

**TOWN OF TRUMBULL, CONNECTICUT**

FINANCIAL REPORT

For the Year Ended June 30, 2011



**TOWN OF TRUMBULL, CONNECTICUT**

**BASIC FINANCIAL STATEMENTS**

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## INDEPENDENT AUDITOR'S REPORT

To the First Selectman and the  
Members of the Finance Committee  
Town of Trumbull, Connecticut

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Trumbull, Connecticut (the "Town") as of and for the year ended June 30, 2011, which collectively comprise the Town's basic financial statements, as listed in the table of contents. These financial statements are the responsibility of the Town's management. 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 includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Trumbull, Connecticut as of June 30, 2011, and the respective changes in financial position and cash flows where applicable thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with "Government Auditing Standards," we have also issued our report dated January 3, 2012 on our consideration of the Town of Trumbull, 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with "Government Auditing Standards" and should be considered in assessing the results of our audit.

As described in Note 10 and Note 11 to the basic financial statements, the Town adopted GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, which changed its method of accounting of governmental funds' fund balance classification and restated various funds' beginning fund balances.

The management discussion and analysis, the schedules of funding progress and employer contributions for pensions and other post-employment benefits and the general fund budgetary comparison information are not a required part of the basic financial statements, but are supplementary information required by

accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The budgetary detail and combining and individual nonmajor fund statements and other schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The budgetary detail, combining and individual nonmajor fund statements and other schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*McGladrey & Pullen, LLP*

New Haven, Connecticut  
January 3, 2012

**TOWN OF TRUMBULL, CONNECTICUT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**June 30, 2011**

The Town of Trumbull, Connecticut's (the "Town") Management's Discussion and Analysis is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the Town's financial activity, (c) identify changes in the Town's financial position (its ability to address the next and subsequent year challenges), (d) identify any material deviations from the financial plan (the approved budget), and (e) identify individual fund issues or concerns. The Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts and the Town's financial statements (beginning on page 11).

**Financial Highlights – Primary Government**

- On a government-wide basis, the assets of the Town of Trumbull exceeded its liabilities resulting in total net asset at the close of the fiscal year of \$123.6 million. Total net assets for Governmental Activities at fiscal year-end were \$61.5 million and total net assets for Business-Type Activities were \$62.2 million.
- On a government-wide basis, during the year, the Town's net assets increased by \$14.1 million. Net assets decreased by \$1.4 million for Governmental Activities and increased by \$15.5 million for Business-Type Activities.
- At the close of the year, the Town of Trumbull's governmental funds reported, on a current financial resources basis, combined ending fund balance of \$17.7 million, which is a decrease of \$.5 million from the prior fiscal year.
- At the end of the current fiscal year, the total fund balance for the general fund alone was \$18.3 million, and an increase of \$1.4 million from the prior fiscal year. Of the total general fund fund balance as of June 30, 2011, \$15.8 million represents unassigned fund balance which is available for spending at the government's discretion. Unassigned general fund fund balance at year-end represents 11.0% of total general fund expenditures of \$143.8 million.
- The Town of Trumbull's total debt increased by \$22.0 million or a 16.3% increase during the current fiscal year. The key factors in the increase were the issuing of new bonds, \$12 million for the WPCA-Sewer Construction Project and \$10 million for the Trumbull High School Renovations-As New.

**Overview of the Financial Statements**

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

**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 assets presents information on all of the Town's assets and liabilities, with the difference between the two reported as net assets. Over time increases or decreases in net assets 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 government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities).

The governmental activities of the Town include general government, public safety, education, highways and streets, solid waste disposal, human services and culture and recreation activities.

The Business-type activities of the Town include the Water Pollution Control Authority and the Tashua Knolls Golf Course. They are reported here as the Town charges a fee to customers to help cover all or most of the cost of operations.

The government-wide financial statements (statement of net assets and statement of activities) can be found on pages 11 and 12 of this report.

**Fund Financial Statements.** A fund is a grouping of related accounts that is used to maintain control and accountability over resources that have been segregated for specific activities or objectives. The Town of Trumbull, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Town of Trumbull has three kinds of funds:

**Governmental funds.** Governmental fund financial statements consist of a balance sheet and statement of revenues, expenditures, and change in fund balances and are prepared on an accounting basis that is significantly different from that used to prepare the government-wide financial statements.

In general, these financial statements have a short-term emphasis and, for the most part, measure and account for cash and other assets that can easily be converted to cash. For example, amounts reported on the balance sheet include items such as cash and receivables collectible within a very short period of time, but do not include capital assets such as land and buildings. Fund liabilities include amounts that are to be paid within a very short period after the end of the fiscal year. The difference between a fund's total assets and total liabilities is labeled as the fund balance, and generally indicates the amount that can be used to finance the next fiscal year's activities. Likewise, the operating statement for governmental funds reports only those revenues and expenditures that were collected in cash or paid with cash, respectively, during the current period or very shortly after the end of the year.

For the most part, the balances and activities accounted for in governmental funds are also reported in the governmental activities columns of the government-wide financial statements; however, because different accounting bases are used to prepare fund financial statements and governmental-wide financial statements, there are often significant differences between the totals presented in these financial statements. For this reason, there is an analysis at the bottom of the balance sheet that reconciles the total fund balance to the amount of net assets presented in the governmental activities column on the statement of net assets. Also, there is an analysis at the bottom of the statement of revenues, expenditure, and changes in fund balances that reconciles the total change in fund balances for all governmental funds to the change in net assets as reported in the governmental activities column in the statement of activities.

The basic governmental fund financial statements (balance sheet and statement of revenues, expenditures and changes in fund balance) can be found on pages 13-14 of this report.

**Proprietary funds.** Proprietary fund financial statements consist of a statement of net assets, statement of revenues, expenses, and changes in fund net assets and statement of cash flows, and are prepared on an accounting basis that is similar to the basis used to prepare the government-wide financial statements. For financial reporting purposes, proprietary funds are grouped into Enterprise Funds and Internal Service Funds.

The Town of Trumbull maintains two different types of enterprise funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statement. The Town of Trumbull uses Enterprise funds to account for its Water Pollution Control Authority, and the Tashua Knolls Golf Course. Internal service funds are an accounting device used to accumulate and allocate certain costs internally among the Town's various functions. The Town uses an

internal service fund to account for the acquisition and use of certain vehicles of departments of the Town, and the medical and workers' compensation reserves.

Because the internal service fund predominantly benefits governmental rather than business-type functions, it has been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

The propriety fund financial statements can be found on pages 16 through 19 of this report.

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to provide services to the Town's constituency. The Town has two pension trust funds. The basic fiduciary fund financial statements can be found on pages 20 and 21 of this report.

**Notes to the 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. The notes to the financial statements can be found on pages 22 through 62 of this report.

**Required Supplementary Information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Town of Trumbull's progress in funding its obligation to provide pension benefits and other post employment benefits to its employees and the General Fund budgetary comparison. This information can be found on pages 63 through 67 of this report.

### Government-Wide Financial Analysis

The Town's overall financial position and operations for the past year are summarized as follows based on the information included in the government-wide financial statements (see pages 11 and 12).

	June 30, 2011			June 30, 2010		
	Primary Government			Primary Government		
	Governmental Activities	Business- Type Activities	Total	Governmental Activities	Business- Type Activities	Total
Current and Other Assets	\$ 33,295	\$ 39,789	\$ 73,084	\$ 34,152	\$ 22,862	\$ 57,014
Capital Assets, net of depreciation	190,472	90,817	281,289	172,897	83,797	256,694
<b>Total Assets</b>	<b>223,767</b>	<b>130,606</b>	<b>354,373</b>	<b>207,049</b>	<b>106,659</b>	<b>313,708</b>
Current Liabilities	9,480	1,468	10,948	8,972	2,484	11,456
Noncurrent Liabilities Outstanding	152,821	66,954	219,775	135,236	57,474	192,710
<b>Total Liabilities</b>	<b>162,301</b>	<b>68,422</b>	<b>230,723</b>	<b>144,208</b>	<b>59,958</b>	<b>204,166</b>
Net Assets:						
Inv. in cap assets, net of related debt	100,722	23,862	124,584	92,229	26,323	118,552
Restricted	734	-	734	-	-	-
Unrestricted (deficit)	(39,990)	38,322	(1,668)	(29,388)	20,378	(9,010)
<b>Total Net Assets</b>	<b>\$ 61,466</b>	<b>\$ 62,184</b>	<b>\$ 123,650</b>	<b>\$ 62,841</b>	<b>\$ 46,701</b>	<b>\$ 109,542</b>

By far the largest portion of the Town of Trumbull's net assets reflects its investment in capital assets (e.g. land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town of Trumbull'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.

	Year Ended June 30, 2011			Year Ended June 30, 2010		
	Primary Government			Primary Government		
	Governmental Activities	Business- Activities	Total	Governmental Activities	Business- Activities	Total
<b>Revenues:</b>						
Program Revenues:						
Charge for Services	\$ 8,570	\$ 7,757	\$ 16,327	\$ 8,174	\$ 7,444	\$ 15,618
Operating Grants and Contributions	15,340	-	15,340	14,523	-	14,523
Capital Grants and Contributions	1,887	15,429	17,316	3,775	-	3,775
General Revenues:						
Property Taxes	125,534	-	125,534	124,308	-	124,308
Grants Not Restricted to Specific Programs	1,073	-	1,073	1,125	-	1,125
Other	(731)	2,438	1,707	(267)	1,765	1,498
<b>Total revenues</b>	<b>151,673</b>	<b>25,624</b>	<b>177,297</b>	<b>151,638</b>	<b>9,209</b>	<b>160,847</b>
<b>Expenses:</b>						
General government, libraries and parks						
	14,563	-	14,563	13,249	-	13,249
Public Safety	12,352	-	12,352	11,211	-	11,211
Health and Welfare	471	-	471	165	-	165
Public Works	9,340	-	9,340	9,188	-	9,188
Education	112,411	-	112,411	107,716	-	107,716
Debt Service	3,097	-	3,097	4,086	-	4,086
Other	814	10,141	10,955	820	9,342	10,162
<b>Total expenses</b>	<b>153,048</b>	<b>10,141</b>	<b>163,189</b>	<b>146,435</b>	<b>9,342</b>	<b>155,777</b>
<b>Change in net assets</b>	<b>(1,375)</b>	<b>15,483</b>	<b>14,108</b>	<b>5,203</b>	<b>(133)</b>	<b>5,070</b>
<b>Net Assets, beginning</b>	<b>62,841</b>	<b>46,701</b>	<b>109,542</b>	<b>57,638</b>	<b>46,834</b>	<b>104,472</b>
<b>Net Assets, ending</b>	<b>\$ 61,466</b>	<b>\$ 62,184</b>	<b>\$ 123,650</b>	<b>\$ 62,841</b>	<b>\$ 46,701</b>	<b>\$ 109,542</b>

Trumbull's net assets increased by \$14.1 million during the fiscal year, with net assets of Governmental Activities decreasing by \$1.4 million and net assets of Business-Type Activities increasing by \$15.5 million.

Key elements of this increase are as follows:

- The Town's tax revenue increased \$1.2 million during the current fiscal year as a result of the increase in the mill rate.
- These factors more than offset the dramatic increases in education cost, debt service and workers compensation. Education costs increased due to an overall increase in the current year operating budget. Debt service costs increased due to new debt issued in September 2010 for the WPCA-Sewer Construction Project and the Trumbull High School-As New. Workers' compensation increased due to ongoing open cases and final settlements.
- The Business-Type Activities increase of \$15.5 million was a result of billing one of the WPCA-Sewer Construction Projects which was completed during the fiscal year, and rate payers were billed for sewer assessments.

## 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 balance 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 government'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 \$17.7 million. Of this amount the Town has an unassigned fund balance of \$11.5 million. The remainder of fund balance of \$6.2 million is assigned, committed, restricted or non-spendable to indicate that it is not available for new spending.

**General fund.** At the end of the current fiscal year, unassigned fund balance of the general fund was \$15.8 million, while total fund balance reached \$18.3 million. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance of the general fund represents 11.0% of total general fund expenditures, while total fund balance represents 12.7% of that same amount.

**Board of Education Capital Projects Fund.** At the end of the current fiscal year, the BOE Capital Projects Fund had a fund deficit of \$(1,307,523).

**Water Pollution Control Authority.** The Water Pollution Control Authority (WPCA) had an unrestricted net assets balance at June 30, 2011 of \$37.8 million and net assets invested in capital assets, net of related debt of \$21.4 million. The increase in net assets for the current year of \$15.5 million was a result of billing one of the WPCA-Sewer Construction Project which was completed during the fiscal year.

**Golf Course.** The Tashua Knolls Golf Course had an unrestricted net assets balance at June 30, 2011 of \$0.5 million and net assets invested in capital assets, net of related debt of \$2.4 million.

## GENERAL FUND BUDGETARY HIGHLIGHTS

The difference between the original budget and the final amended budget for expenditures was \$475,000 and the major contributing factors can be summarized as follows:

- There were several supplemental appropriations totaling \$91,705 for Public Works of which \$19,078 was for a boiler at the garage, \$55,877 was for gas and oil for the vehicles and \$16,750 for a fuel maintenance system.
- There were several supplemental appropriations totaling \$21,000 for Charter Revision for attorney's fees, clerical and printing fees.
- There was a supplemental appropriation for \$254,960 to cover workers compensation benefits for permanencies and final stipulations of claims.
- There was a supplemental appropriation for \$30,200 for Fire Marshal's to cover an additional full time Fire Marshal.
- There were several supplemental appropriations totaling \$15,613 for legal notices.
- There were several supplemental appropriations totaling \$26,970 of which \$10,866 was for repairs to the HVAC at the library and \$11,970 was for the purchase of AEDs at various town buildings.

However, the final budget to actual expenditure variance was favorable by \$1.1 million. The major reasons for the net variance are as follows:

- There was a surplus in the interest expense on debt of \$731,000 due to the 2010 refunding of \$5.2 million of general obligation bonds.

- There was a surplus of \$358,000 in Town Hall due to the reduction in liability insurance.
- Public Works had a surplus of \$235,000 due to the bidding and hiring a different vendor for brush pickup.
- There was a surplus in Education of \$560,000 due to the reduction in medical insurance costs.
- There was a deficit from an extraordinary event in the amount of \$500,000 due to the snow removal of the school roofs net of insurance proceeds. At the present time we are still disputing the amounts reimbursed from the insurance company.

The difference between the final revenue budget and actual revenues resulted in a net surplus of \$9,104. The major reasons for the favorable variance are as follows:

- The Town's tax revenue was \$169,000 over budgeted during the current fiscal year as a result of better than expected collections.
- The state grants were \$116,000 under budget was mainly due to a decrease in telephone access revenue and a decrease in manufacturing-tax relief.
- Interest income was under budget by \$121,000 due to the decrease in interest rates.
- Licenses, permits and fees were over budget by \$78,000 due to an increase in the Town Clerk's revenue of \$109,000 due to more refinancing as a result of lower interest rates and liens filed, and tuition in the amount of \$218,000 for out-of-town students. These factors more than offset the decrease in disposal revenue in the amount of \$181,000 and Emergency Management Service revenue in the amount of \$85,000.

## CAPITAL ASSETS AND DEBT ADMINISTRATION

### Capital Assets

As of year-end, the Town had \$281 million (net of accumulated depreciation) invested in a variety of capital assets, as reflected in the following schedule:

	June 30, 2011			June 30, 2010		
	Primary Government			Primary Government		
	Governmental Activities	Proprietary Activities	Total	Governmental Activities	Proprietary Activities	Total
Land	\$ 38,823	\$ 1,962	\$ 40,785	\$ 38,796	\$ 1,939	\$ 40,735
Land Improvements	4,802	2,910	7,712	4,950	2,979	7,929
Buildings and Improvements	89,741	1,307	91,048	92,888	1,358	94,246
Infrastructure	19,982	66,383	86,365	19,938	68,072	88,010
Machinery and Equipment	2,023	415	2,438	2,430	415	2,845
Vehicles	2,929	10	2,939	570	18	588
Construction in Progress	32,172	17,830	50,002	10,911	9,016	19,927
<b>Total</b>	<b>\$ 190,472</b>	<b>\$ 90,817</b>	<b>\$ 281,289</b>	<b>\$ 170,483</b>	<b>\$ 83,797</b>	<b>\$ 254,280</b>

Additional information on the Town's capital assets can be found on pages 34 through 36 of this report.

**Long-term Debt.** At the end of the current fiscal year, the Town of Trumbull had total bonded debt outstanding of \$155.8 million. One hundred percent (100%) of this debt is backed by the full faith and credit of the Town government.

	June 30, 2011			June 30, 2010		
	Primary Government			Primary Government		
	Governmental Activities	Business- Type Activities	Total	Governmental Activities	Business- Type Activities	Total
General Obligation Bonds	\$ 74,501	\$ 57,954	\$ 132,455	\$ 70,508	\$ 49,013	\$ 119,521
Notes Payable	14,310	9,000	23,310	6,700	8,460	15,160
<b>Total</b>	<b>\$ 88,811</b>	<b>\$ 66,954</b>	<b>\$ 155,765</b>	<b>\$ 77,208</b>	<b>\$ 57,473</b>	<b>\$ 134,681</b>

The Town of Trumbull's total debt increased by \$22.0 million or 16.3% during the 2010-11 fiscal year.

The Town of Trumbull maintains an Aa2 rating from Moody's Investors Service, AA by Standard and Poor's and Fitch Rating.

State statutes limit the amount of general obligation debt a governmental entity may issue to seven times its annual tax collections. The current debt limitation for the Town is \$899,764 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 on pages 39 through 47 of this report.

**Relevant Current Economic Factors, Decisions, and Conditions**

The unemployment rate for the Town is currently 7.1 percent, which compares favorably to the State's average unemployment rate of 9.2 percent and the Bridgeport Labor Market of 8.5 percent.

The Grand List growth has been less than 1% for each of the last three years.

Inflationary trends in the region compare favorably to national indices.

All of these factors were considered in preparing the Town of Trumbull's annual budget.

**Request 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 Maria Pires, Director of Finance, 5866 Main Street, Trumbull, CT 06611.

