompanying notes are an integral part of the financial statements

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

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

B. Government-Wide and Fund Financial Statements

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

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

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

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

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

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

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

The Town reports the following major governmental funds:

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

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

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

Additionally, the Town reports the following fund types:

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

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

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

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

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

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

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

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.

D. Deposits and Investments

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

Investments are reported at fair value.

E. Receivables and Payables

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

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

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

An amount of \$200,000 has been established as an allowance for uncollectible taxes as of June 30, 2013.

F. Inventories and Prepaid Items

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

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

G. Restricted Assets

CDBG Loans

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

H. Assets Held for Sale

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

I. Capital Assets

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

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

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

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

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

J. Compensated Absences

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

K. Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of any significant applicable bond premium or discount. Significant bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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

L. Fund Equity

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

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

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

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

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

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

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

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

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

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

M. Fund Balance Flow Assumptions

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

using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

N. Accounting Estimates

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

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

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

- The Sewer Operating Budget is approved prior to July 1st by the Water Pollution Control Authority.
- The Finance Director is authorized to transfer budgeted amounts within departments up to \$1,000; all transfers over \$1,000 require Board of Finance approval. Budget over expenditures in departmental line items are approved by the Board of Finance, although no actual budgetary entries are made. Additional appropriations must be approved by the Town Council. Appropriations in excess of \$50,000 must be submitted to a Town Meeting for approval. There were no additional appropriations for General Fund. There were no additional Sewer Operating Fund appropriations authorized during the year.
- Formal budgetary integration is employed as a management control device during the year.
- The legal level of control (the level at which expenditures may not legally exceed appropriations) is at the department level for the General Fund and at the fund level for the Sewer Operating Fund.
- Budgeted amounts shown are as originally adopted, or as amended by the Town Council and Board of Finance during the course of the year.

- The Board of Education is authorized under State law to make any transfers required within its budget at its discretion. Any additional appropriations must have Board of Education and Town Council approval and, if over \$50,000, Town Meeting approval.
- Encumbrances are recognized as a valid and proper charge against a budget appropriation in the year in which the purchase order, contract or other commitment is issued, and, accordingly, encumbrances outstanding at year end are reported in budgetary reports as expenditures in the current year. Generally, all unencumbered appropriations lapse at year end, except those for the Capital Projects Funds. Appropriations for capital projects are continued until completion of applicable projects, even when projects extend more than one fiscal year.

B. Excess of Expenditures Over Appropriations

For the year ended June 30, 2013, expenditures exceeded appropriations in the following line items:

Human Resource	\$	2,000
Tax Collector		13,643
Police Department		64,581
Fire Department		20,001
Utilities - Hydrants and Streetlights		2,935

This overexpenditure was funded by the available fund balance.

C. Fund Deficits

Fund balance deficits existed as of June 30, 2013 in the following fund:

Nonmajor Governmental Funds:		
Special Revenue Funds:		
Water Assessment	\$	88,117

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

3. CASH, CASH EQUIVALENTS AND INVESTMENTS

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

The Connecticut General Statutes (Section 7-400) permit municipalities to invest in: 1) obligations of the United States and its agencies, 2) highly rated obligations of any state of the United States or of any political subdivision, authority or agency thereof, and 3) shares or other interests in custodial arrangements or pools maintaining constant net asset values and in highly rated no-load open end money market and mutual funds (with constant or fluctuating net asset values) whose portfolios are 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) and the State Tax Exempt Proceeds Fund (TEPF). These investment pools are under the control of the State Treasurer, with oversight provided by the Treasurer's Cash Management Advisory Board, and are regulated under the State Statutes and subject to annual audit by the Auditors of Public Accounts. Investment yields are accounted for on an amortized-cost basis with an investment portfolio that is designed to attain a market-average rate of return throughout budgetary and economic cycles. Investors accrue interest daily based on actual earnings, less expenses and transfers to the designated surplus reserve, and the fair value of the position in the pool is the same as the value of the pool shares.

Deposits

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

Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, \$5,380,610 of the Town's bank balance of \$7,262,204 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 4,542,514
Uninsured and collateral held by the pledging bank's trust department, not in the Town's name	<u>838,096</u>
Total Amount Subject to Custodial Credit Risk	<u>\$ 5,380,610</u>

Cash Equivalents

At June 30, 2013, the Town's cash equivalents amounted to \$2,626,281. 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>
Money market*	
Cutwater Asset Management - Cooperative Liquid Assets Security System (CLASS), Connecticut CLASS Plus	AAA/m

*Not rated

Investments

As of June 30, 2013, 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>1-5</u>	<u>More Than 5</u>
Interest-bearing investments:					
Guaranteed investment contracts	N/A	\$ 9,679,349	\$	\$	\$ 9,679,349
Certificates of deposit	*	<u>328,571</u>	<u>27,530</u>	<u>301,041</u>	
Total		10,007,920	<u>27,530</u>	<u>\$ 301,041</u>	<u>\$ 9,679,349</u>
Other investments:					
Mutual funds		<u>1,330,468</u>			
Total Investments		<u>\$ 11,338,388</u>			

*Subject to coverage by Federal Depository Insurance and collateralization.
N/A Not applicable

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

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

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

Custodial Credit Risk - Custodial credit risk for an investment is the risk that, in the event of the failure of the counterparty (the institution that pledges collateral or repurchase agreement securities to the Town or that sells investments to or buys them for the Town), the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Town does not have a policy for custodial credit risk. At June 30, 2013, the Town did not have any uninsured and unregistered securities held by the counterparty, or by its trust department or agent that were not in the Town's name.

4. DEFERRED REVENUE

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

	<u>Unavailable</u>	<u>Unearned</u>
Delinquent property taxes receivable	\$ 2,366,125	\$
Accrued interest on property taxes	1,334,997	
Advance tax collections		19,953
CDBG loans receivable	619,270	
Sewer use receivable	524,108	
Sewer assessment receivable	14,000	
Accrued interest on sewer use and assessment	233,643	
Miscellaneous grants		33,101
Water assessment receivable	<u>603,244</u>	
 Total Deferred/Unearned Revenue for Governmental Funds	 <u>\$ 5,695,387</u>	 <u>\$ 53,054</u>

5. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2013 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 6,362,352	\$	\$	\$ 6,362,352
Construction in progress	47,344,791			47,344,791
Total capital assets not being depreciated	<u>53,707,143</u>	<u>-</u>	<u>-</u>	<u>53,707,143</u>
Capital assets being depreciated:				
Buildings	36,543,933	167,161		36,711,094
Building improvement	3,179,287	28,192		3,207,479
Land improvement	6,712,023			6,712,023
Machinery and equipment	5,541,306	235,702	10,900	5,766,108
Vehicles	6,265,657	130,049	46,791	6,348,915
Infrastructure	117,344,444	815,349		118,159,793
Total capital assets being depreciated	<u>175,586,650</u>	<u>1,376,453</u>	<u>57,691</u>	<u>176,905,412</u>
Less accumulated depreciation for:				
Buildings	(12,218,166)	(557,245)		(12,775,411)
Building improvement	(1,469,617)	(78,797)		(1,548,414)
Land improvement	(3,324,930)	(200,426)		(3,525,356)
Machinery and equipment	(1,483,463)	(198,816)	10,900	(1,671,379)
Vehicles	(2,706,773)	(284,824)	40,535	(2,951,062)
Infrastructure	(23,294,244)	(1,429,688)		(24,723,932)
Total accumulated depreciation	<u>(44,497,193)</u>	<u>(2,749,796)</u>	<u>51,435</u>	<u>(47,195,554)</u>
Total capital assets being depreciated, net	<u>131,089,457</u>	<u>(1,373,343)</u>	<u>6,256</u>	<u>129,709,858</u>
Governmental Activities Capital Assets, Net	<u>\$ 184,796,600</u>	<u>\$ (1,373,343)</u>	<u>\$ 6,256</u>	<u>\$ 183,417,001</u>

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

Governmental activities:	
General administration	\$ 80,580
Public safety	196,457
Public works	1,985,755
Health and welfare	25,828
Library	13,498
Recreation	38,635
Education	362,558
Land use	<u>46,485</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 2,749,796</u>

Construction Commitments

The Town has active construction projects as of June 30, 2013. The projects include the following:

<u>Project</u>	<u>Appropriations</u>	<u>Cumulative Expenditures</u>	<u>Balance</u>
Plymouth School Project	\$ 47,000,000	\$ 46,969,189	\$ 30,811
Bridge and Roadwork Project	2,150,000	2,074,033	75,967
Industrial Park Phase III	3,650,000	3,040,195	609,805
Additional Paving Fall Mountain	490,000	16,274	473,726
Various Improvements - Downtown Terryville	300,000	428,807	(128,807)
Burr Road and Harwinton Avenue Water	1,200,000	683,584	516,416
Bemis Street/Beach Avenue Studies	400,000	16,667	383,333
North Main Street Bridge Project	1,600,000	28,292	1,571,708
Seymour Road	3,000,000	62,304	2,937,696
Road Work (General- Phase 1)	<u>4,800,000</u>	<u>224,565</u>	<u>4,575,435</u>
Total	<u>\$ 64,590,000</u>	<u>\$ 53,543,910</u>	<u>\$ 11,046,090</u>

6. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The interfund receivables and payables are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Capital Projects	\$ 1,004,368
General Fund	Nonmajor Governmental Funds	1,660,282
Capital Projects	General Fund	129,400
Capital Projects	Capital and Nonrecurring	228,000
Capital and Nonrecurring	Capital Projects	107,239
Capital and Nonrecurring	General Fund	2,808,745
Nonmajor Funds	General Fund	675,448
Performance Bonds	General Fund	118,805
		<u>\$ 6,732,287</u>

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

Interfund transfers:

	<u>Transfer In</u>			
	<u>General Fund</u>	<u>Capital and Nonrecurring</u>	<u>Nonmajor Governmental</u>	<u>Total Transfer Out</u>
Transfers out:				
General Fund	\$	\$ 1,862,414	\$ 76,000	\$ 1,938,414
Nonmajor Governmental Funds	350,000			350,000
Total Transfer In	<u>\$ 350,000</u>	<u>\$ 1,862,414</u>	<u>\$ 76,000</u>	<u>\$ 2,288,414</u>

Transfers are used to 1) move money to General Fund for debt service payments due to refunding and monies set aside for the new high school and 2) to move revenues from General Fund to capital and nonrecurring fund for capital and nonrecurring projects.

7. LONG-TERM DEBT

Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2013 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	\$ 15,485,000	\$ 9,500,000	\$ 1,135,000	\$ 23,850,000	\$ 1,975,000
Plus deferred amounts:					
Deferred amounts in refunding	(69,137)		(4,938)	(64,199)	
Premium on refunding	232,099		16,579	215,520	
Issuance premium on general obligation bonds		535,667	44,639	491,028	
Total bonds payable	<u>15,647,962</u>	<u>10,035,667</u>	<u>1,191,280</u>	<u>24,492,349</u>	<u>1,975,000</u>
Net OPEB obligation	1,743,568	322,000		2,065,568	
Compensated absences	1,314,384	48,412	65,320	1,297,476	43,755
Heart and hypertension	15,161	80,000	15,161	80,000	
Early retirement incentive	10,200	50,000	35,000	25,200	25,200
Net pension obligation	127,654	103,303		230,957	
Landfill postclosure costs	<u>700,000</u>		<u>25,000</u>	<u>675,000</u>	<u>25,000</u>
Total Governmental Activities Long-Term Liabilities	<u>\$ 19,558,929</u>	<u>\$ 10,639,382</u>	<u>\$ 1,331,761</u>	<u>\$ 28,866,550</u>	<u>\$ 2,068,955</u>

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

A schedule of bonds and notes payable at June 30, 2013 is presented below:

<u>Description</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate (%)</u>	<u>Amount of Original Issue</u>	<u>Balance Outstanding June 30, 2013</u>
Bonds Payable:					
General purpose:					
Refunding bonds	8/19/2009	5/15/2016	2.00-4.00	\$ 1,585,000	\$ 730,000
Refunding bonds	8/19/2009	5/15/2020	2.00-3.50	5,520,000	975,000
Refunding bonds	9/16/2010	12/15/2028	2.00-4.00	1,000,000	820,000
General obligation bonds	7/19/2012	7/15/2024	2.00-4.00	7,150,000	7,150,000
School:					
Refunding bonds	8/19/2009	5/15/2020	2.00-3.50	5,520,000	3,640,000
Refunding bonds	9/16/2010	12/15/2028	2.00-4.00	8,820,000	8,185,000
General obligation bonds	7/19/2012	7/15/2024	2.00-4.00	2,350,000	<u>2,350,000</u>
Total Bonds					<u>\$ 23,850,000</u>

The annual requirements to amortize all bonds and notes outstanding as of June 30, 2013, including interest payments, are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Bonds</u>	
	<u>Principal</u>	<u>Interest</u>
2014	\$ 1,975,000	\$ 717,276
2015	2,000,000	665,674
2016	2,040,000	613,837
2017	1,795,000	552,401
2018	1,815,000	495,762
2019-2023	9,270,000	1,477,616
2024-2028	4,905,000	247,484
2029	<u>50,000</u>	<u>787</u>
Total	<u>\$ 23,850,000</u>	<u>\$ 4,770,837</u>

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

<u>Category</u>	<u>Debt Limit</u>	<u>Net Indebtedness</u>	<u>Balance</u>
General purpose	\$ 59,859,338	\$ 10,830,000	\$ 49,029,338
Schools	119,718,675	15,219,420	104,499,255
Sewers	99,765,563	3,100,000	96,665,563
Urban renewal	86,463,488		86,463,488
Pension deficit	79,812,450		79,812,450

The total overall statutory debt limit for the Town is equal to seven times annual receipts from taxation, \$186,229,050.

The definition of indebtedness above includes bonds and notes outstanding in addition to the amounts of bonds authorized and unissued against which debt is issued and outstanding. Debt authorized and unissued at June 30, 2013 is \$6,799,720. Net indebtedness is reduced by State of Connecticut grant commitments in the amount of \$29,000,000.

8. BOND ANTICIPATION NOTES

The following is a schedule of changes in bond anticipation notes for the year ended June 30, 2013:

<u>Project</u>	<u>Date Issued</u>	<u>Maturity Date</u>	<u>Interest Rate (%)</u>	<u>Balance July 1, 2012</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance June 30, 2013</u>
High School	8/25/2011	7/19/2012	1.5	\$ 5,285,000		\$ 5,285,000	\$ -
School Projects	7/19/2012	7/19/2013	1.0		1,500,000		1,500,000
Total				<u>\$ 5,285,000</u>	<u>\$ 1,500,000</u>	<u>\$ 5,285,000</u>	<u>\$ 1,500,000</u>

The notes were issued to finance the several construction projects prior to the issuance of the bonds at the completion of the project. These notes are reported in the Capital Projects Fund and will be retired or permanently financed in the future.

Landfill Closure and Postclosure Care Costs

State and Federal laws and regulations require landfill closures to meet certain standards. The Town has finalized an agreement with the State Department of Environmental Protection for final capping of the landfill. Monitoring costs for the next 27 years at \$25,000 per year are \$675,000. These amounts are based on estimates that are subject to change due to inflation, technology or applicable laws and regulations.

Termination Benefits

The Board of Education provides early retirement incentive benefits to 28 former employees. Benefits are paid annually based on the retirement agreement for each employee from the Board of Education budget. The amount paid for the fiscal year ended June 30, 2013 was \$35,000. Benefits are payable through 2014.

9. RISK MANAGEMENT

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

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

	<u>Claims Payable July 1</u>	<u>Claims and Changes in Estimates</u>	<u>Claims Paid</u>	<u>Claims Payable Jun 30</u>
2011-2012	\$ 192,865	\$ 3,130,196	\$ 3,083,061	\$ 240,000
2012-2013	240,000	2,902,058	2,949,058	193,000

10. FUND BALANCE

The components of fund balance for the governmental funds at June 30, 2013 are as follows:

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Capital and Nonrecurring</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Fund balances:					
Nonspendable:					
Permanent funds	\$	\$	\$	\$ 1,030,251	\$ 1,030,251
Restricted for:					
Grants				965,328	965,328
Debt service				205,530	205,530
Committed to:					
Industrial park phase 3		133,553			133,553
Fall mountain water project		127,101			127,101
Road improvements			5,607,825		5,607,825
Education sinking fund				190,315	190,315
Sewer operating and assessment				418,527	418,527
General administration				53,349	53,349
Public safety				198,660	198,660
Health and welfare				81,533	81,533
Recreation				30,666	30,666
Education				70,257	70,257
Economic development				16,187	16,187
Engineering services				1,113	1,113
Permanent funds				125,044	125,044
Assigned to:					
Subsequent year's budget	250,000				250,000
Education encumbrances	1,173,169				1,173,169
Unassigned	2,163,609	(226,246)		(88,117)	1,849,246
Total Fund Balances	\$ 3,586,778	\$ 34,408	5,607,825	\$ 3,298,643	\$ 12,527,654

11. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS

Pension Trust Fund

A. Plan Description

The Town administers two single-employer, contributory, defined benefit pension plans (Town Plan and Board of Education). Plan benefit and contribution requirements are established by plan document as amended April 1, 1982, and approved by the Town Council. Both plans are part of the Town's reporting entity and are included in the Town's financial report as a single Pension Trust Fund since the assets may be used to pay benefits or refunds of any plan member or beneficiary. The plans do not issue separate stand-alone financial reports.

At July 1, 2012 the plan's membership consisted of:

	<u>Town</u>	<u>Board of Education</u>
Retirees and beneficiaries currently receiving benefits	59	26
Terminated employees entitled to benefits but not receiving them	11	4
Active plan members	<u>17</u>	<u>43</u>
Total	<u><u>87</u></u>	<u><u>73</u></u>

The plans provide for retirement and disability income for all eligible employees. All employees who work at least 20 hours a week are eligible on their date of hire. The plans cover substantially all noncertified Board of Education employees and all regular Town employees except police personnel and elected officials.

B. Summary of Significant Accounting Policies and Plan Asset Matters

Basis of Accounting: The plan's financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as revenues when due pursuant to contractual requirements. Benefit payments and refunds are payable when due and payable in accordance with the terms of the plan. Administrative costs are funded by the income of the fund.

Method Used to Value Investments: All funds are invested and administered through various portfolio management plans and are reported at market value. There are no investments of 5% or greater in any one organization.

C. Funding Status and Progress

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

D. Annual Pension Cost and Net Pension Obligations

The Town's annual pension cost and net pension obligation to the public employee retirement system (PERS) for the current year were as follows:

	<u>Town</u>	<u>Board of Education</u>
Annual required contribution	\$ 354,912	\$ 218,012
Interest on net pension obligation	7,020	(412)
Adjustment to annual required contribution	<u>(8,046)</u>	<u>697</u>
Annual pension cost	353,886	218,297
Contributions made	<u>269,350</u>	<u>193,850</u>
Increase in net pension obligation	84,536	24,447
Net pension obligation (asset) beginning of year	<u>127,654</u>	<u>(5,680)</u>
Net Pension Obligation End of Year	<u>\$ 212,190</u>	<u>\$ 18,767</u>

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

	<u>Town</u>	<u>Board of Education</u>
Actuarial valuation date	July 1, 2012	July 1, 2012
Actuarial cost method	Projected Unit Credit	Projected Unit Credit
Amortization method	Level Percent of Pay	Level Percent of Pay
Remaining amortization period	20 years (decreasing) Closed	10 years Open
Asset valuation method	Fair Value	Fair Value
Valuation type	Closed Group	Open Group
Actuarial assumptions:		
Investment rate of return	6.5%/annum	7.25%/annum
Projected salary increases	3.5%/annum	4%/annum
Underlying inflation	3%	3%

E. Trend Information

Town			
Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/11	\$ 282,921	74.9%	\$ 70,899
6/30/12	356,367	84.1	127,654
6/30/13	353,886	76.1	212,190

Board of Education			
Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation (Asset)
6/30/11	\$ 222,198	104.5%	\$ (6,236)
6/30/12	218,274	99.7	(5,680)
6/30/13	218,297	88.8	18,767

Schedule of Funding Progress

Town						
Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Liability (AAL) (b)	Funded (Unfunded) AAL (UAAL) (a-b)	Percentage Funded (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((a-b)/c)
7/1/03	\$ 5,014,093	\$ 6,095,151	\$ (1,081,058)	82.3%	\$ 2,492,835	(43.4)%
7/1/05	5,964,894	6,681,834	(716,940)	89.3	2,103,562	(34.1)
7/1/07	6,671,185	8,920,725	(2,249,540)	74.8	1,830,723	(122.9)
7/1/08	6,648,575	9,195,986	(2,547,411)	72.3	1,739,452	(146.4)
7/1/10	6,364,010	10,431,734	(4,067,724)	61.0	1,261,567	(322.4)
7/1/12	5,965,114	12,104,658	(6,139,544)	49.3	1,013,728	(605.6)

Board of Education						
Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Liability (AAL) (b)	Funded (Unfunded) AAL (UAAL) (a-b)	Percentage Funded (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((a-b)/c)
7/1/02	\$ 2,583,866	\$ 2,530,499	\$ 53,367	102.1%	\$ 1,191,486	4.5%
7/1/04	2,599,567	3,022,632	(423,065)	86.0	1,362,211	(31.1)
7/1/06	2,989,024	3,427,714	(438,690)	87.2	1,562,455	(28.1)
7/1/08	3,506,017	3,998,273	(492,256)	87.7	1,642,217	(30.0)
7/1/10	3,966,319	4,575,969	(609,650)	86.7	1,682,735	(36.2)
7/1/12	4,429,563	5,269,573	(840,010)	84.1	1,597,580	(52.6)

Note: Biennial valuation

Schedule of Employer Contributions

Fiscal Year Ended	Town		Board of Education	
	Annual Required Contribution	Percentage Contributed	Annual Required Contribution	Percentage Contributed
6/30/08	\$ 202,661	100.0%	\$ 241,517	100.0%
6/30/09	183,749	100.0	256,775	100.0
6/30/10	158,836	100.0	218,589	98.0
6/30/11	212,022	74.9	232,281	104.5
6/30/12	354,912	84.4	218,012	99.9
6/30/13	354,912	75.9	218,012	88.9

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the date indicated. Additional information as of the latest actuarial valuation is presented in Section D above.

Municipal Employees' Retirement Fund

A. Plan Description

All police officers of the Town participate in the Municipal Employees' Retirement System (MERS). MERS is a cost-sharing, multiple employer PERS established by the State of Connecticut and administered by the State Retirement Commission to provide pension benefits for the employees of participating municipalities. MERS is considered to be a part of the State of Connecticut's financial reporting entity and is included in the State's financial reports as a pension Trust Fund. The MERS issues a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the State of Connecticut Retirement and Benefit Services Division, Office of the State Controller, 55 Elm Street, Hartford, Connecticut 06106.