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## **Basic Financial Statements**



TOWN OF TRUMBULL, CONNECTICUT

STATEMENT OF NET ASSETS

June 30, 2011

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>Assets</b>			
Cash and cash equivalents	\$ 26,826,887	\$ -	\$ 26,826,887
Investments	7,011,771	-	7,011,771
Receivables:			
Property taxes, net of allowance for collection losses	3,117,361	-	3,117,361
Accounts receivable	491,984	32,073	524,057
Federal and state governments	3,615,891	-	3,615,891
User charges	-	679,937	679,937
Inventories	32,928	-	32,928
Internal balances	(8,410,699)	8,410,699	-
Deferred charges	608,751	55,582	664,333
Noncurrent assets:			
Special assessment receivables	-	30,611,179	30,611,179
Capital assets, not being depreciated	70,994,747	19,792,129	90,786,876
Capital assets, net of accumulated depreciation	119,477,587	71,024,541	190,502,128
<b>Total assets</b>	<b>223,767,208</b>	<b>130,606,140</b>	<b>354,373,348</b>
<b>Liabilities</b>			
Accounts payable and accrued expenses	8,531,394	1,468,103	9,999,497
Unearned revenues	949,093	-	949,093
Noncurrent liabilities:			
Due within one year	6,452,287	3,638,920	10,091,207
Due in more than one year	146,368,256	63,315,420	209,683,676
<b>Total liabilities</b>	<b>162,301,030</b>	<b>68,422,443</b>	<b>230,723,473</b>
<b>Net Assets</b>			
Investment in capital assets, net of related debt	100,722,397	23,862,330	124,584,727
Restricted	733,609	-	733,609
Unrestricted (deficit)	(39,989,828)	38,321,367	(1,668,461)
<b>Total net assets</b>	<b>\$ 61,466,178</b>	<b>\$ 62,183,697</b>	<b>\$ 123,649,875</b>

The notes to the financial statements are an integral part of this statement.

TOWN OF TRUMBULL, CONNECTICUT

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2011

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Revenue		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:							
General government	\$ (9,546,198)	\$ 3,743,898	\$ 231,974	\$ -	\$ (5,570,326)	\$ -	\$ (5,570,326)
Public safety	(12,351,626)	1,067,684	-	-	(11,283,942)	-	(11,283,942)
Public health	(471,405)	-	32,985	-	(438,420)	-	(438,420)
Libraries	(2,158,788)	-	-	-	(2,158,788)	-	(2,158,788)
Recreation and Parks	(2,859,037)	-	-	-	(2,859,037)	-	(2,859,037)
Education	(112,410,528)	3,431,029	14,358,929	1,887,027	(92,733,543)	-	(92,733,543)
Public works	(9,340,097)	314,157	716,083	-	(8,309,857)	-	(8,309,857)
Interest on long-term debt	(3,096,804)	-	-	-	(3,096,804)	-	(3,096,804)
Social Services	(813,690)	13,017	-	-	(800,673)	-	(800,673)
<b>Total governmental activities</b>	<b>(153,048,173)</b>	<b>8,569,785</b>	<b>15,339,971</b>	<b>1,887,027</b>	<b>(127,251,390)</b>	<b>-</b>	<b>(127,251,390)</b>
Business-type activities:							
Sewer Commission (WPCA)	(8,537,558)	5,854,570	-	-	-	(2,682,988)	(2,682,988)
Golf course	(1,603,491)	1,902,181	-	-	-	298,690	298,690
<b>Total business-type activities</b>	<b>(10,141,049)</b>	<b>7,756,751</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,384,298)</b>	<b>(2,384,298)</b>
<b>Total primary government</b>	<b>\$ (163,189,222)</b>	<b>\$ 16,326,536</b>	<b>\$ 15,339,971</b>	<b>\$ 1,887,027</b>	<b>(127,251,390)</b>	<b>(2,384,298)</b>	<b>(129,635,688)</b>
General revenues and transfers:							
Property taxes					125,534,429	-	125,534,429
Grants and contributions not restricted to specific programs					1,072,866	-	1,072,866
Investment earnings					179,294	1,528,735	1,708,029
Sewer assessments					-	15,428,607	15,428,607
Transfer in (out)					(909,838)	909,838	-
<b>Total general revenues and transfers</b>					<b>125,876,751</b>	<b>17,867,180</b>	<b>143,743,931</b>
Change in net assets					(1,374,639)	15,482,882	14,108,243
Net assets - beginning					62,840,817	46,700,815	109,541,632
Net assets - ending					<b>\$ 61,466,178</b>	<b>\$ 62,183,697</b>	<b>\$ 123,649,875</b>

The notes to the financial statements are an integral part of this statement

TOWN OF TRUMBULL, CONNECTICUT

**BALANCE SHEET - GOVERNMENTAL FUNDS**

June 30, 2011

	General	BOE Capital Projects	Other Nonmajor Governmental Funds	Total Governmental Funds
<b>Assets</b>				
Cash and cash equivalents	\$ 26,109,666	\$ -	\$ 717,221	\$ 26,826,887
Investments	7,011,771	-	-	7,011,771
Receivables (net of allowances for collection losses):				
Property taxes	3,117,361	-	-	3,117,361
Accounts receivable	491,984	-	-	491,984
Intergovernmental	3,285,023	-	330,868	3,615,891
Inventories	-	-	32,928	32,928
Due from other funds	-	976,593	2,951,452	3,928,045
Advances to other funds	1,694,039	-	-	1,694,039
<b>Total assets</b>	<b>\$ 41,709,844</b>	<b>\$ 976,593</b>	<b>\$ 4,032,469</b>	<b>\$ 46,718,906</b>
<b>Liabilities</b>				
Accounts payable and accrued liabilities	\$ 2,035,765	\$ 2,284,116	\$ 126,640	\$ 4,446,521
Due to other funds	14,698,038	-	1,386,213	16,084,251
Advances from other funds	-	-	1,694,039	1,694,039
Unearned revenues	839,137	-	109,956	949,093
Deferred revenue	5,860,909	-	-	5,860,909
<b>Total liabilities</b>	<b>23,433,849</b>	<b>2,284,116</b>	<b>3,316,848</b>	<b>29,034,813</b>
<b>Fund balances</b>				
Nonspendable	1,694,039	-	231,140	1,925,179
Restricted	-	-	733,609	733,609
Committed	-	-	2,710,143	2,710,143
Assigned	766,416	-	-	766,416
Unassigned	15,815,540	(1,307,523)	(2,959,271)	11,548,746
<b>Total fund balances (deficit)</b>	<b>18,275,995</b>	<b>(1,307,523)</b>	<b>715,621</b>	<b>17,684,093</b>
<b>Total liabilities and fund balances (deficit)</b>	<b>\$ 41,709,844</b>	<b>\$ 976,593</b>	<b>\$ 4,032,469</b>	

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	188,119,633
Deferred revenue	5,860,909
Accrued interest	(1,507,392)
Internal service fund	1,633,239
Deferred charges	608,751
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds	(150,933,055)

Net assets of governmental activities \$ 61,466,178

The notes to the financial statements are an integral part of this statement.

TOWN OF TRUMBULL, CONNECTICUT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICITS) -  
 GOVERNMENTAL FUNDS  
 For the Year Ended June 30, 2011

	General	BOE Capital Projects	Other Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>				
Property taxes and assessments	\$ 125,707,246	\$ -	\$ -	\$ 125,707,246
Intergovernmental	5,406,808	1,098,444	5,013,579	11,518,831
State on behalf payments	7,419,000	-	-	7,419,000
Charges for services	6,016,842	-	2,480,973	8,497,815
Other	-	71,970	25,481	97,451
Investment income	178,657	-	637	179,294
<b>Total revenues</b>	<b>144,728,553</b>	<b>1,170,414</b>	<b>7,520,670</b>	<b>153,419,637</b>
<b>EXPENDITURES</b>				
Current:				
General government	16,096,430	-	281,898	16,378,328
Public works	7,478,672	-	-	7,478,672
Education	88,543,843	-	5,698,067	94,241,910
State on behalf payments	7,419,000	-	-	7,419,000
Public health	291,333	-	31,065	322,398
Libraries	1,523,322	-	-	1,523,322
Social services	551,701	-	-	551,701
Public safety	9,845,935	-	11,465	9,857,400
Parks and recreation	2,239,846	-	-	2,239,846
Debt service:				
Principal retirements	5,855,400	-	-	5,855,400
Interest and other charges	2,237,474	-	-	2,237,474
Capital outlay	344,326	20,858,330	1,350,397	22,553,053
<b>Total expenditures</b>	<b>142,427,282</b>	<b>20,858,330</b>	<b>7,372,892</b>	<b>170,658,504</b>
<b>Revenues over (under) expenditures</b>	<b>2,301,271</b>	<b>(19,687,916)</b>	<b>147,778</b>	<b>(17,238,867)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	487,812	-	-	487,812
Transfers out	(1,397,650)	-	-	(1,397,650)
Issuance of debt	-	10,000,000	-	10,000,000
BAN proceeds	-	14,000,000	310,000	14,310,000
Payment to escrow	-	-	(5,294,016)	(5,294,016)
Proceeds from refunding bonds	-	-	5,050,000	5,050,000
Payments - bond anticipation notes	-	(6,700,000)	-	(6,700,000)
Bond Premium	-	-	244,016	244,016
<b>Total other financing sources (uses)</b>	<b>(909,838)</b>	<b>17,300,000</b>	<b>310,000</b>	<b>16,700,162</b>
<b>Net change in fund balances (deficits)</b>	<b>1,391,433</b>	<b>(2,387,916)</b>	<b>457,778</b>	<b>(538,705)</b>
<b>FUND BALANCES, beginning</b>	<b>16,884,562</b>	<b>1,080,393</b>	<b>257,843</b>	<b>18,222,798</b>
<b>FUND BALANCES (DEFICITS), ending</b>	<b>\$ 18,275,995</b>	<b>\$ (1,307,523)</b>	<b>\$ 715,621</b>	<b>\$ 17,684,093</b>

The notes to the financial statements are an integral part of this statement.

**TOWN OF TRUMBULL, CONNECTICUT**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
For the Year Ended June 30, 2011**

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Amounts reported for governmental activities in the statement of activities are different because:

Net changes in fund balances (deficits) – total governmental funds \$ (538,705)

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period. 17,660,426

The net effect of transactions involving capital assets is to decrease net assets. In the Statement of Activities, only the gain on the disposal of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net assets differs from the change in fund balance by the cost of the capital assets disposed. (23,490)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. (836,265)

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items. (11,467,884)

Internal service fund 12,916

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. (6,181,637)

Change in net assets of governmental activities \$ (1,374,639)

The notes to the financial statements are an integral part of this statement.

TOWN OF TRUMBULL, CONNECTICUT

STATEMENT OF NET ASSETS - PROPRIETARY FUNDS

June 30, 2011

	Business-Type Activities - Enterprise Funds			Governmental
	Major	Nonmajor	Total	Activities
	WPCA	Golf Course		Internal Service Fund
<b>ASSETS</b>				
Current assets:				
Receivables:				
Other	\$ -	\$ 32,073	\$ 32,073	\$ -
Due from other funds	7,821,332	589,367	8,410,699	2,516,651
User charges, net	679,937	-	679,937	-
Deferred charges	55,582	-	55,582	-
<b>Total current assets</b>	<b>8,556,851</b>	<b>621,440</b>	<b>9,178,291</b>	<b>2,516,651</b>
Noncurrent assets:				
Special assessments, net	30,611,179	-	30,611,179	-
Capital assets (net of accumulated depreciation)	85,503,538	5,313,132	90,816,670	2,352,701
<b>Total noncurrent assets</b>	<b>116,114,717</b>	<b>5,313,132</b>	<b>121,427,849</b>	<b>2,352,701</b>
<b>Total assets</b>	<b>124,671,568</b>	<b>5,934,572</b>	<b>130,606,140</b>	<b>4,869,352</b>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable	1,369,909	28,586	1,398,495	-
Accrued payroll/benefits	4,940	64,668	69,608	629,163
Due to other funds	-	-	-	719,462
Bonds payable	3,444,920	194,000	3,638,920	-
<b>Total current liabilities</b>	<b>4,819,769</b>	<b>287,254</b>	<b>5,107,023</b>	<b>1,348,625</b>
Noncurrent liabilities:				
Bonds payable	60,627,420	2,688,000	63,315,420	-
Accrued claims payable	-	-	-	1,887,488
<b>Total noncurrent liabilities</b>	<b>60,627,420</b>	<b>2,688,000</b>	<b>63,315,420</b>	<b>1,887,488</b>
<b>Total liabilities</b>	<b>65,447,189</b>	<b>2,975,254</b>	<b>68,422,443</b>	<b>3,236,113</b>
<b>NET ASSETS</b>				
Invested in capital assets (net of related debt)	21,431,198	2,431,132	23,862,330	2,352,701
Unrestricted (deficit)	37,793,181	528,186	38,321,367	(719,462)
<b>Total net assets</b>	<b>\$ 59,224,379</b>	<b>\$ 2,959,318</b>	<b>\$ 62,183,697</b>	<b>\$ 1,633,239</b>

The notes to the financial statements are an integral part of this statement.

TOWN OF TRUMBULL, CONNECTICUT

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS -  
 PROPRIETARY FUNDS

For the Year Ended June 30, 2011

	Business-Type Activities - Enterprise Funds			Governmental
	Major	Nonmajor	Total	Activities
	WPCA	Golf Course		Internal Service Fund
<b>OPERATING REVENUES</b>				
User charges	\$ 5,854,570	\$ 1,902,181	\$ 7,756,751	\$ 1,630,740
<b>Total operating revenues</b>	<u>5,854,570</u>	<u>1,902,181</u>	<u>7,756,751</u>	<u>1,630,740</u>
<b>OPERATING EXPENSES</b>				
Operations and maintenance	4,677,182	1,332,291	6,009,473	1,205,345
Depreciation	1,767,529	155,371	1,922,900	412,479
<b>Total operating expenses</b>	<u>6,444,711</u>	<u>1,487,662</u>	<u>7,932,373</u>	<u>1,617,824</u>
<b>Operating income (loss)</b>	<u>(590,141)</u>	<u>414,519</u>	<u>(175,622)</u>	<u>12,916</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Interest expense	(2,092,847)	(115,829)	(2,208,676)	-
Interest income	1,528,735	-	1,528,735	-
<b>Total nonoperating revenues (expenses)</b>	<u>(564,112)</u>	<u>(115,829)</u>	<u>(679,941)</u>	<u>-</u>
<b>Net income (loss) before transfers and contributions</b>	<u>(1,154,253)</u>	<u>298,690</u>	<u>(855,563)</u>	<u>12,916</u>
<b>CAPITAL CONTRIBUTIONS AND TRANSFERS</b>				
Special assessments	15,428,607	-	15,428,607	-
Transfer in	1,397,650	-	1,397,650	-
Transfer out	(310,522)	(177,290)	(487,812)	-
<b>Total capital contributions and transfers</b>	<u>16,515,735</u>	<u>(177,290)</u>	<u>16,338,445</u>	<u>-</u>
<b>Change in net assets</b>	<u>15,361,482</u>	<u>121,400</u>	<u>15,482,882</u>	<u>12,916</u>
<b>NET ASSETS, beginning</b>	<u>43,862,897</u>	<u>2,837,918</u>	<u>46,700,815</u>	<u>1,620,323</u>
<b>NET ASSETS, ending</b>	<u>\$ 59,224,379</u>	<u>\$ 2,959,318</u>	<u>\$ 62,183,697</u>	<u>\$ 1,633,239</u>

The notes to the financial statements are an integral part of this statement.

TOWN OF TRUMBULL, CONNECTICUT

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS  
For the Year Ended June 30, 2011

	Business-Type Activities - Enterprise Funds			Governmental
	Major	Nonmajor	Total	Activities
	WPCA	Golf Course		Internal Service Fund
<b>Cash Flows From Operating Activities</b>				
Receipts from customers and users	\$ 5,846,870	\$ 1,883,407	\$ 7,730,277	\$ 1,630,740
Payments to suppliers	(5,392,492)	(753,396)	(6,145,888)	-
Payments to employees and claims	(241,368)	(616,733)	(858,101)	(1,185,613)
<b>Net cash provided by operating activities</b>	<b>213,010</b>	<b>513,278</b>	<b>726,288</b>	<b>445,127</b>
<b>Cash Flows From Capital and Related Financing Activities</b>				
Payments-bond anticipation notes	(8,460,000)	-	(8,460,000)	-
Principal payments on general obligation bonds	(2,902,600)	(157,000)	(3,059,600)	-
Special assessments	3,087,867	-	3,087,867	-
Payment to escrow	(136,282)	-	(136,282)	-
Refunding proceeds	130,000	-	130,000	-
Interest paid on debt	(2,114,116)	(115,829)	(2,229,945)	-
Gain on refunding	6,282	-	6,282	-
Proceeds from debt	21,000,000	-	21,000,000	-
Disposal of property and equipment	-	-	-	22,034
Purchase of property and equipment	(8,858,157)	(84,187)	(8,942,344)	(372,980)
Deferred charges	12,500	-	12,500	-
<b>Net cash provided by (used in) capital and related financing activities</b>	<b>1,765,494</b>	<b>(357,016)</b>	<b>1,408,478</b>	<b>(350,946)</b>
<b>Cash Flows From Noncapital Financing Activities</b>				
Due (to) from other funds	(4,594,367)	21,028	(4,573,339)	(94,181)
Transfer in (out)	1,087,128	(177,290)	909,838	-
<b>Net cash used in noncapital financing activities</b>	<b>(3,507,239)</b>	<b>(156,262)</b>	<b>(3,663,501)</b>	<b>(94,181)</b>
<b>Cash Flows From Investing Activities</b>				
Interest recorded	1,528,735	-	1,528,735	-
<b>Net decrease in cash and cash equivalents</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash and Cash Equivalents</b>				
Beginning	-	-	-	-
Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The notes to the financial statements are an integral part of this statement.