B. Plan Provisions

Plan provisions are set by statute of the State of Connecticut. MERS provides retirement benefits, as well as death and disability benefits. Annual cost of living increases between 3% and 5% are paid to disabled members and nondisabled retired members who have reached age 65. All benefits vest after 10 years of continuous service. Members who retire after age 55 with 10 years of continuous service or after 25 years of service, irrespective of age, are entitled to an annual retirement benefit, payable monthly for life.

- If not covered by Social Security: 2% of the average of earnings for the three highest paid years of service.
- If covered by Social Security: 1-1/6% of the average of earnings not in excess of the taxable wage base for the 10 highest paid years, plus 2% of the average of earnings for the three highest paid years of service that is in excess of the average of earnings not in excess of the taxable wage base for the 10 highest paid years.

C. Funding Policy

Covered employees are required by State statute to contribute 2.25% of earnings upon which Social Security tax is paid plus 5% of earnings on which no Social Security tax is paid. Each participating municipality is required to contribute the amounts necessary to finance the remaining costs of the plan. The Town's employer and employee contributions for the years ended June 30, 2013, 2012 and 2011 were \$410,232, \$224,138 and \$351,860, respectively, equal to the required contributions for each year.

Teacher Retirement

All Town teachers participate in the State of Connecticut Teacher's Retirement System, a cost-sharing plan with a special funding situation, under Section 10.183 of the General Statutes of the State of Connecticut. This is a multiple employer PERS. A teacher is eligible to receive a normal retirement benefit if he or she has:

- Attained age 60 and has accumulated 20 years of credited service in the public schools of Connecticut, or;
- Attained any age and has accumulated 35 years of credited service, at least 25 years of which are service in the public schools of Connecticut.

The Board of Education withholds 7.25% of all teachers' annual salaries and transmits the funds to the State Teachers' Retirement Board. Teacher payroll subject to retirement amounted to \$10,392,392 or 74.2% of the total Board of Education payroll of \$14,004,334.

The retirement system for teachers is funded by the State based upon the recommendation of the Teachers' Retirement Board. Such contribution includes amortization of actuarially computed unfunded liability. For the year ended June 30, 2013, the Town has recorded in the General Fund (Exhibit IV) intergovernmental revenue schools and schools expenditures in the amount of \$2,207,968 as payments made by the State of Connecticut on behalf of the Town. The Town does not have any liability for teacher pensions.

The State of Connecticut Teacher Retirement System is considered to be a part of the State of Connecticut financial reporting entity and is included in the State's financial reports as a pension trust fund. Those reports may be obtained by writing to the State of Connecticut, Office of the State Comptroller, 55 Elm Street, Hartford, Connecticut 06106.

12. OTHER POSTEMPLOYMENT BENEFITS - RETIREE HEALTH CARE PLAN

A. Plan Description

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

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

At July 1, 2010, plan membership consisted of the following:

	Retiree Healthcare Plan
Active plan members	270
Retired members	78
Spouses of retirees	36
Total Participants	<u>384</u>

B. Funding Policy

The Town's funding and payment of postemployment benefits for the year ended June 30, 2013 are accounted for in the General Fund on a pay-as-you-go basis. As of June 30, 2013, the Town has not established a trust fund to irrevocably segregate assets to fund the liability associated with the postemployment benefits, which would require the reporting of a trust fund in accordance with GASB guidelines. The contribution requirements of plan members and the Town are also negotiated with the various unions representing the employees.

C. Annual OPEB Cost and Net OPEB Obligations

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

	Retiree Healthcare Plan
Annual required contribution (ARC)	\$ 1,066,000
Interest on net OPEB obligation	69,743
Adjustment to annual required contribution	<u>(69,743)</u>
Annual OPEB cost	1,066,000
Contributions made	<u>744,000</u>
Increase in net OPEB obligation	322,000
Net OPEB obligation, beginning of year	<u>1,743,568</u>
Net OPEB Obligation, End of Year	<u>\$ 2,065,568</u>

The Town's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation (asset) for the fiscal year ended June 30, 2013 is presented below.

Fiscal Year Ended	Annual OPEB Cost (AOC)	Actual Contribution	Percentage of AOC Contributed	Net OPEB Obligation
6/30/2011	\$ 1,082,605	\$ 562,000	51.91%	\$ 1,432,446
6/30/2012	1,015,122	704,000	69.35%	1,743,568
6/30/2013	1,066,000	744,000	69.79%	2,065,568

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Funded (Unfunded) AAL (UAAL) (a-b)	Percentage Funded (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((a-b)/c)
7/1/08	\$ -	\$ 13,987,000	\$ (13,987,000)	0.0%	N/A	N/A
7/1/10	-	14,612,000	(14,612,000)	0.0	N/A	N/A

Schedule of Employer Contributions

Year Ended June 30,	Annual Required Contribution	Percentage Contributed
2011	\$ 1,080,000	52.04%
2012	1,013,000	69.49
2013	1,066,000	69.79

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

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

In the July 1, 2010 actuarial valuation, the projected unit credit actuarial cost method was used. The ARC reflects a 30-year decreasing, closed group, level dollar amortization of the unfunded actuarial accrued liability (AAL). The actuarial assumptions include a 4.0% interest rate and annual payroll growth rate of 4.0%. The annual healthcare cost trend rate is 8% initially with an ultimate rate of 4%.

13. JOINT VENTURES

The Town is a participant in two joint ventures as described below.

Tunxis Recycling Operating Committee

The Town is a participant with 13 other cities and towns in a joint venture, the Tunxis Recycling Operating Committee (TROC). TROC is responsible for the development, operations and management of a solid waste recycling program for all participating communities. The governing board consists of town officials appointed by each of the participating municipalities and assumes all the management decisions. The Town has an obligation to appropriate funds in amounts necessary to fulfill its obligations created pursuant to the intercommunity agreement dated as of June 21, 1990. Expenditures of \$9,760 were incurred in 2012-13 related to the Town's participation in TROC.

Unassigned fund balance for fiscal year ended June 30, 2013 as reflected in TROC's financial statements is \$417,000. A complete set of financial statements for TROC can be obtained from TROC's administrative office at 43 Enterprise Drive, Bristol, Connecticut.

Bristol Resource Recovery Facility Operating Committee

The Town is a participant with 13 other cities and towns in a joint venture, the Bristol Resource Recovery Facility Operating Committee (BRRFOC). BRRFOC was created pursuant to an Inter-Community Agreement to exercise certain rights on behalf of Contracting Municipalities in dealing with the trash-to-energy plant built by Ogden Martin Systems of Bristol, Inc. (now Covanta Bristol, Inc.). The governing board consists of town officials appointed by each of the participating municipalities, and assumes all the management decisions. The Town has an obligation to appropriate funds in amounts necessary to fulfill its obligations created pursuant to the Intercommunity Agreement dated as of August 15, 1985. These obligations deal with guarantees to meet certain tonnage requirements.

The Town expenditures to BRRFOC amounted to \$319,856 this year. The unassigned fund balance for fiscal year ended June 30, 2013 as reflected in BRRFOC's financial statements is \$4.9 million. A complete set of financial statements for BRRFOC can be obtained from the administrative office at 43 Enterprise Drive, Bristol, Connecticut.

Under the Service Agreement, the service fee is an obligation of the Contracting Municipalities to which each has pledged its full faith and credit. Should any Contracting Municipality default in its obligation to pay the service fee, the other Contracting Municipalities shall have an obligation to continue to pay the aggregate service fee. If the Company does not perform its obligations under the service agreement and Covanta Bristol, Inc., fails to perform such obligations pursuant to its guarantee, the Contracting Municipalities have certain rights to terminate the service agreement and, upon termination, would no longer be obligated to pay the service fee.

14. CONTINGENT LIABILITIES

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

15. SUBSEQUENT EVENTS

On August 20, 2013, the Town issued \$3,500,000 of general obligation bonds with interest rates ranging from 2.0% to 3.25% and \$1,500,000 of general obligation bond anticipation notes with interest rate of 1.00%. The proceeds will be used to finance several general purpose and school projects for which bonds have been authorized to be issued.

**Required Supplementary
Information**

TOWN OF PLYMOUTH, CONNECTICUT

GENERAL FUND

SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED JUNE 30, 2013

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Property taxes:				
Current taxes	\$ 25,580,335	\$ 25,580,335	\$ 25,182,176	\$ (398,159)
Supplemental motor vehicle tax	200,000	200,000	264,204	64,204
Prior year taxes	700,000	700,000	807,127	107,127
Interest and lien fees	300,000	300,000	409,520	109,520
PILOT - retirement community	15,500	15,500	15,500	-
PILOT - housing authority	11,000	11,000		(11,000)
PILOT - telephone access	17,500	17,500	31,737	14,237
Total property taxes	<u>26,824,335</u>	<u>26,824,335</u>	<u>26,710,264</u>	<u>(114,071)</u>
Charges for services:				
Recording fees	55,000	55,000	59,455	4,455
Conveyance tax	75,000	75,000	53,449	(21,551)
Hunting and fishing licenses	150	150	114	(36)
Vital statistics	500	500	954	454
Miscellaneous town clerk	21,500	21,500	15,031	(6,469)
Planning and zoning	5,500	5,500	4,973	(527)
Sub-division hearings	2,000	2,000	502	(1,498)
Public hearings	2,500	2,500	504	(1,996)
Zoning board of appeals	3,750	3,750	4,319	569
Fire marshal	700	700	750	50
Police permits	3,025	3,025	7,385	4,360
Insurance reports	400	400	731	331
Parking tickets & alarm fines	225	225	70	(155)
Extra duty reimbursements	6,000	6,000		(6,000)
Hancock dam control	2,400	2,400	4,908	2,508
Miscellaneous public works/Metal Reimbursement	25,000	25,000	23,999	(1,001)
Transfer station tipping fees	175,000	175,000	203,195	28,195
Transfer station permits	7,000	7,000	11,290	4,290
Conservation commission	2,250	2,250	736	(1,514)
Structural permits	50,000	50,000	45,735	(4,265)
Electrical permits	4,500	4,500	5,190	690
Demolition permits	1,000	1,000	1,615	615
Plumbing permits	2,800	2,800	2,340	(460)
Heating permits	5,000	5,000	5,230	230
Library petty cash	6,000	6,000	6,952	952
Recreation - programs	9,000	9,500	5,355	(4,145)
Aircraft registrations	630	630	540	(90)
False alarms	500		1,276	1,276
Total charges for services	<u>467,330</u>	<u>467,330</u>	<u>466,598</u>	<u>(732)</u>

(Continued on next page)

TOWN OF PLYMOUTH, CONNECTICUT

**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)**

FOR THE YEAR ENDED JUNE 30, 2013

	<u>Budgeted Amounts</u>			<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Intergovernmental revenues:				
PILOT - state property	\$ 12,000	\$ 12,000	\$ 12,492	\$ 492
Property tax relief for the elderly freeze	3,400	3,400	2,789	(611)
Property tax relief for the elderly - circuit breaker	75,000	75,000	88,146	13,146
Veteran's grant	10,000	10,000	10,085	85
Manufacturer's PILOT	100,000	100,000	120,972	20,972
Disability exemption	2,000	2,000	2,000	-
Civil preparedness	4,000	4,000	1,200	(2,800)
ECS grant	9,876,830	9,876,830	9,838,362	(38,468)
Out placement - excess income	540,000	540,000	587,700	47,700
School transportation	214,410	214,410	209,435	(4,975)
Pequot PILOT	55,000	55,000	73,054	18,054
Federal PILOT	1,200	1,200	1,551	351
Miscellaneous grants	17,500	17,500	158,030	140,530
Total intergovernmental revenues	<u>10,911,340</u>	<u>10,911,340</u>	<u>11,105,816</u>	<u>194,476</u>
Income from investments	<u>45,000</u>	<u>45,000</u>	<u>28,188</u>	<u>(16,812)</u>
Other revenues:				
Insurance reimbursements	57,500	57,500	60,692	3,192
Judicial refunds	1,000	1,000	4,274	3,274
Miscellaneous	3,990	3,990	16,909	12,919
Total other revenues	<u>62,490</u>	<u>62,490</u>	<u>81,875</u>	<u>19,385</u>
Total Revenues	<u>38,310,495</u>	<u>38,310,495</u>	<u>38,392,741</u>	<u>82,246</u>
Other financing sources:				
Cancellation of prior year's encumbrances	10,000	10,000	83,794	73,794
Appropriation of fund balance	250,000	250,000		
Transfers in	350,000	350,000	350,000	-
Total other financing sources	<u>610,000</u>	<u>610,000</u>	<u>433,794</u>	<u>73,794</u>
Total Revenues and Other Financing Sources	<u>\$ 38,920,495</u>	<u>\$ 38,920,495</u>	<u>38,826,535</u>	<u>\$ 156,040</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			2,207,968	
Magnet school transportation grant			209,300	
Cancellation of prior year encumbrances are recognized as budgetary revenue			<u>(83,794)</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>\$ 41,160,009</u>	

TOWN OF PLYMOUTH, CONNECTICUT

GENERAL FUND

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED JUNE 30, 2013

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
General administration:				
Mayor	\$ 151,290	\$ 151,290	\$ 150,232	\$ 1,058
Town Council	5,575	5,575	5,575	-
Human Resource	42,550	61,879	63,879	(2,000)
Comptroller	161,540	160,029	159,029	1,000
Central Office	118,800	118,254	116,516	1,738
Treasurer	3,600	3,600	3,600	-
Registrar	48,020	48,020	47,918	102
Board of Finance	157,500	79,113	62,506	16,607
Assessors	122,530	118,731	118,731	-
Board of Assessment Appeals	890	551	551	-
Tax Collector	105,725	103,856	117,499	(13,643)
Legal Services	112,000	124,625	124,625	-
Insurance	723,750	757,012	757,012	-
Employee Benefits	2,704,500	2,704,500	2,692,468	12,032
Heart and Hypertension	107,500	107,500	92,248	15,252
Town Clerk	119,340	119,340	100,865	18,475
Probate Court	4,550	4,550	4,550	-
Special Services	20,500	20,500	16,835	3,665
Total general administration	<u>4,710,160</u>	<u>4,688,925</u>	<u>4,634,639</u>	<u>54,286</u>
Public safety:				
Fire Marshal	62,630	55,207	55,207	-
Police Department	1,775,050	1,775,000	1,839,581	(64,581)
Emergency Management	17,500	98,564	36,966	61,598
Dog Warden	28,250	28,250	28,250	-
Communications	383,565	378,145	356,353	21,792
Fire Department	237,390	238,159	258,160	(20,001)
Total public safety	<u>2,504,385</u>	<u>2,573,325</u>	<u>2,574,517</u>	<u>(1,192)</u>
Public works:				
Facilities	287,320	310,517	310,517	-
Snow Removal	372,150	311,547	307,002	4,545
Highway Department	981,975	981,975	929,013	52,962
Transfer Station	860,845	835,845	771,579	64,266
Public Works Director	186,215	186,215	182,812	3,403
Maintenance Garage	459,495	459,495	430,010	29,485
Utilities - Hydrants and Streetlights	522,000	535,283	538,218	(2,935)
Other Public Buildings	15,250	15,250	7,673	7,577
Building Inspector	75,310	76,728	76,728	-
Total public works	<u>3,760,560</u>	<u>3,712,855</u>	<u>3,553,552</u>	<u>159,303</u>
Health and welfare:				
Human Services Commission	2,000	2,000	2,000	-
Public Health	52,550	53,355	53,355	-
Medical Director	68,965	68,160	65,167	2,993
Ambulance Corps	25,215	25,215	23,502	1,713
Public Health - other	45,860	45,860	45,533	327
Total health and welfare	<u>194,590</u>	<u>194,590</u>	<u>189,557</u>	<u>5,033</u>

(Continued on next page)

TOWN OF PLYMOUTH, CONNECTICUT

GENERAL FUND

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2013

	<u>Budgeted Amounts</u>			<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Library services:				
Terryville Library	\$ 447,375	\$ 447,375	\$ 435,113	\$ 12,262
Plymouth Library	24,000	24,000	24,000	-
Total library services	<u>471,375</u>	<u>471,375</u>	<u>459,113</u>	<u>12,262</u>
Parks and recreation	<u>188,775</u>	<u>188,775</u>	<u>183,095</u>	<u>5,680</u>
Education	<u>23,057,675</u>	* <u>23,057,675</u>	* <u>23,017,408</u>	<u>40,267</u>
Land use:				
Planning and Zoning	161,985	159,027	135,763	23,264
Zoning Board of Appeals	4,350	4,350	4,192	158
Conservation Commission	5,450	5,450	4,116	1,334
Economic Development	30,440	33,398	33,398	-
Historic Properties	1,950	1,950	538	1,412
Total land use	<u>204,175</u>	<u>204,175</u>	<u>178,007</u>	<u>26,168</u>
Debt service	<u>3,100,000</u>	<u>3,100,000</u>	<u>2,997,591</u>	<u>102,409</u>
Total expenditures	<u>38,191,695</u>	<u>38,191,695</u>	<u>37,787,479</u>	<u>404,216</u>
Other financing uses:				
Transfers out:				
Capital and nonrecurring	650,000	650,000	650,000	-
St. Matthew's Cemetery	2,800	2,800	2,800	-
Hillside cemetery	2,000	2,000	2,000	-
Plymouth cemetery (West)	2,000	2,000	2,000	-
BOE Sinking Fund	72,000 *	72,000 *	72,000	-
Total other financing uses	<u>728,800</u>	<u>728,800</u>	<u>728,800</u>	<u>-</u>
Total Expenditures and Other Financing Uses	<u>\$ 38,920,495</u>	<u>\$ 38,920,495</u>	<u>38,516,279</u>	<u>\$ 404,216</u>

Budgetary expenditures are different than GAAP expenditures because:
 State of Connecticut on-behalf payments to the Connecticut State Teachers' Retirement System for Town teachers are not budgeted
 Magnet school transportation grant
 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

2,207,968
 209,300
32,005

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

\$ 40,965,552

* The sum of these two line items total the total amount approved for the BOE Budget in FY13.

**Combining and Individual
Fund Statements and Schedules**

General Fund

GENERAL FUND

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

TOWN OF PLYMOUTH, CONNECTICUT

GENERAL FUND

COMPARATIVE BALANCE SHEET

JUNE 30, 2013 AND 2012

	<u>2013</u>	<u>2012</u>
ASSETS		
Cash and cash equivalents	\$ 4,487,361	\$ 1,418,275
Receivables:		
Property taxes receivable, net of allowance for uncollectible of \$200,000 in 2013 and 2012	2,667,651	2,782,137
Interest tax receivable	1,334,997	1,325,553
Intergovernmental	164,135	202,254
Other	271,626	721
Due from other funds	<u>2,664,650</u>	<u>3,054,314</u>
Total Assets	<u>\$ 11,590,420</u>	<u>\$ 8,783,254</u>
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts and other payables	\$ 550,169	\$ 335,703
Advance tax collections	19,953	
Due to other funds	3,732,398	1,203,262
Deferred revenues	<u>3,701,122</u>	<u>3,851,968</u>
Total liabilities	<u>8,003,642</u>	<u>5,390,933</u>
Fund Balance:		
Assigned:		
Encumbrances	1,173,169	1,288,968
Designated for subsequent year's budget	250,000	250,000
Unassigned	<u>2,163,609</u>	<u>1,853,353</u>
Total fund balance	<u>3,586,778</u>	<u>3,392,321</u>
Total Liabilities and Fund Balance	<u>\$ 11,590,420</u>	<u>\$ 8,783,254</u>

TOWN OF PLYMOUTH, CONNECTICUT

GENERAL FUND

REPORT OF TAX COLLECTOR

FOR THE YEAR ENDED JUNE 30, 2013

Grand List as of October 1,	Uncollected Taxes July 1, 2012	Lawful Corrections		Transfers to Suspense	Adjustments	Net Amount Collectible	Taxes	Collections		Total	Uncollected Taxes June 30, 2013
		Additions	Deductions					Interest and Lien Fees	Suspense Collection		
1997	\$ 11,436	\$	\$ 7,081	\$	\$	\$ 4,355	\$	\$ 811	\$ 1,849	\$ 2,660	\$ 4,355
1998	14,165		7,292			6,873			17	17	6,873
1999	14,668		7,440			7,228			154	154	7,228
2000	14,901		7,673			7,228		850	154	1,004	7,228
2001	15,867		7,555			8,312		310	289	599	8,312
2002	21,669		8,027			13,642		950	90	1,040	13,642
2003	23,951		8,814			15,137		87	1,013	1,100	15,137
2004	82,144		9,238		(1,220)	71,686	1,891	402	2,564	4,857	69,795
2005	94,261		9,813		157	84,605	7,337	5,489	2,940	15,766	77,268
2006	223,127		16,858			206,269	7,469	5,684	2,229	15,382	198,800
2007	322,169		16,858		(1,334)	303,977	37,486	20,522	2,977	60,985	266,491
2008	397,241		18,194		(4,901)	376,795	94,297	47,508	6,284	148,089	282,498
2009	657,689		17,600	106,325	(3,807)	533,190	183,274	78,353		261,627	349,916
2010	1,067,804		24,197			1,048,916	461,465	110,409		571,874	587,451
Total prior years	2,961,092		166,640	106,325	(11,105)	2,688,213	793,219	271,375	20,560	1,085,154	1,894,994
2011	26,576,303		233,465			26,362,764	25,390,107	126,889		25,516,996	972,657
Total	\$ 29,537,395	\$ 31,117	\$ 400,105	\$ 106,325	\$ (11,105)	\$ 29,050,977	\$ 26,183,326	\$ 398,264	\$ 20,560	\$ 26,602,150	\$ 2,867,651

**Nonmajor
Governmental Funds**

NONMAJOR GOVERNMENTAL FUNDS

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

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

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

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

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

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

TOWN OF PLYMOUTH, CONNECTICUT
 NONMAJOR GOVERNMENTAL FUNDS
 COMBINING BALANCE SHEET

JUNE 30, 2013

	Special Revenue									
	Sewer Operating	Sewer Assessment	Water Assessment	Dog Fund	Miscellaneous Contributions	ATM Fund	CDBG Loan Fund	Small Cities	Open Space	
ASSETS										
Cash and cash equivalents	\$ 789,972	\$ 41,498	\$ 124,826	\$ 137,922	\$ 58,916	\$ 37,044	\$ 16,721	\$ 88,514	\$ 30,935	
Investments						5,697				
Restricted investments							190,959			
Receivables:										
Interest	233,643									
Assessments/use charges	524,108	14,000	603,244					99,156		
Intergovernmental								619,270		
Loans										
Other										
Due from other funds		1,171	20,000						199,411	
Total Assets	\$ 1,547,723	\$ 56,669	\$ 748,070	\$ 137,922	\$ 58,916	\$ 42,741	\$ 207,680	\$ 806,940	\$ 230,346	
LIABILITIES AND FUND BALANCES										
Liabilities:										
Accounts payable	\$ 29,322	\$	\$	\$ 6	\$ 1,065	\$	\$	\$ 16,240	\$	
Due to other funds	364,792	20,000	232,943	14,541			38,842	6,630		
Deferred revenue	757,751	14,000	603,244					619,270		
Total liabilities	1,151,865	34,000	836,187	14,547	1,065	-	38,842	642,140	-	
Fund balances:										
Nonspendable										
Restricted	395,858	22,669	(88,117)	123,375	57,851	42,741	168,838	164,800	230,346	
Committed										
Unassigned										
Total fund balances	395,858	22,669	(88,117)	123,375	57,851	42,741	168,838	164,800	230,346	
Total Liabilities and Fund Balances	\$ 1,547,723	\$ 56,669	\$ 748,070	\$ 137,922	\$ 58,916	\$ 42,741	\$ 207,680	\$ 806,940	\$ 230,346	