(Continued)

TOWN OF TRUMBULL, CONNECTICUT

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS  
For the Year Ended June 30, 2011

	Business-Type Activities - Enterprise Funds			Governmental
	Major	Nonmajor	Total	Activities
	WPCA	Golf Course		Internal Service Fund
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities</b>				
Operating income (loss)	\$ (590,141)	\$ 414,519	\$ (175,622)	\$ 12,916
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation	1,767,529	155,371	1,922,900	412,479
Changes in assets and liabilities:				
Decrease (increase) in receivable	(7,700)	(18,775)	(26,475)	19,732
Increase in accounts payable and accrued expenses	(956,678)	(37,837)	(994,515)	-
<b>Net cash provided by operating activities</b>	<b>\$ 213,010</b>	<b>\$ 513,278</b>	<b>\$ 726,288</b>	<b>\$ 445,127</b>

The notes to the financial statements are an integral part of this statement.

TOWN OF TRUMBULL, CONNECTICUT

STATEMENT OF FIDUCIARY NET ASSETS - FIDUCIARY FUNDS

June 30, 2011

	Trust Funds	Agency Fund	Private Purpose Trust
<b>ASSETS</b>			
Cash and cash equivalents	\$ 1,931,782	\$ 1,083,981	\$ 211,850
Investments	54,331,691	-	-
Other receivable	182,099	-	372,483
Due from other funds	-	-	1,948,318
<b>Total assets</b>	<b>56,445,572</b>	<b>1,083,981</b>	<b>2,532,651</b>
<b>LIABILITIES</b>			
Accounts payable	-	-	923,698
Due to others and student organizations	-	294,998	-
Due to other funds	-	788,983	-
<b>Total liabilities</b>	<b>-</b>	<b>1,083,981</b>	<b>923,698</b>
<b>Net Assets Held in Trust for Pension Benefits and Other Purposes</b>	<b>\$ 56,445,572</b>	<b>\$ -</b>	<b>\$ 1,608,953</b>

The notes to the financial statements are an integral part of this statement.

TOWN OF TRUMBULL, CONNECTICUT

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS - FIDUCIARY FUNDS

For the Year Ended June 30, 2011

	Trust Funds	Private Purpose Trust
<b>Additions</b>		
Contributions		
Employer	\$ 3,710,000	\$ -
Plan members	1,132,212	-
Other	-	1,219,577
<b>Total contributions</b>	<b>4,842,212</b>	<b>1,219,577</b>
Investment Income		
Net appreciation in fair value of investments	7,198,857	-
Interest and dividends	1,426,697	538
	8,625,554	538
Less investment expenses:		
Investment management fees and other	139,283	-
<b>Net investment income</b>	<b>8,486,271</b>	<b>538</b>
<b>Total additions</b>	<b>13,328,483</b>	<b>1,220,115</b>
<b>Deductions</b>		
Benefits and other	5,590,793	562,604
<b>Change in net assets</b>	<b>7,737,690</b>	<b>657,511</b>
<b>Net Assets Held in Trust</b>		
Beginning of year	48,707,882	951,442
End of year	<b>\$ 56,445,572</b>	<b>\$ 1,608,953</b>

The notes to the financial statements are an integral part of this statement.

## TOWN OF TRUMBULL, CONNECTICUT

### NOTES TO FINANCIAL STATEMENTS June 30, 2011

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#### **Note 1. Summary of Significant Accounting Policies**

##### Reporting entity

The Town of Trumbull, Connecticut (the "Town") was incorporated as a town in the early 1600s. The Town covers an area of 23.5 square miles, and is located in Fairfield County, approximately 60 miles from New York City and 60 miles from Hartford. The Town operates under a First Selectman, Town Council and Finance Committee form of government and provides a full range of services including public safety, roads, sanitation, health, social services, culture and recreation, education, planning, zoning, and general administrative services to its residents. The accompanying financial statements conform to accounting principles generally accepted in the United States of America as applicable to governments.

Accounting principles generally accepted in the United States of America require that the reporting entity include (1) the primary government, (2) organizations for which the primary government is financially accountable and (3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The criteria provided by the Codification, Section 2100 has been considered and as a result, there are no agencies or entities that should be, but are not, included in the financial statements of the Town.

##### Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the non-fiduciary 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.

##### 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. However, agency funds, unlike other fiduciary funds, report only assets and liabilities and do not have a measurement focus, and follow the accrual basis of accounting. 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 for. Intergovernmental grants and entitlements and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

## TOWN OF TRUMBULL, CONNECTICUT

### NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2011

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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 except for 1) debt service expenditures, 2) expenditures related to compensated absences, 3) pension expenditures; and 4) claims and judgments which are recorded only when payment is due (matured).

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

The Town reports the following major governmental funds:

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

The *BOE Capital Projects Fund* accounts for all the expenditures related to the renovation of the high school.

The Town reports the following major proprietary fund:

*Water Pollution Control Authority* - The WPCA accounts for the operations of the Town's wastewater treatment plant. It is independent in terms of its relationship to other Town functions. Its operations are financed from special assessments and direct charges to the users of the service.

Additionally, the Town reports the following fund types:

The *Internal Service Funds* account for the acquisition and use of certain vehicles of departments of the Town, and the medical and workers compensation reserves.

The *Trust Funds* account for the activities of the Town's defined benefit plans and other post-employment benefits, which accumulate resources for benefit payments to qualified employees.

The *Agency Funds* account for monies held as a custodian for outside groups and agencies.

The *Private-Purpose Trust Fund* accounts for assets held by the Town in a trustee capacity on behalf of others.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the proprietary fund and the government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for enterprise funds and business-type activities, subject to this same limitation. The Town has elected not to follow subsequent private-sector guidance.

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

## TOWN OF TRUMBULL, CONNECTICUT

### NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2011

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

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

#### 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 disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses and expenditures during the reporting period. Actual results could differ from those estimates.

#### Property taxes

Property taxes are assessed as of October 1 and are levied on the following July 1. Personal property taxes and real estate taxes are due in four installments, on July 1 and the following October 1, January 1, and April 1. Motor vehicle taxes are due in two installments, on July 1 and January 1. Liens are filed by the end of the fiscal year in which the taxes are collectible.

#### Cash and cash equivalents

The Town considers all highly liquid investments and debt securities with original maturities of three months or less when purchased to be cash equivalents.

#### Allowances for doubtful accounts

Accounts and notes receivable for the primary government are reported net of allowance for doubtful accounts. The allowance for doubtful accounts represents those accounts which are deemed uncollectible based upon collection history and analysis of creditor's ability to pay. The majority of amount relates to taxes receivable.

#### Investments

Investments are recorded at fair value, based on quoted market rates.

The Connecticut State Treasurer's Short-Term Investment Fund is an investment pool managed by the State of Connecticut Office of the State Treasurer. Investments must be made in instruments authorized by Connecticut General Statutes 3-27c through 3-27e. Investment guidelines are adopted by the State Treasurer. The fair value of the position in the pool is the same as the value of the pool shares.

## TOWN OF TRUMBULL, CONNECTICUT

### NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2011

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The balance of the pooled fixed income investments were invested in a pool similar to a 2a-7 pool. The fair value of the position in the pool is the same as the value of the pool shares and is recorded at amortized cost.

#### Inventories

Inventories are stated at the lower of cost (first-in, first-out) or market.

#### Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and proprietary fund financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 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 fair 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 of the Town are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	50
Building improvements	20
Distribution and collection systems	50-65
Public domain infrastructure	50
System infrastructure	30
Machinery and equipment	5-20

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

#### Compensated absences

Town employees accumulate vacation and sick leave hours for subsequent use or for payment upon termination or retirement. Vacation and sick leave expenses to be paid in future periods are accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only for amounts that are due (matured).

## TOWN OF TRUMBULL, CONNECTICUT

### NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2011

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#### Revenue - Proprietary Funds

Operating revenues for the proprietary funds encompass the following: Sewer Commission - billings for sewer assessments and user charges; and Golf Course - fees from players using the course.

Nonoperating revenues include special assessment and interest income as well as any other receipts unrelated to the above activities.

#### Long-term obligations

In the government-wide and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the interest method. Bonds payable are reported net of the applicable bond premium or discount. 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. Principal payments on bonds are reported as expenditures as they become due.

#### Pension accounting:

##### **Pension Trust Funds**

Employee contributions are recognized in the period in which the contributions are due. Employer contributions to the plan are recognized when due and the Town has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan.

##### **Governmental Funds**

Expenditures are recognized when they are paid or are expected to be paid with current available resources.

##### **Funding policy**

The Town funds the contributions to its pension plans based on the required contributions made under Town ordinance.

#### OPEB accounting

Employer contributions are recognized in the period in which the contributions are due, and the Town has made a commitment to provide the contributions.

In fiscal year 2009, the Town implemented GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Post-employment Benefits Other than Pensions.* This pronouncement required the Town to calculate and record a new other post-employment benefit obligation (NOPEBO) at June 30, 2009. The NOPEBO is, in general, the cumulative difference between the actuarial required contribution and the actual contributions since July 1, 2010.

## TOWN OF TRUMBULL, CONNECTICUT

### NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2011

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#### Encumbrances

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation, is utilized in the governmental funds. Encumbrances outstanding at year-end are reported as an assignment of fund balance as they do not constitute expenditures or liabilities.

#### **Net Assets**

In the government-wide and proprietary fund financial statements, net assets are classified in the following categories:

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

***Restricted Net Assets*** – This category represents the net assets of the Town, which are restricted by external parties (creditors, grantors, contributors or laws and regulations).

***Unrestricted Net Assets or Deficits*** – This category represents the net assets of the Town, which are not restricted for any project or other purpose. A deficit will require future funding

#### **Fund Balance**

In the government fund financial statements, the Town classified fund balances as follows:

- **Nonspendable Fund Balance** – Amounts which cannot be spent either because they are in a nonspendable form or because they are legally or contractually required to be maintained intact.
- **Restricted Fund Balance** - These amounts are restricted to specific purposes when constraints placed on the use of resources are either (a) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislations.
- **Committed Fund Balance** – This represents amounts constrained prior to year-end for a specific purpose by a government using its highest level of decision-making authority (Town of Trumbull, Town Council).
- **Assigned Fund Balance** – Amounts constrained for the intent to be used for a specific purpose by a governing board or a body or official that has been delegated authority to assign amounts.
- **Unassigned Fund Balance** – The residual amount not allocated to any other fund balance category in the General Fund and any residual deficit balance of any other governmental funds.

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

**TOWN OF TRUMBULL, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2011**

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**Note 2. Reconciliation of Government-Wide and Fund Financial Statements**

Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets

The governmental fund balance sheet includes a reconciliation between fund balance – total governmental funds, and net assets – governmental activities as reported in the government-wide statement of net assets. One element of that reconciliation explains that “long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.” The details of this difference are as follows:

Bonds payable	\$ (74,500,660)
Permanently financed bond anticipation notes	(14,310,000)
Net pension obligation	(50,387,931)
Compensated absences	(5,429,387)
Premiums on refunding	(2,682,401)
Deferred gain on refunding	1,235,418
Capital Lease	(11,207)
Claims and judgments	(900,000)
OPEB liability	<u>(3,946,887)</u>
Net adjustment to reduce fund balance – total governmental funds to arrive at net assets – governmental activities	<u>\$ (150,933,055)</u>

Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds, and changes in net assets of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that “Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.” The details of this difference are as follows:

Capital outlay	\$ 23,015,978
Depreciation expense	<u>(5,355,552)</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	<u>\$ 17,660,426</u>

## TOWN OF TRUMBULL, CONNECTICUT

### NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2011

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Another element of that reconciliation states that “the issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.” The details of this difference are as follows:

Debt issued or incurred:	
Issuance of general obligation bonds	\$ (10,000,000)
Bond Anticipation Notes	(14,310,000)
Refunding bond proceeds	(5,050,000)
Principal repayments:	
General obligation debt	5,763,484
Capital leases	134,616
Bond anticipation notes	6,700,000
Payment to escrow	<u>5,294,016</u>
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	<u><u>\$ (11,467,884)</u></u>

Another element of that reconciliation states that “Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.” The details of this difference are as follows:

Increase in net pension obligation	\$ (3,498,595)
Increase in compensated absences	(288,247)
Increase in accrued interest	(111,909)
Amortization of premiums	234,865
Amortization of gain/loss on refunding amounts	(124,820)
Premium on refunding	(872,043)
Gain on refunding	91,867
Debt issue costs	86,716
Increase in claims and judgements	(216,000)
Amortization of debt issuance costs	(54,127)
Increase in OPEB liability	<u>(1,429,344)</u>
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	<u><u>\$ (6,181,637)</u></u>

## TOWN OF TRUMBULL, CONNECTICUT

### NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2011

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#### Note 3. Cash, Cash Equivalents and Investments

Policies:

Deposits: The Town has a policy that deposits can include demand and savings accounts and certificates of deposits. The Town's policy for custodial credit risk is to follow State statutes for coverage of its deposits. The State of Connecticut requires that each depository maintain segregated collateral in an amount equal to a defined percentage of its public deposits based upon the bank's risk based capital ratio.

Investments: The investment policies of the Town conform to the policies as set forth by the State of Connecticut. The Town policy allows investments in the following: (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. The Statutes (Sections 3-24f and 3-27f) also provide for investment in shares of the Connecticut Short Term Investment Fund and the Tax Exempt Proceeds Fund. The Town's custodial credit risk policy states that the investment company or trust must take delivery, through a custodian, of all collateral. The Town's credit risk policy states that obligations of the State of Connecticut and of the United States must not have a rating of less than the top three rating categories of any nationally recognized rating service.

The Town's policy for pension investments also includes common and preferred stocks, convertible securities, real estate investment trusts and American depository receipts. The pension plan's credit risk policy is that invested securities should be of a quality to qualify under the prudent man rule.

Their approved policies target an asset mix to provide the probability of meeting or exceeding the return objectives at the lowest possible risk. They set asset allocation parameters, as follows:

Large Cap Equities	40% - 70%
Small Cap Equities	0% - 10%
Mid-Cap Stocks	0% - 10%
Fixed Income	30% - 50%
International Equities	0% - 10%
Cash	0% - 20%

Interest Rate Risk: The Town and the pension policies limit their exposure to fair value losses arising from changes in interest rates by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations and pension payments, thereby avoiding the need to sell securities on the open market prior to maturity, and investing idle funds primarily in shorter-term securities, money market mutual funds, or similar investment pools.

Concentrations: The Town and the pension policies are to maintain a diversified portfolio to minimize the risk of loss resulting from over concentration of assets in a specific issuer.

## TOWN OF TRUMBULL, CONNECTICUT

### NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2011

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#### Custodial credit risk:

Deposits: This is the risk that, in the event of failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. As of June 30, 2011, \$23,202,000 of the Town's bank balance of \$27,586,000 was uninsured and uncollateralized.

Investments: This is the risk that in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party.

Cash and investments of the Town's investments consist of the following at June 30, 2011:

#### **Cash and Cash Equivalents**

Deposits with financial institutions	\$ 25,770,980
State of Connecticut Short-Term Investment fund	4,143,802
Cutwater Connecticut Class Plus	139,718
<b>Total cash and cash equivalents</b>	<b>30,054,500</b>

#### **Investments**

General Fund:	
U.S. Government Agencies	7,011,771 *
Pension Trust Funds:	
U.S. Government Securities	4,759,764 *
U.S. Government Agencies	901,957 *
Corporate Bonds	6,468,205 *
Other Bonds	1,518,311 *
Common and Preferred Stocks	12,324,970 *
Mutual Funds	25,150,500
Asset and Mortgage-Backed Securities	3,207,984 *
<b>Total pension investments</b>	<b>54,331,691</b>
<b>Total investments</b>	<b>61,343,462</b>
<b>Total cash, cash equivalents and investments</b>	<b>\$ 91,397,962</b>

\* These investments are uninsured and unregistered, with securities held by the counterparty, but in the Town's or Pension Trusts name.

**TOWN OF TRUMBULL, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2011**

Cash and investments are classified in the accompanying financial statements as follows:

**Statement of Net Assets**

Cash and cash equivalents	\$ 26,826,887
Investments	7,011,771
	<u>33,838,658</u>

**Fiduciary Funds:**

Cash and cash equivalents	3,227,613
Investments	54,331,691
	<u>57,559,304</u>

**Total cash, cash equivalents and investments** \$ 91,397,962

*Interest rate risk:* This is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. Information about the exposure of the Town's debt type investments to this risk using the segmented time distribution model is as follows:

Type of Investment	Fair Value	Investment Maturities (in Years)			
		Less Than 1 Year	1-5 Years	6-10 Years	Over 10 Years
Asset and Mortgage-Backed	\$ 3,207,984	\$ 7,556	\$ 952,016	\$ 66,837	\$ 2,181,575
U.S. Government Securities	4,759,764	-	2,307,598	2,452,166	-
U.S. Government Agencies	7,913,728	530,492	1,149,760	279,267	5,954,209
Corporate Bonds	6,468,205	396,629	4,153,694	1,917,882	-
Other Bonds	1,518,311	52,063	695,440	770,808	-
Pooled Fixed Income	4,283,521	4,283,521	-	-	-
<b>TOTAL</b>	<u>\$ 28,151,513</u>	<u>\$ 5,270,261</u>	<u>\$ 9,258,508</u>	<u>\$ 5,486,960</u>	<u>\$ 8,135,784</u>

**TOWN OF TRUMBULL, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2011**

*Credit Risk:* Generally, credit risk is the risk that an issuer of a debt type investment will not fulfill its obligation to the holder of the investment. This is measured by assignment of a rating by a nationally recognized rating organization. U.S. government securities or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk exposure. Presented below is the minimum rating as required for each debt type investment.

Average Rating	Corporate Bonds	Other Bonds	Asset and Mortgage-Backed Securities	Pooled Fixed Income
AAA	\$ -	\$ 175,404	\$ 2,005,096	\$ -
AAA <sub>m</sub>	-	-	-	4,283,521
AA+	280,373	-	109,759	-
AA	139,243	-	120,532	-
AA-	315,178	261,111	-	-
A+	648,388	307,077	-	-
A	1,591,377	156,176	218,815	-
A-	819,139	32,250	138,054	-
BBB+	673,190	226,921	114,993	-
BBB	1,116,964	276,970	-	-
BBB-	724,887	82,402	-	-
BB+	68,867	-	-	-
Unrated	90,599	-	500,735	-
	<u>\$ 6,468,205</u>	<u>\$ 1,518,311</u>	<u>\$ 3,207,984</u>	<u>\$ 4,283,521</u>

**Note 4. Deferred Revenue/Unearned Revenue**

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

	Deferred Revenue	Unearned Revenue
<b>General Fund:</b>		
Taxes and accrued interest on delinquent property taxes	\$ 2,749,270	\$ 723,257
Intergovernmental	3,111,639	115,880
<b>Nonmajor Funds:</b>		
Intergovernmental receivables	-	109,956
	<u>\$ 5,860,909</u>	<u>\$ 949,093</u>

**TOWN OF TRUMBULL, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2011**

**Note 5. Capital Assets**

Capital asset activity for the year ended June 30, 2011 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 38,795,719	\$ 27,100	\$ -	\$ 38,822,819
Construction in progress	10,911,087	21,260,841	-	32,171,928
<b>Total capital assets, not being depreciated</b>	<b>49,706,806</b>	<b>21,287,941</b>	<b>-</b>	<b>70,994,747</b>
Capital assets, being depreciated:				
Land improvements	10,875,252	206,898	-	11,082,150
Buildings and improvements	141,502,036	-	(68,730)	141,433,306
Machinery and equipment	9,482,844	48,659	(136,330)	9,395,173
Vehicles	3,250,014	462,917	(391,329)	3,321,602
Infrastructure	57,849,972	1,009,563	-	58,859,535
<b>Total capital assets being depreciated</b>	<b>222,960,118</b>	<b>1,728,037</b>	<b>(596,389)</b>	<b>224,091,766</b>
Less accumulated depreciation for:				
Land improvements	5,924,907	355,086	-	6,279,993
Buildings and improvements	48,613,627	3,078,158	-	51,691,785
Machinery and equipment	7,052,985	470,668	(151,685)	7,371,968
Vehicles	2,680,337	486,338	(421,214)	2,745,461
Infrastructure	37,912,371	965,302	-	38,877,673
<b>Total accumulated depreciation</b>	<b>102,184,227</b>	<b>5,355,552</b>	<b>(572,899)</b>	<b>106,966,880</b>
<b>Total capital assets, being depreciated, net</b>	<b>120,775,891</b>	<b>(3,627,515)</b>	<b>(23,490)</b>	<b>117,124,886</b>
<b>Governmental activities capital assets, net</b>	<b>\$ 170,482,697</b>	<b>\$ 17,660,426</b>	<b>\$ (23,490)</b>	<b>\$ 188,119,633</b>

Property and equipment of the internal service fund consisted of the following as of June 30, 2011:

	Balance June 30, 2010	Additions	Disposals	Balance June 30, 2011
Vehicles and equipment	\$ 5,113,719	\$ 372,980	\$ (22,034)	\$ 5,464,665
Less accumulated depreciation				3,111,964
				<u>\$ 2,352,701</u>

**TOWN OF TRUMBULL, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2011**

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Business-type activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 1,939,013	\$ 23,000	\$ -	\$ 1,962,013
Construction in progress	9,015,559	8,814,557	-	17,830,116
Total capital assets, not being depreciated	<u>10,954,572</u>	<u>8,837,557</u>	<u>-</u>	<u>19,792,129</u>
Capital assets, being depreciated:				
Land improvements	3,702,971	15,000	-	3,717,971
Buildings	2,503,672	-	-	2,503,672
Machinery and equipment	978,487	66,545	(23,209)	1,021,823
Vehicles	155,467	-	-	155,467
Infrastructure	88,158,568	28,060	-	88,186,628
Total capital assets, being depreciated	<u>95,499,165</u>	<u>109,605</u>	<u>(23,209)</u>	<u>95,585,561</u>
Less accumulated depreciation for:				
Land improvements	724,013	84,057	-	808,070
Buildings	1,145,323	51,668	-	1,196,991
Machinery and equipment	562,984	51,826	(8,279)	606,531
Vehicles	137,355	18,497	(10,103)	145,749
Infrastructure	20,086,827	1,716,852	-	21,803,679
Total accumulated depreciation	<u>22,656,502</u>	<u>1,922,900</u>	<u>(18,382)</u>	<u>24,561,020</u>
Total capital assets, being depreciated, net	<u>72,842,663</u>	<u>(1,813,295)</u>	<u>(4,827)</u>	<u>71,024,541</u>
Total business-type capital assets, net	<u>\$ 83,797,235</u>	<u>\$ 7,024,262</u>	<u>\$ (4,827)</u>	<u>90,816,670</u>

**TOWN OF TRUMBULL, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2011**

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

**Governmental activities:**

Board of Education	\$ 3,227,214
General Government	109,369
Social Services	48,999
Public Works	1,189,095
Public Safety	374,145
Libraries	105,549
Recreation and Parks	301,181
<b>Total depreciation expense - governmental activities</b>	<b><u><u>\$ 5,355,552</u></u></b>

**Business-type activities**

Sewer Commission	\$ 1,767,529
Golf Course	155,371
<b>Total depreciation expense - business-type activities</b>	<b><u><u>\$ 1,922,900</u></u></b>

**Note 6. Interfund Accounts**

As of June 30, 2011, interfund receivables and payables that resulted from various interfund transactions were as follows:

	Due From Other Funds	Due to Other Funds
<b>General Fund</b>	<b>\$ -</b>	<b>\$ 14,698,038</b>
<b>Special Revenue Funds</b>		
Homeland Security	1,688	-
Dog Fund	91,605	-
Youth and Children Services	9,596	-
Millington Legal Settlement	-	75,853
Town Clerk Historical Preservation	113,294	-
Education Federal and State Programs	-	86,209
Police grants	865	-
Social Services	2,103	-
<b>Total special revenue funds</b>	<b><u><u>219,151</u></u></b>	<b><u><u>162,062</u></u></b>

**TOWN OF TRUMBULL, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2011**

	Due From Other Funds	Due to Other Funds
<b>Capital Projects Fund</b>		
Pre-Kindergarten School	245,738	-
Police Station Improvements	75,476	-
LOCIP	-	288,132
Park Improvements	123,086	-
THS Renovations	1,177,573	-
Reserve for Capital and Nonrecurring Expenditures	63,807	-
New Elementary School	-	425,928
BOE 2nd Yr Phase I Technology	23,771	-
Technology Town & BOE	83,296	-
Resurfacing of Tennis Courts	-	4,670
BOE Emergency Projects	344,890	-
Resurfacing of Town Roads	28,811	-
BOE Capital Improvements	976,593	-
Town Wide Park Improvements	330	-
BOE Phase II Technology	14,843	-
Tax Assessor CAMA System	39,682	-
Daniels Farm Road Bridge	-	17,571
BOE Phase II 2nd Yr. Technology	170	-
Small Cities - Senior Center	10,576	-
Public Works Capital Projects	-	295,235
Rails to Trails	-	192,615
<b>Total capital projects fund</b>	<b>3,208,642</b>	<b>1,224,151</b>
<b>Permanent Funds</b>		
Cemetery Fund	1,457	-
<b>Enterprise Funds</b>		
Golf Course	589,367	-
Sewers	7,821,332	-
<b>Total enterprise funds</b>	<b>8,410,699</b>	<b>-</b>
<b>Private Purpose Trust Funds</b>		
Special Trust	1,435,653	-
Special Purpose Contra	512,665	-
<b>Total private purpose trust funds</b>	<b>1,948,318</b>	<b>-</b>

**TOWN OF TRUMBULL, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2011**

	<u>Due From Other Funds</u>	<u>Due to Other Funds</u>
<b>Internal Service Funds</b>		
Lease Fund	-	719,462
Insurance Reserve Fund	2,516,651	-
<b>Total internal service funds</b>	<u>2,516,651</u>	<u>719,462</u>
<b>Debt Service Fund</b>	<u>498,795</u>	<u>-</u>
	<u>\$ 16,803,713</u>	<u>\$ 16,803,713</u>

Amounts due to the General Fund from the Nonmajor and Other Funds are a result of short-term advances.

Advances from/to other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Non-Major Fund	\$1,694,039

All balances resulted from payments for various funds being paid by the General Fund. The amounts listed above relate to the amounts owed, and will not be repaid within one year.

Interfund transfers during the year ended June 30, 2011 were as follows:

	<u>Transfers From Other Funds</u>	<u>Transfers To Other Funds</u>
General Fund	\$ 487,812	\$ 1,397,650
WPCA	1,397,650	310,522
Golf Course	-	177,290
	<u>\$ 1,885,462</u>	<u>\$ 1,885,462</u>

The transfers from the sewer commission and golf course funds are budgeted for reimbursable services to the General Fund. The transfer from the General Fund is for principal and interest payments on debt on behalf of the Sewer Commission. The non-major transfer is from the General Fund to close out the Agricultural Science Building Fund.

**TOWN OF TRUMBULL, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2011**

**Note 7. Long-Term Liabilities and Subsequent Events**

A summary of changes in outstanding general long-term debt during the year ended June 30, 2011 is as follows:

	Beginning Balance	Increases/ Transfers	Decreases/ Transfers	Ending Balance	Due Within One Year
<b>Governmental activities:</b>					
Bonds payable:					
General obligation bonds	\$ 70,508,160	\$ 15,050,000	\$ (11,057,500)	\$ 74,500,660	\$ 6,221,080
Bond anticipation notes	6,700,000	14,310,000	(6,700,000)	14,310,000	-
Premiums on refunding	2,045,223	872,043	(234,865)	2,682,401	-
Gain/loss on refunding	(1,268,371)	(91,867)	124,820	(1,235,418)	-
<b>Total bonds and notes payable</b>	<b>77,985,012</b>	<b>30,140,176</b>	<b>(17,867,545)</b>	<b>90,257,643</b>	<b>6,221,080</b>
<b>Other Long-Term Liabilities</b>					
Compensated absences	5,141,140	347,641	(59,394)	5,429,387	220,000
Capital lease	145,823	-	(134,616)	11,207	11,207
Net pension obligation	46,889,336	3,498,595	-	50,387,931	-
Claims and judgments	684,000	216,000	-	900,000	-
OPEB liability	2,517,543	1,429,344	-	3,946,887	-
<b>Total other long- term liabilities</b>	<b>55,377,842</b>	<b>5,491,580</b>	<b>(194,010)</b>	<b>60,675,412</b>	<b>231,207</b>
<b>Governmental activity long- term liabilities</b>	<b>\$ 133,362,854</b>	<b>\$ 35,631,756</b>	<b>\$ (18,061,555)</b>	<b>\$ 150,933,055</b>	<b>\$ 6,452,287</b>

Substantially all amounts are expected to be financed or paid through the General Fund.

	Beginning Balance	Increases/ Transfers	Decreases/ Transfers	Ending Balance	Due Within One Year
<b>Business-type activities:</b>					
Bonds payable:					
General obligation bonds	\$ 49,013,940	\$ 12,130,000	\$ (3,189,600)	\$ 57,954,340	\$ 3,638,920
Bond anticipation notes	8,460,000	9,000,000	(8,460,000)	9,000,000	-
<b>Total bonds and notes payable</b>	<b>57,473,940</b>	<b>21,130,000</b>	<b>(11,649,600)</b>	<b>66,954,340</b>	<b>3,638,920</b>
<b>Business-type activity long-term liabilities</b>	<b>\$ 57,473,940</b>	<b>\$ 21,130,000</b>	<b>\$ (11,649,600)</b>	<b>\$ 66,954,340</b>	<b>\$ 3,638,920</b>

**TOWN OF TRUMBULL, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2011**

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Bond anticipation notes and subsequent event

The Town has \$23,310,000 of tax-exempt general obligation bond anticipation notes (BANS) outstanding as of June 30, 2011 and are recorded within long-term debt. The notes bear interest at 1.25%.

Bond anticipation note transactions for the year ended June 30, 2011 were as follows:

Outstanding, July 1, 2010	\$ 15,580,000
New borrowings	23,310,000
Repayments	<u>(15,580,000)</u>
Outstanding, June 30, 2011	<u>\$ 23,310,000</u>

Reported as:

Long-term debt - governmental	14,310,000
Long-term debt - business-type activities	9,000,000

Subsequent event

In September 2011, the Town issued \$23,310,000 in general obligation bonds. The bonds bear interest of 2.00% - 4.00% and mature serially from September 15, 2012 to September 15, 2030. Of the \$23,310,000 bond anticipation notes outstanding, \$14,310,000 of governmental fund debt was financed with the September 2011 issue and is considered long-term debt in the government-wide financial statements, and other financing sources in the Governmental Fund financial statements.

**TOWN OF TRUMBULL, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2011**

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General obligation bonds

As of June 30, 2011, the outstanding general obligation bonds of the Town were as follows:

	<u>Outstanding Amount</u>
\$29,000,000 general obligation bonds; issue of 9/15/03; due 9/15/23; interest at 3.0% to 4.75%.	\$ 1,195,000
\$8,375,000 refunding bonds issue of 12/14/04 (for balance of 7/1/98 issue); due 1/15/18; interest at 4.0% to 5.5%	4,966,000
\$19,790,000 general obligation bonds; issue of 9/13/05; due 9/13/25; interest at 4% to 4.125%	2,835,000
\$15,440,000 general obligation bonds; issue of 9/12/06; due 9/1/26; interest at 4.0% to 5.0%	12,260,000
\$14,855,000 general obligation bonds; issue of 9/1/07; due 9/1/27; interest at 4.0% to 5.0%	9,456,000
\$10,700,000 refunding bonds issue of 8/19/08 (for balance of 7/1/98 issue and partial 1/15/01 issue); due 8/19/21; interest at 3.25% to 5.0%	5,809,160
\$18,205,000 general obligation bonds; issue of 9/1/08; due 9/1/28; interest at 3.0% to 5.0%	745,000
\$5,850,000 general obligaton bonds; issue of 9/1/09; interest at 2.25% to 4.05%	5,557,500
\$17,523,000 refunding bonds; issue of 9/15/09; due 9/15/23; interest at 3.0% to 5.0%	17,401,000
\$5,050,000 refunding bonds; issue of 9/01/10; due 9/15/23; interest at 3.0% to 5.0%	4,276,000
\$10,000,000 general obligation bonds; issue of 9/1/10; due 9/1/28; interest at 3.0% to 5.0%	<u>10,000,000</u>
Total	<u><u>\$ 74,500,660</u></u>

## TOWN OF TRUMBULL, CONNECTICUT

### NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2011

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#### 2010 General Obligation Bond – In-substance Defeasance

On March 3, 2010, the Town issued \$5,180,000 of general obligation bonds with interest rates ranging from 2.0% to 3.0% of which were used to advance refund portions of the outstanding principal amounts of the general obligation bonds of the Town dated September 15, 2002 (the "Refunding Bonds"). Of the net proceeds of \$5,520,000 (after payment of \$90,000 in underwriters fees and other costs), \$5,431,000 was placed in an irrevocable trust fund under an Escrow Agreement dated March 2010 between the Town and the Escrow Holder. The Escrow Holder used the proceeds to purchase a portfolio of non-callable direct obligations of the United States of America ("Government Obligations"). The Government Obligations will have maturities and interest rates sufficient to pay principal and interest payments and redemption premiums on the Refunding Bonds on the date the payments are due.

The Town advance refunded the above bonds to obtain an economic gain (difference between the present values of the debt service payments on the old and net debt of \$229,000 and cash savings of \$233,000).

The balance in the escrow was approximately \$5,400,000 at June 30, 2011. The balance of the defeased bonds was approximately \$5,400,000 at June 30, 2011. As a result, the refunded bonds are considered defeased and the liability has been removed from the basic financial statements.