(Continued on next page)

**TOWN OF PLYMOUTH, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)**

JUNE 30, 2013

	Special Revenue										Capital Project
	Hospice	Economic Development	Police Extra Duty	Recreational Revolving	Historical Preservation	Subdivision Engineering	Education Grants	School Cafeteria	Education Sinking Fund		
ASSETS											
Cash and cash equivalents	\$ 23,682	\$ 26,045	\$	\$	\$ 8,415	\$ 1,113	\$ 421,371	\$ 31,423	\$		
Investments											
Restricted investments											
Receivables:											
Interest											
Assessments/use charges											
Intergovernmental							220,505	34,927			
Loans											
Other			71,615					3,907			
Due from other funds			3,670	30,666	44,934					190,315	
Total Assets	\$ 23,682	\$ 26,045	\$ 75,285	\$ 30,666	\$ 53,349	\$ 1,113	\$ 641,876	\$ 70,257	\$	\$ 190,315	

LIABILITIES AND FUND BALANCES

Liabilities:										
Accounts payable	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Due to other funds		6,862					253,168			
Deferred revenue		2,996					30,105			
Total liabilities	-	9,858	-	-	-	-	283,273	-	-	-
Fund balances:										
Nonspendable										
Restricted										
Committed	23,682	16,187	75,285	30,666	53,349	1,113		70,257		190,315
Unassigned										
Total fund balances	23,682	16,187	75,285	30,666	53,349	1,113		70,257		190,315
Total Liabilities and Fund Balances	\$ 23,682	\$ 26,045	\$ 75,285	\$ 30,666	\$ 53,349	\$ 1,113	\$ 641,876	\$ 70,257	\$	\$ 190,315

(Continued on next page)

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

JUNE 30, 2013

	Debt Service	Permanent						Eliminations	Total Nonmajor Governmental Funds
		Hillside Cemetery Trust	Plymouth Cemetery Trust	Allentown Cemetery Trust	Terryville Public Library Trust	Mercy J. Cone Trust	St. Matthews Trust		
ASSETS									
Cash and cash equivalents	\$ 19,863	\$ 18,886	\$ 40,842	\$ 1,347	\$ 10,755	\$ 7,491	\$ 1,522	\$ 1,939,103	
Investments	27,530	517,524	221,419	188,442				33,227	
Restricted investments								1,221,210	
Receivables:									
Interest								233,643	
Assessments/use charges								1,141,352	
Intergovernmental								354,588	
Loans								619,270	
Other								75,522	
Due from other funds	185,667				18,105		2,680	675,448	
Total Assets	\$ 205,530	\$ 563,940	\$ 262,261	\$ 1,347	\$ 131,726	\$ 195,933	\$ 4,202	\$ 6,293,363	
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable	\$	\$ 4,114	\$	\$	\$	\$	\$	\$ 46,633	
Due to other funds							(21,171)	920,721	
Deferred revenue								2,027,366	
Total liabilities	-	4,114	-	-	-	-	(21,171)	2,994,720	
Fund balances:									
Nonspendable		517,524	221,419	188,442	102,866	188,442		1,030,251	
Restricted	205,530	42,302	40,842	1,347	28,860	7,491	4,202	1,170,858	
Committed								1,185,651	
Unassigned								(88,117)	
Total fund balances	205,530	559,826	262,261	1,347	131,726	195,933	4,202	3,298,643	
Total Liabilities and Fund Balances	\$ 205,530	\$ 563,940	\$ 262,261	\$ 1,347	\$ 131,726	\$ 195,933	\$ 4,202	\$ 6,293,363	

TOWN OF PLYMOUTH, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES

FOR THE YEAR ENDED JUNE 30, 2013

	Special Revenue									
	Sewer Operating	Sewer Assessment	Water Assessment	Dog Fund	Miscellaneous Contributions	ATM Fund	CDBG Loan Fund	Small Cities	Open Space	
Revenues:										
Charges for services	\$ 1,121,671	\$	\$ 119,505	\$ 34,500	\$	\$	\$	\$	\$ 2,626	
Intergovernmental						1,290		233,400		
Income from investments		88	106		77	89	1,688	59	20	
Net change in fair value of investments										
Contributions										
Other										
Total revenues	<u>1,121,671</u>	<u>88</u>	<u>119,611</u>	<u>34,500</u>	<u>10,210</u>	<u>1,843</u>	<u>1,688</u>	<u>50,940</u>	<u>2,646</u>	<u>2,646</u>
Expenditures:										
Current:										
General administration				16,931		5,127				
Public safety										
Public works	1,046,746									
Health and welfare					11,731			188,162		
Library										
Recreation										
Education										
Total expenditures	<u>1,046,746</u>	<u>-</u>	<u>-</u>	<u>16,931</u>	<u>11,731</u>	<u>5,127</u>	<u>-</u>	<u>188,162</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures	74,925	88	119,611	17,569	(1,444)	(1,905)	1,688	96,237	2,646	2,646
Other Financing Sources (Uses):										
Transfers in										
Transfers out										
Premium on bonds										
Net other financing sources										
Net Change in Fund Balances	74,925	88	119,611	17,569	(1,444)	(1,905)	1,688	96,237	2,646	2,646
Fund Balances at Beginning of Year	320,933	22,581	(207,728)	105,806	59,295	44,646	167,150	68,563	227,700	227,700
Fund Balances at End of Year	\$ 395,858	\$ 22,669	\$ (88,117)	\$ 123,375	\$ 57,851	\$ 42,741	\$ 168,838	\$ 164,800	\$ 230,346	\$ 230,346

(Continued on next page)

TOWN OF PLYMOUTH, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2013

	Special Revenue										Capital Projects
	Hospice	Economic Development	Police Extra Duty	Recreational Revolving	Historical Preservation	Subdivision Engineering	Education Grants	School Cafeteria	Education Sinking Fund		
Revenues:											
Charges for services Intergovernmental	\$ 50	\$ 49	\$ 276,464	\$ 50,819	\$ 13,431	\$ 4,000	\$ 1,195,308	\$ 282,291	\$ 247,084		
Income from investments											
Net change in fair value of investments											
Contributions											
Other		46,863									
Total revenues	50	46,912	276,464	50,819	17,431	-	1,195,308	529,375	-		
Expenditures:											
Current:											
General administration		30,957									
Public safety			244,293								
Public works											
Health and welfare											
Library				44,790							
Recreation											
Education											
Total expenditures	-	30,957	244,293	44,790	-	-	1,023,430	580,129	-		
Excess (Deficiency) of Revenues over Expenditures	50	15,955	32,171	6,029	17,431	-	171,878	(50,754)	-		
Other Financing Sources (Uses):											
Transfers in											72,000
Transfers out											
Premium on bonds											72,000
Net other financing sources											
Net Change in Fund Balances	50	15,955	32,171	6,029	17,431	-	171,878	(50,754)			72,000
Fund Balances at Beginning of Year	23,632	232	43,114	24,637	35,918	1,113	186,725	121,011			118,315
Fund Balances at End of Year	\$ 23,682	\$ 16,187	\$ 75,285	\$ 30,666	\$ 53,349	\$ 1,113	\$ 358,603	\$ 70,257	\$		\$ 190,315

(Continued on next page)

TOWN OF PLYMOUTH, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2013

	Debt Service Fund	Permanent						Eliminations	Total Nonmajor Governmental Funds
		Hillside Cemetery Trust	Plymouth Cemetery Trust	Allentown Cemetery Trust	Terryville Public Library Trust	Mercy J. Cone Trust	St. Matthews Trust		
Revenues:									
Charges for services		\$ 16,660	\$ 16,323	\$ -	\$ 9,439	\$ -	\$ -	\$ 1,943,729	
Intergovernmental					1,830			1,682,912	
Income from investments	3	9,922	7,434	1	1,966	8,492		30,044	
Net change in fair value of investments		49,203	10,649		13,182	7,231		80,265	
Contributions							2,680	2,680	
Other								109,856	
Total revenues	3	75,785	34,406	1	26,417	15,723	2,680	3,849,486	
Expenditures:									
Current:									
General administration								36,084	
Public safety								261,224	
Public works								1,046,746	
Health and welfare		40,840	24,318		13,152	8,114		265,051	
Library								21,266	
Recreation								44,790	
Education								1,603,559	
Total expenditures	-	40,840	24,318	-	13,152	8,114	-	3,278,720	
Excess (Deficiency) of Revenues over Expenditures	3	34,945	10,088	1	13,265	7,609	2,680	570,766	
Other Financing Sources (Uses):									
Transfers in		2,000	2,000					76,000	
Transfers out	(350,000)							(350,000)	
Premium on bonds	535,667							535,667	
Net other financing sources	185,667	2,000	2,000	-	-	-	-	261,667	
Net Change in Fund Balances	185,670	36,945	12,088	1	13,265	7,609	2,680	832,433	
Fund Balances at Beginning of Year	19,860	522,881	250,173	1,346	118,461	188,324	1,522	2,466,210	
Fund Balances at End of Year	\$ 205,530	\$ 559,826	\$ 262,261	\$ 1,347	\$ 131,726	\$ 195,933	\$ 4,202	\$ 3,298,643	

TOWN OF PLYMOUTH, CONNECTICUT

SEWER OPERATING FUND

SCHEDULE OF REVENUES, OTHER FINANCING SOURCES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED JUNE 30, 2013

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Revenues:				
Use charges collected:				
Current year	\$ 999,983	\$ 999,983	\$ 912,248	\$ (87,735)
Prior year	80,000	80,000	137,536	57,536
Interest and lien	50,000	50,000	55,569	5,569
Sewer connection - lateral fees	7,500	7,500	15,018	7,518
Investment income	7,500	7,500		(7,500)
Permit fees	700	700	1,300	600
Miscellaneous	300	300		(300)
Total revenues	<u>1,145,983</u>	<u>1,145,983</u>	<u>1,121,671</u>	<u>(24,312)</u>
Expenditures:				
Wages and benefits:				
Wages	313,278	313,278	322,219	(8,941)
Wages - tax collector	3,805	3,805	3,805	-
Wages - overtime	38,255	38,255	35,139	3,116
Wages/benefits adjustment	3,084	3,084	(217)	3,301
Medical health insurance	73,825	73,825	88,138	(14,313)
Social Security	26,585	26,585	16,730	9,855
Worker's compensation	32,000	32,000	34,146	(2,146)
Seniority pay	1,000	1,000	475	525
Retirement	41,500	41,500	27,649	13,851
Audit	4,450	4,450	4,450	-
Conferences/memberships	500	500	86	414
Education	2,000	2,000	2,000	-
Total wages and benefits	<u>540,282</u>	<u>540,282</u>	<u>534,620</u>	<u>5,662</u>
Plant Expenditures:				
Physical Plant:				
Maintenance/service contracts	30,402	30,402	21,583	8,819
Repair and maintenance	25,000	25,000	33,553	(8,553)
Vehicle repairs	2,000	2,000	3,531	(1,531)
Safety	4,000	4,000	3,165	835
Insurance	41,500	41,500	43,256	(1,756)