In prior years, the Town has defeased various bond issues by creating separate irrevocable trust funds. As of June 30, 2011, the amount of defeased debt outstanding, but removed from the Town's government-wide financial statements, amounted to the following:

2002 Refunding	\$ 9,520,000
2004 Refunding	16,605,000
2008 Refunding	10,915,000
2009 Refunding	26,125,000
2010 Refunding	5,400,000
	<u>\$ 68,565,000</u>

**TOWN OF TRUMBULL, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2011**

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The annual debt service requirements for all bonded debt are as follows excluding bond anticipation notes:

	Governmental Activities		
	Principal	Interest	Total
2012	\$ 6,221,080	\$ 2,819,776	\$ 9,040,856
2013	6,109,860	2,582,759	8,692,619
2014	5,961,540	2,347,307	8,308,847
2015	5,993,540	2,128,432	8,121,972
2016	5,921,090	1,897,181	7,818,271
2017	5,272,090	1,651,851	6,923,941
2018	5,357,690	1,428,109	6,785,799
2019	4,328,690	1,204,932	5,533,622
2020	4,320,090	1,038,437	5,358,527
2021	4,313,490	877,063	5,190,553
2022	3,835,500	713,322	4,548,822
2023	3,519,500	573,747	4,093,247
2024	3,408,500	441,091	3,849,591
2025	2,219,500	333,583	2,553,083
2026	2,244,500	248,186	2,492,686
2027	2,054,500	164,779	2,219,279
2028	1,289,500	100,101	1,389,601
2029	837,500	60,381	897,881
2030	1,292,500	40,225	1,332,725
Total	<u>\$ 74,500,660</u>	<u>\$ 20,651,262</u>	<u>\$ 95,151,922</u>

**TOWN OF TRUMBULL, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2011**

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Business-type activity obligations

At June 30, 2011, long-term debt in the Sewer and Golf Enterprise Funds consists of the following, excluding the bond anticipation notes of \$9,000,000:

	Outstanding Amounts	
	WPCA	Golf
\$29,000,000 enterprise bonds; issue of 9/15/03; due 9/15/23; interest at 3.0% to 4.75%	\$ 175,000	\$ 15,000
\$8,375,000 refunding bonds issue of 12/14/04 (for balance of 7/01/98 issue); due 1/15/18; interest at 4.0% to 5.5%	1,464,000	-
\$19,790,000 enterprise bonds; issue of 9/13/05; due 9/13/25; interest at 4.00% to 4.125%	9,595,000	2,360,000
\$14,855,000 enterprise bonds; issue of 9/1/07; due 9/1/27; interest at 4.0% to 5.5%	2,639,000	80,000
\$10,700,000 refunding bonds issue of 8/19/08 (for balance of 7/1/98 issue and partial 1/15/01 issue); due 8/19/21; interest at 3.25% to 5.0%	2,170,840	-
\$18,205,000 enterprise bonds; issue of 9/1/08; due 9/1/28; interest at 3.0% to 5.0%	15,635,000	-
\$4,150,000 enterprise bonds; issue of 9/1/09; due 9/1/29; interest at 2.25% to 4.05%	3,942,500	-
\$7,967,000 refunding bonds; issue of 9/15/09; due 9/15/23; interest at 3.0% to 5.0%	7,337,000	427,000
\$130,000 refunding bonds; issue of 9/15/10; due 9/15/23; interest at 3.0% to 5.0%	109,000	-
\$12,000,000 enterprise bonds; issue of 9/1/10; due 9/1/29; interest at 2.25% to 4.05%	12,000,000	-
	\$ 55,067,340	\$ 2,882,000

**TOWN OF TRUMBULL, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2011**

The annual debt service requirements of bonded indebtedness of the business-type activities, which excludes \$9,000,000 of bond anticipation notes as refinanced:

	WPCA			Golf			Total		
	Business-Type Activities			Business-Type Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2012	\$ 3,444,920	\$ 1,977,503	\$ 5,422,423	\$ 194,000	\$ 108,428	\$ 302,428	\$ 3,638,920	\$ 2,085,931	\$ 5,724,851
2013	3,836,140	1,841,167	5,677,307	219,000	101,217	320,217	4,055,140	1,942,384	5,997,524
2014	3,538,460	1,709,695	5,248,155	210,000	92,541	302,541	3,748,460	1,802,236	5,550,696
2015	3,556,460	1,587,789	5,144,249	210,000	84,104	294,104	3,766,460	1,671,893	5,438,353
2016	3,533,910	1,461,506	4,995,416	215,000	76,356	291,356	3,748,910	1,537,862	5,286,772
2017	3,567,910	1,327,978	4,895,888	215,000	68,015	283,015	3,782,910	1,395,993	5,178,903
2018	3,591,310	1,193,165	4,784,475	216,000	59,726	275,726	3,807,310	1,252,891	5,060,201
2019	3,320,310	1,054,218	4,374,528	216,000	51,469	267,469	3,536,310	1,105,687	4,641,997
2020	3,318,910	931,643	4,250,553	216,000	43,126	259,126	3,534,910	974,769	4,509,679
2021	3,310,510	812,455	4,122,965	211,000	34,714	245,714	3,521,510	847,169	4,368,679
2022	3,109,500	691,260	3,800,760	185,000	26,794	211,794	3,294,500	718,054	4,012,554
2023	2,625,500	586,568	3,212,068	175,000	19,590	194,590	2,800,500	606,158	3,406,658
2024	2,626,500	490,431	3,116,931	175,000	12,584	187,584	2,801,500	503,015	3,304,515
2025	2,445,500	396,414	2,841,914	165,000	5,778	170,778	2,610,500	402,192	3,012,692
2026	2,520,500	301,992	2,822,492	55,000	1,341	56,341	2,575,500	303,333	2,878,833
2027	1,820,500	218,437	2,038,937	5,000	103	5,103	1,825,500	218,540	2,044,040
2028	1,820,500	148,599	1,969,099	-	-	-	1,820,500	148,599	1,969,099
2029	1,672,500	81,081	1,753,581	-	-	-	1,672,500	81,081	1,753,581
2030	1,407,500	45,400	1,452,900	-	-	-	1,407,500	45,400	1,452,900
Total	\$ 55,067,340	\$ 16,857,301	\$ 71,924,641	\$ 2,882,000	\$ 785,886	\$ 3,667,886	\$ 57,949,340	\$ 17,643,187	\$ 75,592,527

Authorized but unissued bonds

The Town has authorized but unissued bonds relating to capital projects at June 30, 2011 as follows:

General purpose	\$ 3,289,000
Schools	1,229
Sewers	5,000,000
<b>Total</b>	<u>\$ 8,290,229</u>

**TOWN OF TRUMBULL, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2011**

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Legal debt limit

The Town's indebtedness (including authorized but unissued bonds), net of principal reimbursements expected from the state, does not exceed the legal debt limitation as required by the Connecticut General Statutes as reflected in the following schedule:

Category	Debt Limit	Net Indebtedness	Balance
General purpose	\$ 289,209,819	\$ 28,590,710	\$ 260,619,109
Schools	578,419,637	63,280,540	515,139,097
Sewers	482,016,364	38,056,161	443,960,203
Urban renewal	417,747,515	-	417,747,515
Unfunded pension benefit obligation	385,613,091	-	385,613,091

The total overall statutory debt limit for the Town is equal to seven times annual receipts from taxation, or \$899,763,879.

Capital leases

Copiers carried at approximately \$475,000 in the governmental activities acquired under capital lease arrangements.

The Town is obligated under a capital lease to make the following aggregate annual lease payments:

Fiscal year	Amount
2012	11,257
<b>Total payments</b>	<b>11,257</b>
Less interest	50
<b>Principal balance</b>	<b>\$ 11,207</b>

Compensated absences

The obligation represents the employee (vested and nonvested) compensated absences expected to be paid in the future, aggregating approximately \$5,429,000 as of June 30, 2011. This amount is recorded in the government-wide statements, and paid out of the general fund.

## TOWN OF TRUMBULL, CONNECTICUT

### NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2011

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#### Net pension obligation

Governmental Accounting Standards Board Statement No. 27, "Accounting for Pensions by State and Local Governments," requires the Town to accrue a net pension obligation. The amount at June 30, 2011 was \$50,388,000. This amount is recorded in the government-wide statements, and paid out of the general fund.

#### Other Postemployment Obligation

Governmental Accounting Standards Board Statement No. 45, "Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions," requires the Town to accrue a net OPEB obligation. The amount at June 30, 2011 was \$3,947,000. This amount is recorded in the government-wide statements, and paid out of the general fund.

### **Note 8. Commitments and Contingencies**

#### Lawsuits

There are several personal injury, negligence and personnel related lawsuits pending against the Town. The outcome and eventual liability of the Town, if any, in these cases is not known at this time. Based upon consultation with legal counsel, the Town's management estimates that potential claims against the Town not covered by insurance, resulting from such litigation would not have a material adverse affect the financial condition of the Town.

#### Municipal Solid Waste Service Agreement

The Town has entered into a municipal solid waste ("MSN") agreement, as amended (the "Service Agreement") with the Connecticut Resources Recovery Authority (the "Authority") pursuant to which it participates with twelve other Connecticut municipalities (the eighteen constituting the "Contracting Municipalities"), in the Greater Bridgeport Resources Recovery System (the "System").

Under the Service Agreement, the Town is required to deliver, or cause to be delivered, to the System solid waste generated within its boundaries up to its minimum commitment of 19,945 tons per year and to pay a uniform per ton disposal service payment (the "Service Payment"). The current fee is \$63 per ton. The aggregate minimum commitment of the twelve Contracting Municipalities is 265,000 per ton.

Additionally, the Town anticipates spending another \$27 per ton of MSW for delivery costs to the Facility and the cost of operating and maintaining its transfer station.

If any Participating Municipality shall default in the payment of any amounts for which it is responsible and such default continues for more than 60 days, the other Participating Municipalities shall pay their share of the amounts unpaid by the non-paying Participating Municipality and shall be entitled to full reimbursement upon the Authority collecting such delinquent amounts.

Trumbull is also part of an Inter-Community Agreement dated September 15, 1989 establishing a regional recycling program. The Southwest Connecticut Regional Recycling Operating Committee (SWEROC) was established to implement the regional recycling program to meet the State of Connecticut mandated program for recycling, per Sections 22a-241-22a-241i of the Connecticut General Statutes. Trumbull is one of seventeen "Contracting Communities" participating in the SWEROC recycling program. The Town is committed to supply recyclables annually consisting of: food and beverage containers made of glass, metal and certain plastics, and newspapers. Other defined residential recyclables are cardboard, waste oil, storage batteries and scrap metal. The Town has flow-control responsibilities for recyclables from the

**TOWN OF TRUMBULL, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2011**

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residential sector, and its role is to receive recyclables from residential sources and transfer it to a regional recycling processing facility located in Stratford, Connecticut. Non-residential generators can deliver recyclables to independent processing facilities other than SWEROC but must report to the Town the Types and amounts of recyclable materials delivered to non-SWEROC processing facilities. A municipal ordinance has been adopted by the Town to comply with the requirements of the State of Connecticut legislation.

**Note 9. Fund Deficits**

The Town has the following fund deficits at June 30, 2011:

	<u>Fund Deficit</u>
<b>Special Revenue</b>	
Millington League Settlement	\$ (75,853)
<b>Capital Projects Fund</b>	
Land Acquisition	(1,694,039)
Local Capital Improvement	(294,163)
Resurfacing of Tennis Courts	(4,670)
Daniels Farm Road Bridge	(17,571)
New Elementary School	(425,928)
Public Works Capital Projects	(254,432)
BOE Capital Projects	(1,307,523)
Rails to Trails	(192,615)

The Town anticipates financing the fund deficits in the Capital Projects funds through future bond issues and/or revenues. The Special Revenue deficit will be recovered through future operations.

**TOWN OF TRUMBULL, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2011**

**Note 10. Fund Balance**

Below is a table of fund balance categories and classifications at June 30, 2011 for the Town governmental funds:

	General Fund	BOE Capital Projects	Nonmajor Governmental Funds
Fund balances:			
Non-spendable:			
Inventory	\$ -	\$ -	\$ 32,928
Permanent funds	-	-	198,212
Advances	1,694,039	-	-
	<u>1,694,039</u>	-	<u>231,140</u>
Restricted:			
General government	-	-	90,350
Education	-	-	525,606
Public safety	-	-	94,104
Social services	-	-	2,103
Library	-	-	2,540
Public health	-	-	8,291
Capital projects	-	-	10,615
	<u>-</u>	<u>-</u>	<u>733,609</u>
Committed:			
Debt service	-	-	498,795
Capital projects	-	-	2,211,348
	<u>-</u>	<u>-</u>	<u>2,710,143</u>
Assigned:			
General government	10,769	-	-
Public works	269,201	-	-
Education	442,874	-	-
Recreation	33,216	-	-
Social services	248	-	-
Public safety	10,108	-	-
	<u>766,416</u>	<u>-</u>	<u>-</u>
Unassigned:			
General government	15,815,540	-	-
Capital outlay	-	(1,307,523)	(2,959,271)
	<u>15,815,540</u>	<u>(1,307,523)</u>	<u>(2,959,271)</u>
<b>Total fund balance</b>	<u>\$ 18,275,995</u>	<u>\$ (1,307,523)</u>	<u>\$ 715,621</u>

**TOWN OF TRUMBULL, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2011**

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**Note 11. Accounting Change/Restatement**

Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, was implemented as of July 1, 2010. The effect of fund type reclassification is as follows:

	General	Nonmajor Governmental Funds
Fund balance, June 30, 2010, as previously reported	\$ 16,742,224	\$ 1,480,574
Change in fund type classification per implementation of GASB Statement No. 54	142,338	(142,338)
Fund balance, July 1, 2010, as restated	<u>\$ 16,884,562</u>	<u>\$ 1,338,236</u>

As a result of the implementation of GASB 54, the Capital Lease Fund was reclassified to a Capital Projects Fund.

**Note 12. Employee Retirement Plans**

The Town has two contributory pension plans covering substantially all full-time Town and non-certified Board of Education employees. One plan covers employees of the Police Department and the other plan covers all other employees. The certified faculty and administrative personnel of the Board of Education participate in a contributory retirement plan administered by the State Teachers' Retirement Board. The Town does not contribute to this plan. The Town pension plans are single-employer contributory defined benefit plans which are part of the Town's financial reporting entity and are accounted for in two pension trust funds. Stand-alone financial statements are not available.

**The Town of Trumbull Police Benefit Plan**

***Plan Description***

The Town of Trumbull is the administrator of a single employer public employee retirement system (PERS) established and administered by the Town to provide pension benefits for its Police employees. The PERS is considered to be part of the Town's financial reporting entity and is included in its financial reports as a pension trust fund.

The Town of Trumbull Police Benefit Plan provides retirement, death and disability benefits through a single employer, contributory, defined benefit plan. Benefits vest after 10 years of service. Members may retire on or after age 47 with at least 25 years of service. A retirement benefit of 2% of final annual pay for each year of service (maximum 25 years) plus an additional 1.25% for each full 3 months of service after 25 up to a maximum benefit of 75% is payable monthly for life. At the member's death, 50% of the benefit is payable to the surviving spouse. If a member leaves employment or dies prior to vesting, accumulated employee contributions with 5.5% interest compounded semi-annually are refunded. Post retirement increases equal 50% of the increase in current pay for active members of the same grade (pro-rated for less than 25 years service). Benefits and contributions are fixed by contract and may be amended by union negotiation.

***Contributions***

Employees are required to contribute 6% of their monthly salary to the PERS. The Town is required to contribute the remaining amounts necessary to fund these benefits.

## TOWN OF TRUMBULL, CONNECTICUT

### NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2011

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#### ***Plan Changes***

The latest actuarial valuation reflects no material change in coverage. The latest valuation, however, did reflect the change in the definition of pay used to calculate benefits. Effective 1/1/2008, final annual pay is equal to base salary plus 12 days of holiday pay.

The latest actuarial valuation reflects no material changes in the actuarial assumptions or methods.

#### **Town of Trumbull Pension Plan**

##### ***Plan Description***

The Town of Trumbull is the administrator of a single employer public employee retirement system (PERS) established and administered by the Town to provide pension benefits for its full-time employees other than Police, firefighters and teachers. The PERS is considered to be part of the town's financial reporting entity and is included in its financial reports as a pension trust fund.

The Town of Trumbull Pension Plan provides retirement, death and disability benefits through a single employer, contributory, defined benefit plan. Benefits vest at 50% after 5 years of service and increase an additional 10% per year to 100% after 10 years. Employees can retire on or after age 62 if they have at least 10 years of service, or after age 60 if age plus years of service equals at least 85. Employees who retire at these ages are entitled to an annual retirement benefit, payable monthly for 10 years certain and life, in an amount equal to 2% of Final Earnings for each year of service. There is a maximum annual pension of 60% of final earnings, and a minimum annual pension of \$1,200. Final Earnings is the employee's average earnings during the 36 consecutive months that produces the highest average. Employees may retire early on or after age 55 with at least 10 years of service with a benefit reduced ½% for each month the early retirement date precedes the normal retirement date. The death benefit provides a benefit to a beneficiary of a fully vested participant of 120 months of retirement benefits beginning at the participant's normal retirement date as long as the beneficiary does not receive the deceased participant's employee contributions with credited interest and the proceeds from the \$25,000 life insurance policy are assigned to the pension plan. Employee contributions with credited interest are returnable on termination or death while active or retired (less any benefits paid) provided, in each case, that no death benefits are otherwise payable. Benefits and contributions are fixed by contract and may be amended by union negotiation.

##### ***Contributions***

Employees are required to contribute 3.5% - 5.5% of their monthly salary to the PERS depending on their contract. The Town is required to contribute the remaining amounts necessary to fund these benefits.

##### ***Plan Changes***

The latest actuarial valuation reflected no material changes made in the benefit provisions of the plan.

The latest actuarial valuation reflects a change in the investment return assumption from 8.0% to 7.5% as well as a change in the assumed retirement rates to more closely reflect actual plan experience.

**TOWN OF TRUMBULL, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2011**

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**Membership**

Membership in the Plans consisted of the following at July 1, 2010, the date of the last actuarial valuation:

Category	Police Benefit Plan	Town Pension Plan
Retirees and beneficiaries receiving benefits	44	320
Terminated plan members entitled to but not yet receiving benefits	-	69
Active plan members	72	453
	116	842

**Actuarial Assumptions**

Significant actuarial assumptions are as follows:

***Police Benefit Plan:***

Valuation date	July 1, 2010
Actuarial cost method	Projected Unit Credit
Asset valuation method	Adjusted Market Value
Amortization method	Level Dollar, Open
Remaining amortization period	15 Years Open
Actuarial assumptions:	
Investment rate of return	8.00%
Projected salary increases	4.50%
Mortality	1994 Uninsured Pensioners Mortality Table, with rates projected to 2012 (separate rates for males and females).

**TOWN OF TRUMBULL, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2011**

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***Town Pension Plan***

Valuation date	July 1, 2010
Actuarial cost method	Projected Unit Credit
Asset valuation method	Adjusted Market Value
Amortization method	Level Dollar, Open
Remaining amortization period	25 Years Open
Actuarial assumptions	
Investment rate of return	7.50%
Projected salary increases	4.00%
Mortality	1994 Uninsured Pensioner's Mortality Table, with rates projected to 2012 (separate rates for males and females).

***Annual Pension Cost and Net Pension Obligation***

The Town's annual pension cost and net pension obligation to the plan for the year ended June 30, 2011 were as follows:

Category	Police Benefit Plan	Town Employee Pension Plan
Annual required contribution	\$ 3,474,000	\$ 4,472,000
Interest on net pension obligation	1,525,313	2,086,719
Adjustment to annual required contribution	<u>(2,062,571)</u>	<u>(2,321,866)</u>
Annual pension cost	2,936,742	4,236,853
Contributions made	<u>1,350,000</u>	<u>2,325,000</u>
Increase in net pension obligation	<u>1,586,742</u>	<u>1,911,853</u>
<b>Net pension obligation</b>		
Beginning of year	<u>19,066,410</u>	<u>27,822,926</u>
End of year	<u><u>\$ 20,653,152</u></u>	<u><u>\$ 29,734,779</u></u>

**TOWN OF TRUMBULL, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2011**

**Trend Information**

	Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of (APC) Contributed	Net Pension Obligation
<i>Police Benefit Plan</i>				
	6/30/09	\$ 1,868,025	66.9%	\$ 18,396,790
	6/30/10	1,919,620	65.1%	19,066,410
	6/30/11	2,936,742	46.0%	20,653,152
<i>Town Employee Pension Plan</i>				
	6/30/09	\$ 3,706,886	49.2%	\$ 26,032,945
	6/30/10	3,814,981	53.1%	27,822,926
	6/30/11	4,236,853	54.9%	29,734,779

**SCHEDULE OF FUNDING PROGRESS (000's)**

Actuarial Valuation Date	Actuarial Value of Assets (A)	Actuarial Accrued Liability (AAL) (B)	Unfunded AAL (UAAL) (B-A)	Funded Ratio (A/B)	Covered Payroll (C)	Covered Payroll (C)
<i>Police Benefit Plan</i>						
7/1/2010	\$ 33,497,000	\$ 54,456,304	\$ 20,959,304	61.5%	\$ 5,542,000	378.2%
<i>Town Employees Pension Plan</i>						
7/1/2010	\$ 16,807,159	\$ 62,863,043	\$ 46,055,884	26.7%	\$ 18,308,000	251.6%

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

TOWN OF TRUMBULL, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued  
June 30, 2011

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SCHEDULE OF PLAN NET ASSETS  
June 30, 2011

	Police Pension Fund	Town Pension Fund	Retiree Insurance Benefit Trust (OPEB)	Total Trust Funds
<b>ASSETS</b>				
Cash and cash equivalents	\$ 1,793,173	\$ 92,941	\$ 45,668	\$ 1,931,782
Investments	35,479,188	18,852,503	-	54,331,691
Other receivables	178,524	3,575	-	182,099
<b>Total assets</b>	<b>37,450,885</b>	<b>18,949,019</b>	<b>45,668</b>	<b>56,445,572</b>
<b>Net Assets Held in Trust for Pension Benefits</b>	<b>\$ 37,450,885</b>	<b>\$ 18,949,019</b>	<b>\$ 45,668</b>	<b>\$ 56,445,572</b>

**TOWN OF TRUMBULL, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2011**

**SCHEDULE OF CHANGES IN PLAN NET ASSETS**  
**Year Ended June 30, 2011**

	Police Pension Fund	Town Pension Fund	Retired Insurance Benefit Trust (OPEB)	Total Trust Funds
<b>Additions</b>				
Contributions				
Employer	\$ 1,350,000	\$ 2,325,000	\$ 35,000	\$ 3,710,000
Plan members	318,499	760,743	52,970	1,132,212
<b>Total contributions</b>	<b>1,668,499</b>	<b>3,085,743</b>	<b>87,970</b>	<b>4,842,212</b>
Investment Income				
Net appreciation in fair value of investments	4,153,281	3,045,576	-	7,198,857
Interest and dividends	1,045,030	381,572	95	1,426,697
	5,198,311	3,427,148	95	8,625,554
Less investment expenses:				
Investment management fees and other	(110,661)	(28,468)	(154)	(139,283)
<b>Net investment income</b>	<b>5,087,650</b>	<b>3,398,680</b>	<b>(59)</b>	<b>8,486,271</b>
<b>Total additions</b>	<b>6,756,149</b>	<b>6,484,423</b>	<b>87,911</b>	<b>13,328,483</b>
<b>Deductions</b>				
Benefits	1,878,264	3,588,166	124,363	5,590,793
	1,878,264	3,588,166	124,363	5,590,793
<b>Net change in net assets</b>	<b>4,877,885</b>	<b>2,896,257</b>	<b>(36,452)</b>	<b>7,737,690</b>
<b>Net Assets Held in Trust</b>				
Beginning of year	32,573,000	16,052,762	82,120	48,707,882
End of year	\$ 37,450,885	\$ 18,949,019	\$ 45,668	\$ 56,445,572

Connecticut State Teachers' Retirement System

The faculty and professional personnel of the Board of Education participate in a contributory defined benefit plan, established under Chapter 167a of the Connecticut General Statutes, which is administered by the Connecticut State Teachers' Retirement Board. A teacher is eligible to receive normal retirement benefits if he or she has attained age sixty and has accumulated twenty years of credited service in the public schools of Connecticut or has attained any age and has accumulated thirty-five years of credited service, at least twenty-five of which are service in the public schools of Connecticut. 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.

**TOWN OF TRUMBULL, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2011**

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Certain part-time and full-time certified teachers are eligible to participate in the plan and are required to contribute 7.25% of their annual earnings to the plan. The Town does not, and is not legally responsible to, contribute to the plan.

The State of Connecticut contributes based on actuarially determined amounts. The funding level is determined based on an actuarial valuation of the plan as a whole, which does not provide actuarial information on an individual city/town basis.

In addition, the Town has recognized revenues and expenditures for on-behalf payments for pension contributions paid directly to the Connecticut State Teachers' Retirement System by the State of Connecticut. Such on-behalf payments were approximately \$7,419,000 for the year ended June 30, 2011.

**Note 13. Other Postemployment Benefits**

The Town provides post-retirement benefits for certain employees for current and future health and life insurance benefit expenses through a single-employer defined benefit plan. An annual actuarial valuation is made to determine whether the contributions are sufficient to meet the plan obligations. The latest actuarial valuation was made July 1, 2010. The post-retirement plan does not issue standalone financial reports.

From an accrual accounting perspective, the cost of post-employment healthcare benefits, like the cost of pension benefits, generally should be associated with the periods in which the cost occurs, rather than in the future year when it will be paid. In adopting the requirements of GASB Statement No. 45 during the year ended June 30, 2009, the Town recognizes the cost of post-employment healthcare in the year when the employee services are received, reports the accumulated liability from prior years, and provides information useful in assessing potential demands on the Town's future cash flows. Recognition of the liability accumulated from prior years will be phased in over 30 years, commencing with the 2009 liability.

The contribution requirements of plan members and the Town are established and may be amended by the Town. The Town determines the required contribution using the Level percent of pay method.

Membership in the plan consisted of the following at July 1, 2010, the date of the last actuarial valuation.

Retirees and beneficiaries receiving benefits	104
Active plan members	<u>1,039</u>
Total	<u><u>1,143</u></u>

The Town's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation was as follows:

Fiscal Year Ending	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2009	\$ 1,726,843	\$ 464,092	27%	\$ 1,262,751
2010	1,779,068	524,276	29%	2,517,543
2011	1,939,477	510,133	26%	3,946,887

**TOWN OF TRUMBULL, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2011**

OPEB Obligation

Annual required contribution	\$ 1,916,068
Interest on OPEB liability	113,289
Adjustments to the ARC	<u>(89,880)</u>
Annual OPEB Cost	1,939,477
Contributions made	<u>510,133</u>
Increase in net OPEB liability	1,429,344
Net OPEB obligation, beginning of year	<u>2,517,543</u>
Net OPEB obligation, end of year	<u><u>\$ 3,946,887</u></u>

The Town's annual other post-employment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (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 thirty years. The schedule of funding progress is as follows:

(000's)						
Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded Accrued Liability (UAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (C)	UAL as a Percentage of Covered Payroll ((b-a)/c)
07/01/2010	\$ 82,120	\$ 26,148,998	\$ 26,066,878	0.31%	\$ 75,396,441	35%

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 actual results are compared with past expectations and new estimates are made about the future.

Projections of 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 of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

**TOWN OF TRUMBULL, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2011**

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The information presented was determined as part of the actuarial valuation. Additional information as of the last actuarial valuations follows:

Valuation Date:	July 1, 2010
Actuarial Cost Method:	Projected Unit Credit
Asset Valuation Method:	Market Value
Amortization Method:	Level Percent Open
Remaining Amortization Period	30 Years Decreasing
Actuarial Assumptions:	
Investment rate of return	4.5% (5.0% police)
Inflation rate	4.0% (4.5% police)
Health cost trend rates	Annual increases in premium for retired medical and prescription drug benefits are assumed to be as follows:

Age	%/Yr. Increase
Up to 39	0.0%
45-49	3.3%
45-49	3.3%
50-54	3.3%
55-59	3.6%
60-64	4.2%
65-69	3.0%
70-74	2.5%
75-79	2.0%
80-84	1.0%
85-89	0.5%
90+	0.0%

**Note 14. Risk Management**

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets, errors and omissions; injuries to and health of employees; and natural disasters. The Town generally obtains commercial insurance for these risks. The amount of settlements has not exceeded insurance coverage in any of the past three years.

The Town maintains stop loss insurance on workers' compensation and heart and hypertension claims. The Town's maximum exposure for the year ended June 30, 2011 was \$1,000,000 in the aggregate and \$500,000 per incident. The Town and its actuary estimate a liability for both workers' compensation claims payable and for claims incurred but not reported.

The Town does not maintain stop loss coverage with respect to dental or prescription drug claims.

At June 30, 2011, \$2,517,000 has been accrued for self-insurance claims payable and for incurred but not reported claims related to worker compensation and heart and hypertension claims.

**TOWN OF TRUMBULL, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2011**

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Claims and liabilities are estimated based on claims paid for the year. Claim transactions for the last two years for the entire program are as follows:

Fiscal Year Ending	Claims Payable July 1	Current Year Claims and Changes in Estimates	Claims Paid	Claims Payable June 30,
2010	\$ 2,281,378	\$ 1,276,091	\$ 1,060,550	\$ 2,496,919
2011	2,496,919	1,063,872	1,044,140	2,516,651

**Note 15. Governmental Accounting Standards Board (GASB) Statements**

The Town adopted the following statements during the year ended June 30, 2011:

- GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions.*** This Statement is intended to improve the usefulness of information provided to financial report users about fund balances by providing clearer, more structured fund balance classifications, and by clarifying the definitions of existing governmental fund types. Fund balance information is among the most widely and frequently used information in state and local government financial reports. The GASB developed this standard to address the diversity of practice and the resulting lack of consistency that had evolved in fund balance reporting. To reduce confusion, the new standard establishes a hierarchy of fund balance classification based primarily on the extent to which a government is bound to observe spending constraints. As explained in Notes 10 and 11 to the basic financial statements, the Town reclassified the fund balances for governmental funds and restated the General Fund and the Nonmajor Governmental Funds fund balance by \$142,338 as a result of the implementation of this Statement.
- GASB Statement No. 59, *Financial Instruments Omnibus.*** This Statement is intended to update and improve existing standards regarding financial reporting of certain financial instruments and external investment pools. Specifically, this Statement provides financial reporting guidance by emphasizing the applicability of SEC requirements to certain external investment pools, addressing the applicability of GASB 53, Accounting and Financial Reporting for Derivative Instruments, and applying the reporting provisions for interest-earning investment contracts of GASB 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools.

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

## TOWN OF TRUMBULL, CONNECTICUT

### NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2011

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

- **GASB Statement 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans***, was issued in December 2009. The objective of this Statement is to address issues related to the use of the alternative measurement method and the frequency and timing of measurements by employers that participate in agent multiple-employer other postemployment benefit (OPEB) plans (that is, agent employers). This Statement amends Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, to permit certain OPEB plans to use an alternative measurement method. Consistent with this change to the employer-reporting requirements, this Statement also amends a Statement No. 43, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans, requirement that a defined benefit OPEB plan obtain an actuarial valuation. In addition, this Statement clarifies that when actuarially determined OPEB measures are reported by an agent multiple-employer OPEB plan and its participating employers, those measures should be determined as of a common date and at a minimum frequency to satisfy the agent multiple-employer OPEB plan's financial reporting requirements. The provisions of this Statement will be effective for the Town beginning with its year ending June 30, 2012.
- **GASB Statement No. 60, *Accounting and Financial Reporting for Service Concession Arrangements***, issued November 2010, will be effective for the Town beginning with its year ending June 30, 2013. This Statement is intended to improve financial reporting by addressing issues related to service concession arrangements (SCAs), which are a type of public-private or public-public partnership. Specifically, this Statement improves financial reporting by establishing recognition, measurement, and disclosure requirements SCAs for both transferors and governmental operators, requiring governments to account for and report SCAs in the same manner, which improves the comparability of financial statements. This Statement also improves the decision usefulness of financial reporting by requiring that specific relevant disclosures be made by transferors and governmental operators about SCAs.
- **GASB Statement No. 61, *The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34***, issued November 2010, will be effective for the Town beginning with its year ending June 30, 2013. This Statement is intended to improve financial reporting for a governmental financial reporting entity by improving guidance for including, presenting, and disclosing information about component units and equity interest transactions of a financial reporting entity. The amendments to the criteria for including component units allow users of financial statements to better assess the accountability of elected officials by ensuring that the financial reporting entity includes only organizations for which the elected officials are financially accountable or that are determined by the government to be misleading to exclude. The amendments to the criteria for blending also improve the focus of a financial reporting entity on the primary government by ensuring that the primary government includes only those component units that are so intertwined with the primary government that they are essentially the same as the primary government, and by clarifying which component units have that characteristic.

## TOWN OF TRUMBULL, CONNECTICUT

### NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2011

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- **GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements***, issued January 2011, will be effective for the Town beginning with its year ending June 30, 2013. This Statement is intended to enhance the usefulness of the Codification of Governmental Accounting and Financial Reporting Standards by incorporating guidance that previously could only be found in certain FASB and AICPA pronouncements. This Statement incorporates into the GASB's authoritative literature the applicable guidance previously presented in the following pronouncements issued before November 30, 1989: FASB Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins of the AICPA's Committee on Accounting Procedure. By incorporating and maintaining this guidance in a single source, the GASB believes that GASB 62 reduces the complexity of locating and using authoritative literature needed to prepare state and local government financial reports.
- **GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position***, issued July 2011, will be effective for the Town beginning with its year ending June 30, 2013. This Statement is intended to improve financial reporting by providing citizens and other users of state and local government financial reports with information about how past transactions will continue to impact a government's financial statements in the future. This Statement provides a new statement of net position format to report all assets, deferred outflows of resources, liabilities deferred inflows of resources, and net position (which is the net residual amount of the other elements). The Statement requires that deferred outflows of resources and deferred inflows of resources be reported separately from assets and liabilities. This Statement also amends certain provisions of Statement No. 34, Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments, and related pronouncements to reflect the residual measure in the statement of financial position as net position, rather than net assets.
- **GASB Statement No. 64, *Derivative Instruments: Application of Hedge Accounting Termination Provisions*** (an amendment of GASB Statement No. 53), issued July 2011, will be effective for the Town beginning with its year ending June 30, 2012. This Statement clarifies that when certain conditions are met, the use of hedge accounting should not be terminated. Those conditions are: (a) the collectability of swap payments is considered to be probable, (b) the replacement of the counterparty or credit support provider meets the criteria of an assignment or in-substance assignment as described in the Statement, and (c) the counterparty or counterparty credit support provider (and not the government) has committed the act of default or termination event. When all of these conditions exist, the GASB believes that the hedging relationship continues and hedge accounting should continue to be applied.

**Required Supplementary  
Information**



**TOWN OF TRUMBULL, CONNECTICUT**

**REQUIRED SUPPLEMENTARY INFORMATION – PENSION TRUST FUNDS  
June 30, 2011**

**SCHEDULE OF FUNDING PROGRESS**

Actuarial Valuation Date	Actuarial Value of Assets (A)	Actuarial	Unfunded AAL (UAAL) (B-A)	Funded Ratio (A/B)	Covered Payroll (C)	Covered Payroll (C)
		Accrued Liability (AAL) (B)				
<i>Police Benefit Plan</i>						
7/1/2005	N/A	N/A	N/A	N/A %	N/A	N/A %
7/1/2006	29,273,360	40,719,224	11,445,864	71.9 %	4,290,000	266.8 %
7/1/2007	N/A	N/A	N/A	N/A %	N/A	N/A %
7/1/2008	33,154,094	46,416,172	13,262,078	71.4 %	5,176,000	256.2 %
7/1/2009	N/A	N/A	N/A	N/A %	N/A	N/A %
7/1/2010	33,497,000	54,456,304	20,959,304	61.5 %	5,542,000	378.2 %
<i>Town Employees Pension Plan</i>						
7/1/2005	N/A	N/A	N/A	N/A %	N/A	N/A %
7/1/2006	18,292,145	47,655,814	29,363,669	38.4 %	15,307,000	191.8 %
7/1/2007	N/A	N/A	N/A	N/A %	N/A	N/A %
7/1/2008	19,572,031	57,704,539	38,132,508	33.9 %	17,476,000	218.2 %
7/1/2009	N/A	N/A	N/A	N/A %	N/A	N/A %
7/1/2010	16,807,159	62,863,043	46,055,884	26.7 %	18,308,000	251.6 %

**SCHEDULE OF EMPLOYER CONTRIBUTIONS**

Years Ended June 30,	Police Benefit Plan			Town Employee Pension Plan		
	Annual Required Contribution	Percentage Contributed	Amount Contributed	Annual Required Contribution	Percentage Contributed	Amount Contributed
2011	3,474,000	39%	1,350,000	4,472,000	52%	2,325,000
2010	2,438,000	51%	1,250,000	4,035,000	50%	2,025,000
2009	2,369,000	53%	1,250,000	3,911,000	47%	1,825,000
2008	2,091,150	50%	1,050,000	3,425,000	47%	1,625,000
2007	1,008,000	45%	908,375	3,113,000	46%	1,425,000
2006	2,117,040	43%	900,000	2,908,000	46%	1,325,000

**TOWN OF TRUMBULL, CONNECTICUT**

**REQUIRED SUPPLEMENTARY INFORMATION – OPEB  
June 30, 2011**

**SCHEDULE OF FUNDING PROGRESS - OPEB**

Actuarial Valuation Date	Actuarial Valuation of Assets	Actuarial Accrued Liability (AAL) Entry Age	Unfunded/ (Overfunded) AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
07/01/08	\$ 18,674	\$ 23,661,376	\$ 23,642,702	0.08%	\$ 68,878,313	34%
07/01/10	\$ 82,120	\$ 26,148,998	\$ 26,066,878	0.31%	\$ 75,396,441	35%

**SCHEDULE OF EMPLOYER CONTRIBUTIONS - OPEB**

Year Ended June 30,	Annual Required Contribution	Percentage Contributed
2011	\$ 1,916,068	27.0%
2010	1,767,326	30.0%
2009	1,726,843	27.0%

TOWN OF TRUMBULL, CONNECTICUT

REQUIRED SUPPLEMENTARY INFORMATION  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN BUDGETARY  
 FUND BALANCE - BUDGETARY BASIS - BUDGET AND ACTUAL - GENERAL FUND  
 For the Year Ended June 30, 2011

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Property taxes	\$ 125,538,064	\$ 125,538,064	\$ 125,707,246	\$ 169,182
Federal and State governments	5,523,172	5,523,172	5,406,808	(116,364)
Licenses and permits	4,135,000	4,135,000	4,212,629	77,629
Investment income	300,000	300,000	178,657	(121,343)
Other	487,812	487,812	487,812	-
<b>Total revenues</b>	<b>135,984,048</b>	<b>135,984,048</b>	<b>135,993,152</b>	<b>9,104</b>
<b>EXPENDITURES</b>				
Current:				
General government	15,845,879	16,012,672	16,134,053	(121,381)
Public safety	10,153,473	10,176,399	10,085,401	90,998
Public works	7,787,148	7,927,794	7,692,915	234,879
Public health	580,183	586,877	573,318	13,559
Social services	570,548	613,570	587,016	26,554
Libraries	1,520,518	1,568,087	1,538,721	29,366
Recreation and Parks	2,215,759	2,264,770	2,260,954	3,816
Education	86,952,824	86,952,824	86,389,221	563,603
Debt service	10,357,716	10,357,716	9,489,524	868,192
<b>Total expenditures</b>	<b>135,984,048</b>	<b>136,460,709</b>	<b>134,751,123</b>	<b>1,709,586</b>
<b>Revenues over (under) expenditures</b>	<b>\$ -</b>	<b>\$ (476,661)</b>	<b>1,242,029</b>	<b>\$ 1,718,690</b>
<b>BUDGETARY FUND BALANCE</b> , beginning			14,673,053	
Decrease in other reserves			(99,542)	
<b>BUDGETARY FUND BALANCE</b> , ending			<b>\$ 15,815,540</b>	

See Note to Required Supplementary Information.