(Continued on next page)

TOWN OF PLYMOUTH, CONNECTICUT

SEWER OPERATING FUND

SCHEDULE OF REVENUES, OTHER FINANCING SOURCES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2013

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Supplies:				
Chemicals	\$ 12,000	\$ 12,000	\$ 2,434	\$ 9,566
Lab supply/equipment	2,600	2,600	3,193	(593)
Clothing allowance	3,100	3,100	2,988	112
Utilities:				
Electric	94,000	94,000	96,846	(2,846)
Diesel fuel	500	500	2,110	(1,610)
Natural gas	14,000	14,000	12,020	1,980
Water	2,488	2,488	2,931	(443)
Telephone	5,160	5,160	5,680	(520)
Sludge disposal	107,406	107,406	112,778	(5,372)
New vehicles	10,000	10,000		10,000
Total plant expenditures	<u>354,156</u>	<u>354,156</u>	<u>346,068</u>	<u>8,088</u>
Collection System Expenditures:				
Utilities:				
Fuel Oil	2,000	2,000	378	1,622
Electric	33,000	33,000	27,227	5,773
Telephone	1,728	1,728	2,089	(361)
Maintenance: manhole rehabilitation	30,000	30,000	30,099	(99)
Total collection system expenditures	<u>66,728</u>	<u>66,728</u>	<u>59,793</u>	<u>6,935</u>
Administrative Expenditures:				
Office supplies	1,000	1,000	904	96
Advertising/printing	3,000	3,000	4,806	(1,806)
Postage	2,500	2,500	2,604	(104)
Legal/Bank fees	3,000	3,000	3,890	(890)
NPDES permit fee	2,368	2,368	2,368	-
Nitrogen purchase/credit	19,229	19,229	19,229	-
Computer/software	5,500	5,500	5,095	405
Total administrative expenditures	<u>36,597</u>	<u>36,597</u>	<u>38,896</u>	<u>(2,299)</u>

(Continued on next page)

TOWN OF PLYMOUTH, CONNECTICUT

SEWER OPERATING FUND

SCHEDULE OF REVENUES, OTHER FINANCING SOURCES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2013

	<u>Budgeted Amounts</u>			<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Capital Projects:				
Capital outlay	\$ 45,000	\$ 45,000	\$ 36,720	\$ 8,280
Capital nonrecurring	85,000	85,000	919	84,081
Major infrastructure repair	30,000	30,000	17,820	12,180
Engineer services	10,000	10,000	11,910	(1,910)
Long Term Infrastructure	51,383	51,583		51,583
Total capital projects	<u>221,383</u>	<u>221,583</u>	<u>67,369</u>	<u>102,631</u>
Total expenditures	<u>1,219,146</u>	<u>1,219,346</u>	<u>1,046,746</u>	<u>121,017</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(73,163)</u>	<u>(73,363)</u>	<u>74,925</u>	<u>96,705</u>
Net Change in Fund Balance	<u>\$ (73,163)</u>	<u>\$ (73,363)</u>	<u>74,925</u>	<u>\$ 96,705</u>
Fund Balance - Beginning of Year			<u>320,933</u>	
Fund Balance - End of Year			<u>\$ 395,858</u>	

TOWN OF PLYMOUTH, CONNECTICUT

SEWER OPERATING FUND

SCHEDULE OF SEWER USE CHARGES RECEIVABLE

FOR THE YEAR ENDED JUNE 30, 2013

<u>Due Date</u>	<u>Uncollected Balance July 1, 2012</u>	<u>Current Year Use Charges and Adjustments</u>	<u>Collections</u>	<u>Uncollected Balance June 30, 2013</u>
October 1, 2012	\$	\$ 1,110,156	\$ 912,248	\$ 197,908
October 1, 2011	174,847	240	79,486	95,601
October 1, 2010	101,674	(1,318)	26,138	74,218
October 1, 2009	73,600	(1,265)	16,576	55,759
October 1, 2008	51,090	(460)	8,201	42,429
October 1, 2007	30,338	(454)	3,947	25,937
October 1, 2006	18,385		2,485	15,900
October 1, 2005	7,572	(205)	703	6,664
October 1, 2004	3,734			3,734
October 1, 2003	1,989			1,989
October 1, 2002	1,507			1,507
October 1, 2001	1,075			1,075
October 1, 2000	632			632
October 1, 1999	449			449
October 1, 1998	312	(156)		156
October 1, 1997	300	(150)		150
October 1, 1996	165	(165)		
	<u>467,669</u>	<u>1,106,223</u>	<u>1,049,784</u>	<u>524,108</u>
Total	\$	\$	1,049,784	\$
Interest and lien fees			<u>55,569</u>	
Total Collections			<u>\$ 1,105,353</u>	

TOWN OF PLYMOUTH, CONNECTICUT

SEWER ASSESSMENT FUND

SCHEDULE OF SEWER ASSESSMENT RECEIVABLE

FOR THE YEAR ENDED JUNE 30, 2013

<u>Due Date</u>	<u>Uncollected Balance July 1, 2012</u>	<u>Current Year Adjustments</u>	<u>Collections</u>	<u>Uncollected Balance June 30, 2013</u>
Sewer Assessment Phase III	\$ <u>14,773</u>	\$ <u>(773)</u>	\$ <u>-</u>	\$ <u>14,000</u>
Water Line Assessment	\$ <u>719,494</u>	\$ <u>-</u>	\$ <u>116,250</u>	\$ <u>603,244</u>

Fiduciary Funds

AGENCY FUNDS

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

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

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

TOWN OF PLYMOUTH, CONNECTICUT

AGENCY FUNDS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

FOR THE YEAR ENDED JUNE 30, 2013

	<u>Balance</u> <u>July 1, 2012</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2013</u>
Student Activity				
Assets:				
Cash and Cash Equivalents	\$ 167,648	\$ 301,150	\$ 270,631	\$ 198,167
Liabilities:				
Due to Student Groups	\$ 167,648	\$ 301,150	\$ 270,631	\$ 198,167
Performance Bonds				
Assets:				
Cash and cash equivalents	\$ 266,441	\$ -	\$ 36,752	\$ 229,689
Due from other funds	129,805	-	11,000	118,805
Total Assets	\$ 396,246	\$ -	\$ 47,752	\$ 348,494
Liabilities:				
Due to Contractors	\$ 396,246	\$ -	\$ 47,752	\$ 348,494
Total All Funds				
Assets:				
Cash and cash equivalents	\$ 434,089	\$ 301,150	\$ 307,383	\$ 427,856
Due from other funds	129,805	-	11,000	118,805
Total Assets	\$ 563,894	\$ 301,150	\$ 318,383	\$ 546,661
Liabilities:				
Deposits and amounts due to student groups and participants	\$ 563,894	\$ 301,150	\$ 318,383	\$ 546,661
Total Liabilities	\$ 563,894	\$ 301,150	\$ 318,383	\$ 546,661

Statistical Section

Statistical Section Information

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

Statistical section information is presented in the following categories:

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

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

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

TOWN OF PLYMOUTH, CONNECTICUT

NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(UNAUDITED)

	FISCAL YEAR									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Governmental Activities:										
Net investment in capital assets	\$ 157,424,652	\$ 163,863,638	\$ 161,399,980	\$ 159,710,588	\$ 158,322,383	\$ 157,731,934	\$ 142,349,741	\$ 47,528,984	\$ 33,727,248	\$ 35,490,457
Restricted for:										
Capital projects						1,453,242	4,710,403	16,874,222	2,189,835	3,323,338
Perpetual care:										
Nonexpendable	84,491	86,850	71,900	343,179	343,163	342,838	342,838	342,838	342,838	342,838
Expendable	738,943	687,550	706,984	346,314	260,355	406,140	455,284	381,068	356,737	344,957
Libraries:										
Nonexpendable	40,553	38,234	24,092	144,744	144,744	144,744	144,744	144,744	144,744	144,744
Expendable	291,308	270,073	289,782	125,963	110,740	171,849	141,122	165,367	148,962	144,173
Debt service	205,530	19,860	19,860	719,162	1,692,280	2,328,491	1,540,559	1,504,600	1,536,084	1,775,863
Unrestricted	16,853,737	9,325,937	10,967,676	11,279,775	12,244,581	7,588,344	12,742,064	(5,381,230)	14,053,948	5,959,123
Total Net Position	\$ 175,639,214	\$ 174,292,142	\$ 173,480,274	\$ 172,669,725	\$ 173,118,246	\$ 170,167,582	\$ 162,426,755	\$ 61,560,593	\$ 52,500,396	\$ 47,525,493

Notes:

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

TOWN OF PLYMOUTH, CONNECTICUT

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(UNAUDITED)

	FISCAL YEAR									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Expenses:										
Governmental activities:										
General government	\$ 4,951,895	\$ 5,344,207	\$ 4,721,379	\$ 4,444,531	\$ 4,401,717	\$ 1,582,154	\$ 1,399,212	\$ 2,056,283	\$ 1,973,957	\$ 1,687,084
Public safety	3,173,319	2,731,321	2,839,161	2,330,658	2,522,628	2,780,558	3,921,004	3,257,110	3,121,346	2,985,265
Public works	8,207,132	7,142,486	8,584,108	7,130,940	7,538,637	7,328,908	7,275,668	5,406,130	5,356,055	4,708,478
Health and welfare	480,436	470,324	257,151	298,839	492,510	1,203,097	1,235,984	1,104,969	1,476,889	981,742
Library	486,295	500,323	494,022	432,404	474,125	569,341	558,178	555,527	550,341	533,774
Recreation	268,241	279,488	207,751	234,430	247,200	351,869	344,758	450,308	376,314	1,512,838
Education	27,636,311	28,268,369	26,865,049	26,346,342	25,522,049	28,440,626	22,742,302	22,848,288	20,676,935	19,135,712
Land use	227,292	239,813	312,442	183,452	249,020	301,978	301,366	257,039	304,968	300,548
Interest expense	711,595	707,960	301,942	1,788,989	955,582	1,042,959	873,524	593,434	904,966	607,264
Total Expenses	46,142,516	45,684,291	44,583,005	43,190,585	42,406,468	43,601,490	38,651,996	36,529,088	34,741,771	32,542,705
Program Revenues:										
Governmental activities:										
Charges for services:										
General government	227,517	312,065	145,910	218,357	214,973	274,552	1,702,065	186,436	375,781	334,299
Public safety	330,358	185,007	207,184	115,744	85,246	146,689	89,762	72,487	118,517	109,149
Public works	1,598,798	1,745,884	1,566,852	1,590,834	1,858,654	1,542,448	1,705,356	1,397,008	1,377,166	1,067,935
Health and welfare	235,963	70,027	48,400	233,366	433,420	460,289	460,289	518,835	557,813	632,028
Library	16,391	12,709	13,092	16,659	9,921	7,668	15,324	14,159	8,716	11,672
Recreation	56,174	87,811	31,222	8,161	35,223	35,088	49,407	58,495	37,258	37,258
Education	491,591	206,700	268,000	675,010	539,234	333,025	314,217	305,187	328,353	321,859
Land use	8,361	11,638	14,916	41,344	42,830	328	58,303	38,194	138,005	49,329
Operating grants and contributions	15,160,952	15,336,169	14,329,706	13,636,979	13,350,706	17,206,543	11,746,059	11,761,330	11,172,134	9,906,842
Capital grants and contributions	2,176,497	1,705,314	2,360,889	954,848	3,925,125	5,685,567	12,841,292	7,519,884	3,577,235	1,012,882
Total Program Revenues	20,302,802	19,673,324	18,954,949	17,329,608	20,268,216	25,665,463	28,967,755	21,862,927	17,712,215	13,483,253
Net Expenses:										
Governmental activities	(25,839,714)	(26,010,967)	(25,628,056)	(25,860,977)	(22,138,252)	(17,936,027)	(9,684,241)	(14,666,161)	(17,029,556)	(19,059,452)
General Revenues and Other Changes in Net Assets:										
Governmental activities:										
Property taxes	26,512,181	26,206,360	25,752,017	24,870,975	24,997,252	24,630,034	23,196,430	22,812,553	21,163,585	19,188,457
Grants and contributions not restricted to specific programs	484,554	523,354	439,693	373,942	514,338	378,485	514,908	410,428	412,853	520,898
Investment income (loss)	143,188	39,059	192,386	126,921	(77,663)	272,622	679,694	362,653	273,266	124,305
Miscellaneous	46,863	52,062	54,509	40,618	27,969	334,808	61,933	140,724	154,755	41,142
Total Governmental Activities	27,186,786	26,822,835	26,438,605	25,412,456	25,461,896	25,615,949	24,452,965	23,726,358	22,004,459	19,874,802
Changes in Net Position	\$ 1,347,072	\$ 811,868	\$ 810,549	\$ (448,521)	\$ 3,323,644	\$ 7,679,922	\$ 14,768,724	\$ 9,060,197	\$ 4,974,903	\$ 815,350