## TOWN OF TRUMBULL, CONNECTICUT

### NOTE TO REQUIRED SUPPLEMENTARY INFORMATION June 30, 2011

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#### **Note 1. Budgets and Budgetary Accounting**

##### General Fund

The Town's general budget policies are as follows:

- a. Prior to the first Tuesday in April, the Town Council votes to legally adopt the budget recommended by the Board of Finance, as prepared by the First Selectman, for the fiscal year commencing July 1. The budget includes proposed expenditures and anticipated revenues, together with the amount of revenue to be raised by general taxation.
- b. The Board of Finance is authorized to transfer budgeted amounts within departments provided such transfers do not increase a department's total appropriation. A number of such transfers were made during the year. Any one appropriation in excess of \$2,000 (\$10,000 during the course of any fiscal year) must be approved by the Town Council.
- c. Formal budgetary integration is employed on a line item basis as mandated by the Town Charter.
- d. Budgeted amounts shown in the accompanying financial statements are as originally adopted, or as amended by the Board of Finance or Town Council during the course of the year.
- e. Generally, all appropriations lapse at year-end.
- f. 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 reflected in budgetary reports as expenditures of the current year. If an appropriation is not encumbered, it lapses at year-end and may not be used by the department.
- g. Classifications of certain revenues and expenditures under accounting principles generally accepted in the United States of America (GAAP) differ from classifications utilized for budgetary purposes.

**TOWN OF TRUMBULL, CONNECTICUT**

**NOTE TO REQUIRED SUPPLEMENTARY INFORMATION, Continued**  
**June 30, 2011**

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- h. A reconciliation of the revenues, expenditures and fund equity of the General Fund presented in accordance with accounting principles generally accepted in the United States of America (GAAP) with the budgetary basis is as follows:

	Revenues and Other Financing Sources	Expenditures and Other Financing Uses
Budgetary basis	\$ 135,993,152	\$ 134,751,123
State on-behalf payments	7,419,000	7,419,000
Effect of implementation of GASB 54	1,804,213	1,644,383
Encumbrances:		
June 30, 2011	-	(464,249)
June 30, 2010	-	474,675
GAAP basis	<u>\$ 145,216,365</u>	<u>\$ 143,824,932</u>

Special revenue funds

The Town does not have legally adopted annual budgets for the special revenue funds. Budgets for the various special revenue funds which are utilized to account for specific grant programs are established in accordance with the requirements of the grantor agencies.

Capital projects funds

Legal authorization for expenditures of the capital projects funds is provided by the related bond ordinances and/or intergovernmental grant agreements. Capital appropriations do not lapse until completion of the applicable projects.

During the year ended June 30, 2011, the following line items over-expended their appropriations:

	Final Appropriations	Expenditures and Encumbrances	Balance Over-Expended
General Government	<u>\$ 16,012,672</u>	<u>\$ 16,134,053</u>	<u>\$ (121,381)</u>

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**Supplemental and Combining  
Nonmajor Fund Statements and Schedules**



**General Fund**



TOWN OF TRUMBULL, CONNECTICUT

GENERAL FUND SCHEDULE OF ACTUAL REVENUES AND OTHER  
FINANCING SOURCES - BUDGETARY BASIS  
BUDGET AND ACTUAL  
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>Property Taxes</b>				
Current levy	\$ 124,970,164	\$ 124,970,164	\$ 124,998,145	\$ 27,981
Interest and lien fees	550,000	550,000	689,634	139,634
PILOT - St. Joseph's Village	17,900	17,900	19,467	1,567
<b>Total property taxes</b>	<b>125,538,064</b>	<b>125,538,064</b>	<b>125,707,246</b>	<b>169,182</b>
<b>Intergovernmental</b>				
Education equalization grant	2,800,000	2,800,000	2,607,997	(192,003)
School building grants	788,581	788,581	788,583	2
Education grants	600,000	600,000	754,963	154,963
Elderly tax	2,000	2,000	2,000	-
Homeowners tax relief	266,000	266,000	286,884	20,884
Civil defense	10,000	10,000	5,153	(4,847)
Non-public pupils	75,000	75,000	74,638	(362)
Non-public busing	18,984	18,984	24,907	5,923
State property reimbursement	88,764	88,764	89,274	510
Disability exemption	2,000	2,000	2,822	822
Boat registration fee	13,000	13,000	20,258	7,258
Veterans grant	30,000	30,000	29,164	(836)
Telephone access tax	175,000	175,000	111,422	(63,578)
Manufacturing - tax relief	225,000	225,000	163,740	(61,260)
Foxwoods casino fund	43,926	43,926	44,681	755
Other various grants	-	-	37,869	37,869
Voag grant	265,000	265,000	279,498	14,498
Bingo	-	-	101	101
Transportation	119,917	119,917	82,854	(37,063)
<b>Total intergovernmental</b>	<b>5,523,172</b>	<b>5,523,172</b>	<b>5,406,808</b>	<b>(116,364)</b>
<b>Licenses, Permits, Fees and Other</b>				
Town clerk fees	550,000	550,000	659,009	109,009
Planning and zoning	26,000	26,000	29,563	3,563
Police	25,000	25,000	25,205	205

(Continued)

TOWN OF TRUMBULL, CONNECTICUT

GENERAL FUND SCHEDULE OF ACTUAL REVENUES AND OTHER  
 FINANCING SOURCES - BUDGETARY BASIS  
 BUDGET AND ACTUAL, Continued  
 For the Year Ended June 30, 2011

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>Licenses, Permits, Fees and Other, Continued</b>				
Building	450,000	450,000	510,145	60,145
Tuition/rentals - B.O.E.	1,100,000	1,100,000	1,317,586	217,586
Fire marshal	25,000	25,000	54,182	29,182
Disposal area	320,000	320,000	139,063	(180,937)
Counseling center	14,000	14,000	13,017	(983)
Emergency medical services	1,050,000	1,050,000	965,288	(84,712)
Town engineer	20,000	20,000	30,773	10,773
Miscellaneous Revenue	100,000	100,000	144,484	44,484
Cell tower rental	150,000	150,000	149,220	(780)
Use of surplus	150,000	150,000	-	(150,000)
Public Works	140,000	140,000	175,094	35,094
Health District	15,000	15,000	-	(15,000)
<b>Total licenses, permits, fees and other</b>	<b>4,135,000</b>	<b>4,135,000</b>	<b>4,212,629</b>	<b>77,629</b>
<b>Investment income</b>	<b>300,000</b>	<b>300,000</b>	<b>178,657</b>	<b>(121,343)</b>
<b>Transfers in</b>	<b>487,812</b>	<b>487,812</b>	<b>487,812</b>	<b>-</b>
<b>Total revenues and other financing sources</b>	<b>\$ 135,984,048</b>	<b>\$ 135,984,048</b>	<b>\$ 135,993,152</b>	<b>\$ 9,104</b>

TOWN OF TRUMBULL, CONNECTICUT

GENERAL FUND EXPENDITURES AND ENCUMBRANCES - BUDGETARY BASIS -  
BUDGET AND ACTUAL

For the Year Ended June 30, 2011

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>General Government</b>				
Town Council	\$ 78,289	\$ 83,983	\$ 83,983	\$ -
Ethics commission	120	120	-	120
First selectman	246,950	247,999	247,849	150
Probate judge	13,309	13,309	13,309	-
Elections registrar	138,807	138,807	135,309	3,498
Finance Director	507,772	507,772	488,258	19,514
Finance Board	69,832	69,832	68,981	851
Assessor	273,412	284,430	284,085	345
Tax review	1,718	1,718	839	879
Tax Collector	313,936	321,400	318,515	2,885
Purchasing	74,513	76,706	76,445	261
Treasurer	21,124	21,206	21,205	1
Town attorneys	235,000	235,000	235,000	-
Human resources	186,223	188,641	188,447	194
Town Clerk	209,237	218,980	234,112	(15,132)
Planning and zoning	164,902	187,353	186,421	932
Zoning appeals board	6,650	8,319	8,854	(535)
Economic development	97,400	97,400	95,565	1,835
Inland-wetlands commission	9,375	9,375	8,736	639
Custodial services	292,451	305,267	304,844	423
Conservation commission	350	350	268	82
Transit District	44,080	44,084	44,084	-
Town Hall	1,830,281	1,555,197	1,196,987	358,210
Roof snow removal, net	-	-	500,242	(500,242)
Technology	278,712	301,973	300,755	1,218
Pensions and insurance	10,742,515	11,060,074	11,060,678	(604)
Recycling	2,750	2,750	1,560	1,190
Clean energy	-	1,600	1,584	16
Trumbull Nature Center	6,171	8,027	7,952	75
Charter Revision	-	21,000	19,186	1,814
<b>Total general government</b>	<b>15,845,879</b>	<b>16,012,672</b>	<b>16,134,053</b>	<b>(121,381)</b>
<b>Public Safety</b>				
Police	7,287,914	7,299,505	7,289,860	9,645
Emergency medical service	880,969	880,969	827,329	53,640
Fire marshal	239,436	275,702	274,423	1,279
Fire hydrants - water	1,282,920	1,237,999	1,237,999	-
Building official	261,746	281,196	280,047	1,149
Dog warden	111,126	111,126	106,075	5,051
Central emergency dispatch	-	540	540	-
Emergency management	71,362	71,362	69,128	2,234
Special Detail Services	18,000	18,000	-	18,000
<b>Total public safety</b>	<b>10,153,473</b>	<b>10,176,399</b>	<b>10,085,401</b>	<b>90,998</b>

(Continued)

TOWN OF TRUMBULL, CONNECTICUT

GENERAL FUND EXPENDITURES AND ENCUMBRANCES - BUDGETARY BASIS -  
 BUDGET AND ACTUAL, Continued  
 For the Year Ended June 30, 2011

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>Public Works</b>				
Security-Bldg & grounds	120,634	148,645	148,137	508
Public Works Director	153,089	158,526	158,341	185
Public works (highway)	2,957,106	2,967,236	2,957,124	10,112
Street lights	400,000	405,942	405,942	-
Public Works maintenance	900,800	983,472	971,837	11,635
Disposal area	2,069,782	2,069,782	1,887,270	182,512
Town engineer	385,737	394,191	389,683	4,508
Snow removal	550,000	550,000	547,240	2,760
Highway construction	250,000	250,000	227,341	22,659
<b>Total public works</b>	<b>7,787,148</b>	<b>7,927,794</b>	<b>7,692,915</b>	<b>234,879</b>
<b>Public Health</b>				
Board of health	235,572	235,572	235,532	40
Vital statistics	1,000	1,000	502	498
Nursing - seniors	66,987	66,987	55,299	11,688
Non-public schools	276,624	283,318	281,985	1,333
<b>Total public health</b>	<b>580,183</b>	<b>586,877</b>	<b>573,318</b>	<b>13,559</b>
<b>Social Services</b>				
Social services	111,157	111,157	109,567	1,590
Counseling center	204,493	215,527	207,659	7,868
Youth commission	55,430	55,430	50,464	4,966
Senior citizen commission	199,468	231,456	219,326	12,130
<b>Total social services</b>	<b>570,548</b>	<b>613,570</b>	<b>587,016</b>	<b>26,554</b>
<b>Libraries</b>	<b>1,520,518</b>	<b>1,568,087</b>	<b>1,538,721</b>	<b>29,366</b>
<b>Recreation and Parks</b>				
Arts commission	28,414	28,476	28,417	59
Trumbull Day commission	720	720	-	720
Public events	20,000	20,000	17,976	2,024
Recreation and Parks	468,273	475,638	475,319	319
Parks	1,602,827	1,639,767	1,639,093	674
Tree Warden	95,525	100,169	100,149	20
<b>Total recreation and parks</b>	<b>2,215,759</b>	<b>2,264,770</b>	<b>2,260,954</b>	<b>3,816</b>

(Continued)

TOWN OF TRUMBULL, CONNECTICUT

GENERAL FUND EXPENDITURES AND ENCUMBRANCES - BUDGETARY BASIS -  
 BUDGET AND ACTUAL, Continued  
 For the Year Ended June 30, 2011

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>Education</b>				
Education	86,195,691	86,195,691	85,636,069	559,622
Business education initiative	35,352	35,352	33,293	2,059
School nurses	721,781	721,781	719,859	1,922
<b>Total education</b>	<b>86,952,824</b>	<b>86,952,824</b>	<b>86,389,221</b>	<b>563,603</b>
<b>Debt Service</b>				
Principal - bonds and notes	6,718,050	6,718,050	6,581,050	137,000
Interest - bonds	3,639,666	3,639,666	2,908,474	731,192
<b>Total debt service</b>	<b>10,357,716</b>	<b>10,357,716</b>	<b>9,489,524</b>	<b>868,192</b>
<b>Total</b>	<b>\$ 135,984,048</b>	<b>\$ 136,460,709</b>	<b>\$ 134,751,123</b>	<b>\$ 1,709,586</b>

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## **Nonmajor Governmental Funds**



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TOWN OF TRUMBULL, CONNECTICUT

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
June 30, 2011

	Special Revenue Funds				
	Homeland Securities Act	Dog Fund	Youth and Children Services	Trumbull Library	Town Clerk Historical Preservation
<b>ASSETS</b>					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 2,540	\$ -
Due from other funds	1,688	91,605	9,596	-	113,294
Intergovernmental receivables	-	479	14	-	-
Inventories	-	-	-	-	-
<b>Total assets</b>	<b>\$ 1,688</b>	<b>\$ 92,084</b>	<b>\$ 9,610</b>	<b>\$ 2,540</b>	<b>\$ 113,294</b>
<b>LIABILITIES AND FUND BALANCES (DEFICITS)</b>					
<b>LIABILITIES</b>					
Accounts payable	\$ -	\$ 533	\$ 1,319	\$ -	\$ 22,944
Unearned revenue	-	-	-	-	-
Due to other funds	-	-	-	-	-
Advance to other funds	-	-	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>533</b>	<b>1,319</b>	<b>-</b>	<b>22,944</b>
<b>FUND BALANCES (DEFICITS)</b>					
Nonspendable	-	-	-	-	-
Restricted	1,688	91,551	8,291	2,540	90,350
Committed	-	-	-	-	-
Unassigned	-	-	-	-	-
<b>Total fund balances (deficits)</b>	<b>1,688</b>	<b>91,551</b>	<b>8,291</b>	<b>2,540</b>	<b>90,350</b>
<b>Total liabilities and fund balances (deficits)</b>	<b>\$ 1,688</b>	<b>\$ 92,084</b>	<b>\$ 9,610</b>	<b>\$ 2,540</b>	<b>\$ 113,294</b>

Special Revenue Funds						
Millington League Settlement	Education Grants and Other Programs	Police Grants	School Lunch	Social Services	Debt Service Fund	
\$ -	\$ -	\$ -	\$ 517,887	\$ -	\$ -	
-	-	865	-	2,103	498,795	
-	122,210	-	56,009	-	-	
-	-	-	32,928	-	-	
<u>\$ -</u>	<u>\$ 122,210</u>	<u>\$ 865</u>	<u>\$ 606,824</u>	<u>\$ 2,103</u>	<u>\$ 498,795</u>	
\$ -	\$ 36,001	\$ -	\$ 48,290	\$ -	\$ -	
-	-	-	-	-	-	
75,853	86,209	-	-	-	-	
-	-	-	-	-	-	
<u>75,853</u>	<u>122,210</u>	<u>-</u>	<u>48,290</u>	<u>-</u>	<u>-</u>	
-	-	-	32,928	-	-	
-	-	865	525,606	2,103	-	
-	-	-	-	-	498,795	
<u>(75,853)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
<u>(75,853)</u>	<u>-</u>	<u>865</u>	<u>558,534</u>	<u>2,103</u>	<u>498,795</u>	
<u>\$ -</u>	<u>\$ 122,210</u>	<u>\$ 865</u>	<u>\$ 606,824</u>	<u>\$ 2,103</u>	<u>\$ 498,795</u>	

(Continued)