Notes:

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

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

	FISCAL YEAR									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
General Fund:										
Reserved	\$	\$	\$	\$ 719,569	\$ 549,187	\$ 476,976	\$ 534,791	\$ 536,196	\$ 334,136	\$ 279,186
Unreserved				2,334,881	2,291,700	1,907,108	1,871,019	1,581,952	1,478,219	1,254,094
Assigned	1,423,169	1,538,968	1,573,970							
Unassigned	2,163,609	1,853,353	1,655,273							
Total General Fund	\$ 3,586,778	\$ 3,392,321	\$ 3,229,243	\$ 3,054,450	\$ 2,840,887	\$ 2,384,084	\$ 2,405,810	\$ 2,118,148	\$ 1,812,355	\$ 1,533,280
All other governmental funds:										
Reserved	\$	\$	\$	\$ 1,227,587	\$ 2,180,187	\$ 4,345,785	\$ 6,811,892	\$ 18,939,900	\$ 4,243,908	\$ 5,638,671
Unreserved, reported in:										
Special revenue funds				1,449,744	1,494,852	1,162,693	1,329,111	905,346	918,755	897,635
Capital projects funds				(3,941,295)	(3,216,613)	(2,416,894)	2,831,871	(13,549,003)	2,289,533	(2,879,821)
Permanent funds				472,277	371,095	577,989	657,271	546,435	505,699	489,090
Nonspendable	1,030,251	957,623	996,766							
Restricted	1,170,858	714,644	611,598							
Committed	7,054,130	1,223,419	675,281							
Unassigned	(314,363)	(5,937,009)	(4,117,933)							
Total all Other Governmental Funds	\$ 8,940,876	\$ (3,041,323)	\$ (1,834,288)	\$ (791,687)	\$ 829,521	\$ 3,669,573	\$ 11,630,145	\$ 6,842,678	\$ 7,957,895	\$ 4,145,575

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

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

	FISCAL YEAR									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Revenues:										
Property taxes	\$ 26,663,027	\$ 25,774,406	\$ 24,976,767	\$ 24,634,459	\$ 24,683,591	\$ 24,300,101	\$ 23,186,787	\$ 22,583,139	\$ 21,281,202	\$ 19,178,006
Charges for services	3,701,765	4,201,083	2,335,496	2,291,113	2,459,462	3,077,317	2,984,686	2,706,269	2,966,922	2,740,943
Intergovernmental	16,680,953	15,871,373	17,235,099	15,531,786	18,133,510	23,709,773	25,476,517	20,152,103	13,915,927	11,947,392
Income on investments	141,246	36,949	186,848	117,381	(93,849)	375,192	639,963	323,463	236,399	97,779
Other revenues	322,587	637,964	311,708	448,619	410,813	277,442	10,273,175	317,994	6,806,071	1,731,512
Total revenues	47,509,578	46,521,775	45,045,918	43,023,358	45,593,527	51,739,825	62,561,128	46,082,968	45,206,521	35,695,632
Expenditures:										
General government	4,670,723	4,586,050	4,423,085	4,206,184	4,119,628	4,121,178	4,002,658	3,727,548	3,954,069	3,719,375
Public safety	2,835,741	2,527,326	2,579,324	2,387,842	2,304,344	2,220,602	2,085,921	2,254,131	2,177,073	2,074,095
Public works	4,600,298	4,630,873	5,183,968	4,648,712	4,960,877	4,484,985	4,076,563	3,935,266	3,363,222	3,344,351
Health and welfare	454,608	445,631	421,158	275,525	505,434	918,494	880,550	825,267	950,895	715,618
Library	480,379	477,896	466,395	461,358	457,503	435,453	433,093	442,488	406,913	390,047
Recreation	227,885	242,163	216,220	200,505	208,679	186,502	223,873	216,433	237,980	1,384,300
Board of Education	27,070,240	27,287,693	25,934,148	25,655,632	25,118,856	28,426,889	22,988,487	22,497,675	20,507,220	18,789,813
Land use	180,807	205,759	208,762	205,481	274,693	223,779	210,654	205,505	263,692	194,780
Capital outlay	3,062,731	4,015,792	3,249,573	3,510,302	2,896,935	15,744,640	19,798,122	10,424,811	6,261,117	2,289,402
Debt service:										
Principal	1,059,263	2,420,635	2,692,212	3,383,227	7,157,796	2,959,601	2,786,078	2,363,268	2,992,945	2,667,931
Interest	725,914	725,914	538,881	659,683	659,683	59,722,123	57,485,999	46,892,392	41,115,126	35,569,712
Total expenditures	45,368,589	47,565,732	45,913,726	45,594,451	48,004,745	59,722,123	57,485,999	46,892,392	41,115,126	35,569,712
Excess of revenue over (under) expenditures	2,140,989	(1,043,957)	(867,808)	(2,571,093)	(2,411,218)	(7,982,298)	5,075,129	(809,424)	4,091,395	125,920
Other financing sources (uses):										
Transfers in	2,288,414	1,167,315	1,488,000	1,268,279	1,396,607	1,239,530	1,286,394	1,186,658	1,596,863	2,537,816
Transfers out	(2,288,414)	(1,167,315)	(1,488,000)	(1,268,279)	(1,396,607)	(1,239,530)	(1,286,394)	(1,186,658)	(1,596,863)	(2,537,816)
Premium on debt issue	555,667	-	248,678	-	27,969	-	-	-	-	-
Issuance of bonds and loans	9,500,000	-	-	1,067,000	-	-	-	-	-	-
Issuance of refunding bonds	-	-	-	7,105,000	-	-	-	-	-	-
Payment to escrow bond agent	-	-	-	(7,008,552)	-	-	-	-	-	-
Total other financing sources	10,035,667	-	-	1,163,448	27,969	-	-	-	-	-
Net Change in Fund Balances	\$ 12,176,656	\$ (1,043,957)	\$ (867,808)	\$ (1,407,645)	\$ (2,383,249)	\$ (7,982,298)	\$ 5,075,129	\$ (809,424)	\$ 4,091,395	\$ 125,920
Debt Service as a Percentage of Noncapital Expenditures	4.1%	7.1%	7.3%	10.3%	17.2%	7.2%	8.0%	6.9%	9.4%	8.7%

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

TOWN OF PLYMOUTH, CONNECTICUT
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS
(In Thousands)

Fiscal Year	Real Property			Personal Property	Motor Vehicle	Less Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Taxable Assessed Value As a Percentage of Actual Taxable Value(2)
	Residential	Commercial	Industrial							
2013	\$ 605,200	\$ 27,590	\$ 24,256	\$ 27,465	\$ 81,779	\$ 8,708	\$ 757,582	34.90	\$ 1,082,260	70%
2012	667,528	32,862	27,489	27,672	76,918	8,459	824,010	31.50	1,177,157	70%
2011	667,412	34,512	26,913	27,458	75,611	9,715	822,191	30.75	1,174,559	70%
2010	663,396	34,463	27,211	28,992	73,071	9,699	817,434	30.10	1,167,763	70%
2009	652,410	32,862	25,429	27,844	77,090	6,278	809,357	30.10	1,156,224	70%
2008 (3)	651,729	32,862	25,413	27,844	77,077	6,978	807,947	30.10	1,154,210	70%
2007	411,724	26,055	19,361	28,016	75,637	6,657	554,136	41.30	791,623	70%
2006	404,448	26,130	19,296	25,534	70,191	6,553	539,046	40.70	770,066	70%
2005	399,867	26,327	19,181	23,512	66,006	6,630	528,263	39.20	754,661	70%
2004	395,111	26,567	19,773	23,953	66,946	7,713	524,637	35.70	749,481	70%

(1) Assessed values for all real and personal property located within the Town on October 1, are included on the Grand List by the Assessor's office. A Board of Assessment Appeals determines whether adjustments to the Assessor's list under appeal are warranted. Assessments are computed at 70% of market value. A revaluation of all property within the Town is required to be completed no less than every ten years.

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

(3) Revaluation year

TOWN OF PLYMOUTH, CONNECTICUT
 PRINCIPAL PROPERTY TAXPAYERS
 2013 AND 2003

Taxpayer	October 1, 2011				October 1, 2001			
	Taxable Assessed Value	Rank	Percentage Of Total Town Taxable Assessed Value		Taxable Assessed Value	Rank	Percentage Of Total Town Taxable Assessed Value	
Connecticut Light & Power	\$ 7,360,300	1	1.0%		\$ 2,252,750	5	0.5%	
Connecticut Water Company	4,486,930	2	0.6%		2,962,090	3	0.6%	
Roth Collection Inc.	2,867,830	3	0.4%					
Jasper Associates Limited Partnership	2,662,450	4	0.4%					
City of Bristol Water Company	2,604,210	5	0.3%		2,003,250	6	0.4%	
Cook Willow Realty Partnership	2,128,070	6	0.3%		1,617,050	9	0.4%	
Iseli Swiss Screw Company					3,355,770	2	0.7%	
Senior Housing at Quail Hollow Inc.	1,954,470	7	0.3%					
Brittany Property Management Inc.	1,847,300	8	0.2%					
Dimeo Terryville LLC	1,588,450	9	0.2%					
Yankeegas	1,501,490	10	0.2%					
O.Z. Gedney					8,473,960	1	1.8%	
NAPCO, Incorporated					2,353,510	4	0.5%	
Plymouth Commons Realty Corporation					1,885,390	7	0.4%	
Har-Strom Associates					1,622,470	8	0.4%	
Braverman Properties/R&R Corrugated					1,328,040	10	0.3%	
Total	\$ 29,001,500		3.8%		\$ 27,854,280		6.04%	
October 1 2011 Net Assessment Post BAA	\$ 757,582,000				\$ 461,254,200			

Source: Town of Plymouth Assessor

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

Fiscal Year Ended June 30,	Tax Rate In Mills	Taxes Levied For The Fiscal year	Collected Within the Fiscal Year of the Levy		Collection In Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy			
2013	34.90	\$ 26,362,764	\$ 25,390,107	96.31	\$	\$ 25,390,107	96.31
2012	31.50	25,865,788	24,797,984	95.87	461,465	25,259,449	97.66
2011	30.75	25,267,568	24,229,603	95.89	567,357	24,796,960	98.14
2010	30.10	24,420,880	23,684,247	96.98	438,590	24,122,837	98.78
2009	30.10	24,510,715	23,637,046	96.44	590,320	24,227,366	98.84
2008	30.10	24,372,343	23,368,389	95.88	788,296	24,156,685	99.12
2007	41.30	22,953,247	22,154,884	96.52	711,282	22,866,166	99.62
2006	40.70	22,120,621	21,369,928	96.61	671,661	22,041,589	99.64
2005	39.20	20,720,072	20,033,618	96.69	662,503	20,696,121	99.88
2004	35.70	18,817,234	18,185,415	96.64	610,150	18,795,565	99.88

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

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

Fiscal Year	Governmental Activities		Total Primary Government	Ratio of Debt to Estimated Taxable Assessed Value	Debt Per Capita
	General Obligation Bonds	Notes Payable			
2013	\$ 24,492,349	\$ 1,500,000	\$ 25,992,349	3.18%	\$ 1,999
2012	15,647,962	5,285,000	20,932,962	2.50%	1,666
2011	17,255,000	5,730,635	22,985,635	2.80%	1,874
2010	18,963,650	6,288,513	25,252,163	3.07%	2,101
2009	17,880,000	10,125,666	28,005,666	3.43%	2,328
2008	19,045,000	4,837,032	23,882,032	2.96%	1,995
2007	20,220,000	5,599,670	25,819,670	4.66%	2,150
2006	11,370,000	6,346,966	17,716,966	3.29%	1,457
2005	12,320,000	7,004,995	19,324,995	3.66%	1,586
2004	8,690,000	6,312,580	15,002,580	2.86%	1,238

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

TOWN OF PLYMOUTH, CONNECTICUT

SCHEDULE OF DEBT LIMITATION

JUNE 30, 2013

Total tax collections, including interest and lien fees	\$ 26,602,150
Reimbursement for loss of revenues:	
Tax relief for elderly - freeze	<u>2,000</u>
Base	<u>\$ 26,604,150</u>

	<u>General Purpose</u>	<u>Schools</u>	<u>Sewers</u>	<u>Urban Renewal</u>	<u>Pension Deficit</u>
Debt limitation:					
2-1/4 times base	\$ 59,859,338	\$	\$	\$	\$
4-1/2 times base		119,718,675			
3-3/4 times base			99,765,563		
3-1/4 times base				86,463,488	
3 times base					<u>79,812,450</u>
Total	<u>59,859,338</u>	<u>119,718,675</u>	<u>99,765,563</u>	<u>86,463,488</u>	<u>79,812,450</u>
Indebtedness:					
Bonds and notes payable	7,230,000	13,620,000			
Bond anticipated notes payable		1,500,000			
Bonds authorized-unissued	<u>3,600,000</u>	<u>99,420</u> *	<u>3,100,000</u>		
Total	<u>10,830,000</u>	<u>15,219,420</u>	<u>3,100,000</u>	-	-
Debt Limitation in Excess of Outstanding and Authorized Debt	<u>\$ 49,029,338</u>	<u>\$ 104,499,255</u>	<u>\$ 96,665,563</u>	<u>\$ 86,463,488</u>	<u>\$ 79,812,450</u>

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

1. In no event shall total debt exceed seven times annual receipts from taxation. The maximum permitted under this formula would be \$186,229,050.
2. There is no overlapping debt for the Town of Plymouth.
3. Per Connecticut General Statutes, the Water loans are not included in the indebtedness amount.

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

	FISCAL YEAR									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Debt limitation	\$ 186,229,050	179,771,326	\$ 174,183,331	\$ 172,864,755	\$ 172,224,416	\$ 169,182,041	\$ 160,730,339	\$ 157,416,021	\$ 147,269,486	\$ 133,115,724
Total net debt applicable to limit	29,149,420	21,502,409	25,218,479	24,953,791	29,648,595	17,456,930	18,226,957	8,986,449	12,594,549	8,462,592
Legal Debt Margin	\$ 157,079,630	158,268,917	\$ 148,964,852	\$ 147,910,964	\$ 142,575,821	\$ 151,725,111	\$ 142,503,382	\$ 148,429,572	\$ 134,674,937	\$ 124,653,132
Total net debt applicable to the limit as a percentage of debt limit	15.65%	11.96%	14.48%	14.44%	17.22%	10.32%	11.34%	5.71%	8.55%	6.36%

Source: Annual financial reports - Schedule of Debt Limitation

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

TOWN OF PLYMOUTH, CONNECTICUT

DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN CALENDAR YEARS

Calendar Year	Population (1)	Per Capita Income (2)	Median Age (2)	School Enrollment (3)	Unemployment Rate (4)
2013	12,089	\$ 28,564	41.2	1,785	8.7%
2012	12,235	28,564	41.2	1,830	10.5%
2011	12,235	28,564	41.2	1,830	10.5%
2010	12,014	23,244	40.0	1,842	11.5%
2009	12,031	23,244	40.0	1,851	9.9%
2008	11,969	23,244	40.0	1,907	6.7%
2007	12,011	23,244	40.0	1,905	5.3%
2006	12,164	23,244	40.0	1,921	5.0%
2005	12,183	23,244	40.0	1,940	5.9%
2004	12,117	23,244	40.0	1,915	6.2%

(1) Source: State Health Department

(2) Source: U.S. Department of Commerce, Bureau of Census, Census 2000

(3) Source: Plymouth Board of Education

(4) Source: State Department of Labor

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

	2013			2003			
	Nature of Business	Employees	Rank	Percentage of Total Town Employment	Employees	Rank	Percentage of Total Town Employment
Town of Plymouth	Government	323	1	11.71%	358	1	11.51%
Cook Willow Convalescent Home	Convalescent facility	118	2	4.28%	94	3	3.02%
Richards Corporation	Construction	65	3	2.36%			
Laurentano, Inc.	Manufacturing	52	4	1.88%	40	10	1.29%
Wollenberg's Inc.	Transportation	51	5	1.85%			
Terryville Chevrolet	Car Dealership	48	6	1.74%			
Early Learning Center	Daycare Facility	44	7	1.59%			
Worhunsky/Pete and Steve's Construct.	Transp./Construction	43	8	1.56%			
Elm Press	Manufacturing	41	9	1.49%			
Advance Micro Controls, Inc.	Manufacturing				45	9	1.45%
IGA Supermarket	Grocery Store	32	10	1.16%			
OZ Gedney	Manufacturing				190	2	6.11%
NAPCO, Inc.	Plastics moldings				83	5	2.67%
Iseli Swiss Screw Machine	Manufacturing				93	4	2.99%
Cold Form Inc.	Manufacturing				56	6	1.80%
R & R Corrugated	Manufacturing				54	8	1.74%
American Modular	Modular Buildings				55	7	1.77%
Total		2,759		29.61%	3,110		34.34%

Source: Town of Plymouth

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

Function/Program	Full-Time Equivalent Employees as of June 30,									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Mayor's Office	3	3	3	3	3	3	3	3	3	3
Public Safety	30	30	29	29	29	29	28	27	26	25
Public Health	1	1	1	1	1	6	16	16	16	16
Planning & Zoning	3	3	3	3	3	3	3	3	3	3
Finance and Accounting	3	3	2.5	3	3	3	3	3	3	3
Town Clerk	2	2	2	2	3	3	3	3	3	3
Town Assessor	1	1	1	1	2	2	2	2	2	2
Tax Collector	2	2	2	2	2	2	2	2	2	3
Recreation	3	3	3	3	3	3	3	3	3	3
Library	5	5	5	5	5	5	5	5	5	5
Public Works	16	18	18	18	17	18	17	17	17	17
Education	248	247	245	250	241	240	239	239	241	248
Water Pollution Control	6	6	6	6	6	6	6	6	6	6
Total	323	324	321	326	318	323	330	329	330	337

Source: Town of Plymouth Human Resources

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

Function/Program	FISCAL YEAR									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
General government:										
Building permits issued	351	286	254	231	282	478	897	463	945	862
Birth Certificates issued	135	105	104	96	85	94	100	120	141	130
Marriage Certificates	45	41	50	35	26	21	41	50	61	40
Police:										
Calls for Service	22,512	23,512	21,010	19,451	18,741	18,923	17,232	13,010	12,154	11,185
Criminal Arrests	331	278	240	230	228	210	206	204	232	245
Accidents	145	152	145	125	118	100	132	140	114	127
Fire:										
Emergency responses	401	391	385	336	305	292	295	297	230	238
Investigations/Inspections	185	194	184	165	143	132	145	160	142	155
Refuse collection:										
Guaranteed Tonnage	6,005	6,005	6,100	6,950	7,100	7,060	7,220	7,522	7,218	6,005
Parks and recreation:										
Number of Programs Offered	78	71	75	80	85	85	40	71	76	74
Library:										
Total Programs	341	344	323	375	373	413	458	443	373	337
Active Cardholders	4,930	5,098	6,000	5,920	5,830	4,000	6,071	6,071	4,310	4,310
Reference Questions	5,740	6,517	6,100	4,290	4,285	3,000	2,500	5,000	5,000	5,380
Volumes in Collection	63,216	64,000	60,154	59,941	59,512	64,066	64,874	63,288	60,387	53,926
Use of Public Computers	12,010	12,094	11,179	11,250	9,283	8,500	8,000	8,302	4,000	N/A
Public Works										
Street Resurfacing (miles)	5	1.20	1.00	0.90	1.50	1.50	1.50	1.25	1.10	0.80
Education										
School Enrollment	1,585	1,648	1,830	1,842	1,851	1,907	1,905	1,921	1,940	1,915
Wastewater:										
Average daily sewage treatment (millions of gallons daily)	0.985	0.985	0.985	0.985	0.985	0.965	1.084	1.054	0.974	1.084

N/A - Information not available
 Source: Various Town Departments

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

Function/Program	FISCAL YEAR									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Zones	3	3	3	3	3	3	3	3	3	3
Police Cars	11	11	11	11	11	11	11	10	10	9
Fire stations:										
Stations	3	3	3	3	3	3	3	3	3	3
Fire Trucks	11	11	11	11	11	11	11	11	11	11
Public Works:										
Streets (miles)	82.8	82.8	82.8	82.8	82.8	82.8	82.1	82.1	81.5	81.5
State Highways	12.4	12.4	12.4	12.4	12.4	12.4	12.4	12.4	12.4	12.4
Streetlights	1,186	1,186	1,188	1,186	1,184	1,184	1,180	1,180	1,178	1,178
Fire hydrants	241	238	236	234	232	232	230	225	218	215
Parks and recreation:										
Acres of Park Land	25	25	25	25	25	25	25	25	25	25
Basketball Courts	3	3	3	3	3	3	3	3	3	3
Playgrounds	6	6	6	6	6	6	6	6	6	6
Baseball/softball diamonds	5	5	5	5	5	5	5	5	5	5
Tennis Courts	4	4	4	4	4	4	4	4	4	4
MultiUse Fields:	6	6	6	6	6	6	6	6	6	6
Library:										
Public Library Locations	1	1	1	1	1	1	1	1	1	1
Private Library Locations	1	1	1	1	1	1	1	1	1	1
Education:										
Number of High Schools	1	1	1	1	1	1	1	1	1	1
Number of Middle School	1	1	1	1	1	1	1	1	1	1
Number of Elementary Schools	2	2	2	2	2	2	3	3	3	3
Water Pollution Control:										
Treatment capacity (millions per day)	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75

Source: Various Town Departments