TOWN OF TRUMBULL, CONNECTICUT

COMBINING BALANCE SHEET, Continued  
 NONMAJOR GOVERNMENTAL FUNDS  
 June 30, 2011

	Capital Projects Funds				
	Land Acquisition	LOCIP	Park Improvements	Reserve for Capital and Nonrecurring Expenditures	Resurfacing of Tennis Courts
<b>ASSETS</b>					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other funds	-	-	123,086	63,807	-
Intergovernmental receivables	-	-	-	-	-
Inventories	-	-	-	-	-
<b>Total assets</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 123,086</b>	<b>\$ 63,807</b>	<b>\$ -</b>
<b>LIABILITIES AND FUND BALANCES (DEFICITS)</b>					
<b>LIABILITIES</b>					
Accounts payable	\$ -	\$ 6,031	\$ -	\$ -	\$ -
Unearned revenue	-	-	-	-	-
Due to other funds	-	288,132	-	-	4,670
Advance to other funds	1,694,039	-	-	-	-
<b>Total liabilities</b>	<b>1,694,039</b>	<b>294,163</b>	<b>-</b>	<b>-</b>	<b>4,670</b>
<b>FUND BALANCES (DEFICITS)</b>					
Nonspendable	-	-	-	-	-
Restricted	-	-	-	-	-
Committed	-	-	123,086	63,807	-
Unassigned	(1,694,039)	(294,163)	-	-	(4,670)
<b>Total fund balances (deficits)</b>	<b>(1,694,039)</b>	<b>(294,163)</b>	<b>123,086</b>	<b>63,807</b>	<b>(4,670)</b>
<b>Total liabilities and fund balances (deficits)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 123,086</b>	<b>\$ 63,807</b>	<b>\$ -</b>

Capital Projects Funds					
Daniels Farm Road Bridge	BOE Emergency Projects	BOE Phase II Technology	New Elementary School	THS Renovations	Police Station Improvements
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	344,890	14,843	-	1,177,573	75,476
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ 344,890</u>	<u>\$ 14,843</u>	<u>\$ -</u>	<u>\$ 1,177,573</u>	<u>\$ 75,476</u>

\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
17,571	-	-	425,928	-	-
-	-	-	-	-	-
<u>17,571</u>	<u>-</u>	<u>-</u>	<u>425,928</u>	<u>-</u>	<u>-</u>

-	-	-	-	-	-
-	-	-	-	-	-
-	344,890	14,843	-	1,177,573	75,476
<u>(17,571)</u>	<u>-</u>	<u>-</u>	<u>(425,928)</u>	<u>-</u>	<u>-</u>
<u>(17,571)</u>	<u>344,890</u>	<u>14,843</u>	<u>(425,928)</u>	<u>1,177,573</u>	<u>75,476</u>
<u>\$ -</u>	<u>\$ 344,890</u>	<u>\$ 14,843</u>	<u>\$ -</u>	<u>\$ 1,177,573</u>	<u>\$ 75,476</u>

(Continued)

TOWN OF TRUMBULL, CONNECTICUT

COMBINING BALANCE SHEET, Continued  
 NONMAJOR GOVERNMENTAL FUNDS  
 June 30, 2011

	Capital Projects Funds		
	Pre- Kindergarten School	Tax Assessor CAMA System	BOE 2nd year Phase I Technology
<b>ASSETS</b>			
Cash and cash equivalents	\$ -	\$ -	\$ -
Due from other funds	245,738	39,682	23,771
Intergovernmental receivables	-	-	-
Inventories	-	-	-
<b>Total assets</b>	<b>\$ 245,738</b>	<b>\$ 39,682</b>	<b>\$ 23,771</b>
<b>LIABILITIES AND FUND BALANCES (DEFICITS)</b>			
<b>LIABILITIES</b>			
Accounts payable	\$ -	\$ -	\$ 10,125
Unearned revenue	-	-	-
Due to other funds	-	-	-
Advances to other funds	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>10,125</b>
<b>FUND BALANCES (DEFICITS)</b>			
Nonspendable	-	-	-
Restricted	-	-	-
Committed	245,738	39,682	13,646
Unassigned	-	-	-
<b>Total fund balances (deficits)</b>	<b>245,738</b>	<b>39,682</b>	<b>13,646</b>
<b>Total liabilities and fund balances (deficits)</b>	<b>\$ 245,738</b>	<b>\$ 39,682</b>	<b>\$ 23,771</b>

Capital Projects Funds

Small Cities	BOE Phase II 2nd yr Technology	Technology Town & BOE	Resurfacing of Town Roads	Townwide Park Improvements	Police Funds	Public Works Capital Projects	Rail to Trails
\$ 39	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10,576	170	83,296	28,811	330	-	-	-
-	-	-	-	-	-	42,200	-
-	-	-	-	-	-	-	-
<u>\$ 10,615</u>	<u>\$ 170</u>	<u>\$ 83,296</u>	<u>\$ 28,811</u>	<u>\$ 330</u>	<u>\$ -</u>	<u>\$ 42,200</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,397	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	295,235	192,615
-	-	-	-	-	-	-	-
-	-	-	-	-	-	296,632	192,615
-	-	-	-	-	-	-	-
10,615	-	-	-	-	-	-	-
-	170	83,296	28,811	330	-	-	-
-	-	-	-	-	-	(254,432)	(192,615)
<u>10,615</u>	<u>170</u>	<u>83,296</u>	<u>28,811</u>	<u>330</u>	<u>-</u>	<u>(254,432)</u>	<u>(192,615)</u>
<u>\$ 10,615</u>	<u>\$ 170</u>	<u>\$ 83,296</u>	<u>\$ 28,811</u>	<u>\$ 330</u>	<u>\$ -</u>	<u>\$ 42,200</u>	<u>\$ -</u>

(Continued)

TOWN OF TRUMBULL, CONNECTICUT

COMBINING BALANCE SHEET, Continued  
 NONMAJOR GOVERNMENTAL FUNDS  
 June 30, 2011

	Permanent Fund		Totals
	BOE Scholarships	Cemetery Funds	
<b>ASSETS</b>			
Cash and cash equivalents	\$ 170,963	\$ 25,792	\$ 717,221
Due from other funds	-	1,457	2,951,452
Intergovernmental receivables	109,956	-	330,868
Inventories	-	-	32,928
<b>Total assets</b>	<b>\$ 280,919</b>	<b>\$ 27,249</b>	<b>\$ 4,032,469</b>
<b>LIABILITIES AND FUND BALANCES (DEFICITS)</b>			
<b>LIABILITIES</b>			
Accounts payable	\$ -	\$ -	126,640
Unearned revenue	109,956	-	109,956
Due to other funds	-	-	1,386,213
Advances to other funds	-	-	1,694,039
<b>Total liabilities</b>	<b>109,956</b>	<b>-</b>	<b>3,316,848</b>
<b>FUND BALANCES (DEFICITS)</b>			
Nonspendable	170,963	27,249	231,140
Restricted	-	-	733,609
Committed	-	-	2,710,143
Unassigned	-	-	(2,959,271)
<b>Total fund balances (deficits)</b>	<b>170,963</b>	<b>27,249</b>	<b>715,621</b>
<b>Total liabilities and fund balances (deficits)</b>	<b>\$ 280,919</b>	<b>\$ 27,249</b>	<b>\$ 4,032,469</b>

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TOWN OF TRUMBULL, CONNECTICUT

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICITS)  
 NONMAJOR GOVERNMENTAL FUNDS  
 June 30, 2011

	Special Revenue Funds				
	Homeland Securities Act	Dog Fund	Youth and Children Services	Trumbull Library	Town Clerk Historical Preservation
<b>REVENUES</b>					
Intergovernmental receivables	\$ -	\$ -	\$ 32,985	\$ -	\$ 231,974
Charges for services	-	23,009	-	-	34,264
Other	-	-	-	-	-
Investment income	-	-	-	18	-
<b>Total revenue</b>	<b>-</b>	<b>23,009</b>	<b>32,985</b>	<b>18</b>	<b>266,238</b>
<b>EXPENDITURES</b>					
Education	-	-	-	-	-
General government	-	-	-	-	267,610
Public health	-	-	31,065	-	-
Public safety	-	11,465	-	-	-
Capital outlay	-	-	-	-	-
<b>Total expenditures</b>	<b>-</b>	<b>11,465</b>	<b>31,065</b>	<b>-</b>	<b>267,610</b>
<b>Revenue over (under) expenditures</b>	<b>-</b>	<b>11,544</b>	<b>1,920</b>	<b>18</b>	<b>(1,372)</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
Issuance of refunding bonds	-	-	-	-	-
BAN proceeds	-	-	-	-	-
Bond Premium	-	-	-	-	-
Payment to escrow	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Changes in fund balances (deficits)</b>	<b>-</b>	<b>11,544</b>	<b>1,920</b>	<b>18</b>	<b>(1,372)</b>
<b>FUND BALANCES (DEFICITS), beginning</b>					
	1,688	80,007	6,371	2,522	91,722
<b>FUND BALANCES (DEFICITS), ending</b>					
	\$ 1,688	\$ 91,551	\$ 8,291	\$ 2,540	\$ 90,350

Special Revenue Funds						
Millington League Settlement	Education Grants and Other Programs	Police Grants	School Lunch	Social Services	Debt Service Fund	
\$ -	\$ 3,380,363	\$ -	\$ 252,064	\$ -	\$ -	
-	-	-	2,041,473	-	-	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	3,380,363	-	2,293,537	-	-	
-	3,380,363	-	2,295,733	-	-	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	3,380,363	-	2,295,733	-	-	
-	-	-	(2,196)	-	-	
-	-	-	-	-	5,050,000	
-	-	-	-	-	-	
-	-	-	-	-	244,016	
-	-	-	-	-	(5,294,016)	
-	-	-	-	-	-	
-	-	-	(2,196)	-	-	
(75,853)	-	865	560,730	2,103	498,795	
\$ (75,853)	\$ -	\$ 865	\$ 558,534	\$ 2,103	\$ 498,795	

(Continued)

TOWN OF TRUMBULL, CONNECTICUT

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICITS), Cont'd  
 NONMAJOR GOVERNMENTAL FUNDS  
 June 30, 2011

	Capital Projects Funds				
	Land Acquisition	LOCIP	Park Improvements	Reserve for Capital and Nonrecurring Expenditures	Resurfacing of Tennis Courts
<b>REVENUES</b>					
Intergovernmental receivables	\$ -	\$ 28,462	\$ -	\$ 7,395	\$ -
Charges for services	382,227	-	-	-	-
Other	-	-	-	-	-
Investment income	-	-	-	-	-
<b>Total revenue</b>	<b>382,227</b>	<b>28,462</b>	<b>-</b>	<b>7,395</b>	<b>-</b>
<b>EXPENDITURES</b>					
Education	-	-	-	-	-
General government	-	14,288	-	-	-
Public health	-	-	-	-	-
Public safety	-	-	-	-	-
Capital outlay	-	42,042	2,500	7,395	-
<b>Total expenditures</b>	<b>-</b>	<b>56,330</b>	<b>2,500</b>	<b>7,395</b>	<b>-</b>
<b>Revenue over (under) expenditures</b>	<b>382,227</b>	<b>(27,868)</b>	<b>(2,500)</b>	<b>-</b>	<b>-</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
Issuance of refunding bonds	-	-	-	-	-
BAN proceeds	-	-	-	-	-
Bond Premium	-	-	-	-	-
Payment to escrow	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Changes in fund balances (deficits)</b>	<b>382,227</b>	<b>(27,868)</b>	<b>(2,500)</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES (DEFICITS), beginning</b>	<b>(2,076,266)</b>	<b>(266,295)</b>	<b>125,586</b>	<b>63,807</b>	<b>(4,670)</b>
<b>FUND BALANCES (DEFICITS), ending</b>	<b>\$ (1,694,039)</b>	<b>\$ (294,163)</b>	<b>\$ 123,086</b>	<b>\$ 63,807</b>	<b>\$ (4,670)</b>

Capital Projects Funds

Daniels Farm Road Bridge	BOE Emergency Projects	BOE Phase II Technology	New Elementary School	THS Renovations	Police Station Improvements
\$ -	\$ -	\$ -	\$ -	\$ 401,285	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	401,285	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	9,983	-	-	-	-
-	9,983	-	-	-	-
-	(9,983)	-	-	401,285	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	(9,983)	-	-	401,285	-
(17,571)	354,873	14,843	(425,928)	776,288	75,476
\$ (17,571)	\$ 344,890	\$ 14,843	\$ (425,928)	\$ 1,177,573	\$ 75,476

(Continued)

TOWN OF TRUMBULL, CONNECTICUT

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICITS), Cont'd  
 NONMAJOR GOVERNMENTAL FUNDS  
 June 30, 2011

	Capital Projects Funds		
	Pre- Kindergarten School	Tax Assessor CAMA System	BOE 2nd year Phase I Technology
<b>REVENUES</b>			
Intergovernmental receivables	\$ -	\$ -	\$ -
Charges for services	-	-	-
Other	-	-	-
Investment income	-	-	-
<b>Total revenue</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>EXPENDITURES</b>			
Education	-	-	-
General government	-	-	-
Public health	-	-	-
Public safety	-	-	-
Capital outlay	-	-	-
<b>Total expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Revenue over (under) expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Issuance of refunding bonds	-	-	-
BAN proceeds	-	-	-
Bond Premium	-	-	-
Payment to escrow	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Changes in fund balances (deficits)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES (DEFICITS), beginning</b>	<b>245,738</b>	<b>39,682</b>	<b>13,646</b>
<b>FUND BALANCES (DEFICITS), ending</b>	<b>\$ 245,738</b>	<b>\$ 39,682</b>	<b>\$ 13,646</b>

Capital Projects Funds

Small Cities	BOE Phase II 2nd yr Technology	Technology Town & BOE	Resurfacing of Town Roads	Townwide Park Improvements	Police Funds	Public Works Capital Projects	Rail to Trails
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 679,051	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	1,175	-
-	-	-	-	-	-	680,226	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	1,270,517	17,960
-	-	-	-	-	-	1,270,517	17,960
-	-	-	-	-	-	(590,291)	(17,960)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	310,000	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	310,000	-
-	-	-	-	-	-	(280,291)	(17,960)
10,615	170	83,296	28,811	330	-	25,859	(174,655)
\$ 10,615	\$ 170	\$ 83,296	\$ 28,811	\$ 330	\$ -	\$ (254,432)	\$ (192,615)

(Continued)

TOWN OF TRUMBULL, CONNECTICUT

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICITS), Cont'd  
 NONMAJOR GOVERNMENTAL FUNDS  
 June 30, 2011

	Permanent Fund		Totals
	BOE Scholarships	Cemetery Funds	
<b>REVENUES</b>			
Intergovernmental receivables	-	\$ -	\$ 5,013,579
Charges for services	-	-	2,480,973
Other	24,306	-	25,481
Investment income	560	59	637
<b>Total revenue</b>	<b>24,866</b>	<b>59</b>	<b>7,520,670</b>
<b>EXPENDITURES</b>			
Education	21,971	-	5,698,067
General government	-	-	281,898
Public health	-	-	31,065
Public safety	-	-	11,465
Capital outlay	-	-	1,350,397
<b>Total expenditures</b>	<b>21,971</b>	<b>-</b>	<b>7,372,892</b>
<b>Revenue over (under) expenditures</b>	<b>2,895</b>	<b>59</b>	<b>147,778</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Issuance of refunding bonds	-	-	5,050,000
BAN proceeds	-	-	310,000
Bond Premium	-	-	244,016
Payment to escrow	-	-	(5,294,016)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>310,000</b>
<b>Changes in fund balances (deficits)</b>	<b>2,895</b>	<b>59</b>	<b>457,778</b>
<b>FUND BALANCES (DEFICITS), beginning</b>	<b>168,068</b>	<b>27,190</b>	<b>257,843</b>
<b>FUND BALANCES (DEFICITS), ending</b>	<b>\$ 170,963</b>	<b>\$ 27,249</b>	<b>\$ 715,621</b>

**Internal Service Funds**



TOWN OF TRUMBULL, CONNECTICUT

COMBINING STATEMENT OF NET ASSETS  
INTERNAL SERVICE FUNDS  
June 30, 2011

	Lease Fund	Insurance Reserve	Totals
<b>ASSETS</b>			
Current assets:			
Due from other funds	\$ -	2,516,651	\$ 2,516,651
<b>Total current assets</b>	<b>-</b>	<b>2,516,651</b>	<b>2,516,651</b>
Noncurrent assets:			
Property and equipment, net	2,352,701	-	2,352,701
<b>Total noncurrent assets</b>	<b>2,352,701</b>	<b>-</b>	<b>2,352,701</b>
<b>Total assets</b>	<b>2,352,701</b>	<b>2,516,651</b>	<b>4,869,352</b>
<b>LIABILITIES</b>			
Current liabilities:			
Due to other funds	719,462	-	719,462
Accrued expenses	-	629,163	629,163
<b>Total current liabilities</b>	<b>719,462</b>	<b>629,163</b>	<b>1,348,625</b>
<b>NONCURRENT LIABILITIES</b>			
Accrued expenses	-	1,887,488	1,887,488
<b>Total liabilities</b>	<b>719,462</b>	<b>2,516,651</b>	<b>3,236,113</b>
<b>NET ASSETS</b>			
Investment in capital assets	2,352,701	-	2,352,701
Unrestricted (deficits)	(719,462)	-	(719,462)
<b>Total net assets</b>	<b>\$ 1,633,239</b>	<b>\$ -</b>	<b>\$ 1,633,239</b>

TOWN OF TRUMBULL, CONNECTICUT

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN  
 FUND NET ASSETS - INTERNAL SERVICE FUNDS  
 For the Year Ended June 30, 2011

	Lease Fund	Insurance Reserve	Totals
<b>OPERATING REVENUES</b>			
Charges for services	\$ 445,127	\$ 1,185,613	\$ 1,630,740
<b>Total operating revenues</b>	<b>445,127</b>	<b>1,185,613</b>	<b>1,630,740</b>
<b>OPERATING EXPENSES</b>			
Depreciation	412,479	-	412,479
Program expenses	-	1,205,345	1,205,345
<b>Total operating expenses</b>	<b>412,479</b>	<b>1,205,345</b>	<b>1,617,824</b>
<b>Net income (loss)</b>	<b>32,648</b>	<b>(19,732)</b>	<b>12,916</b>
<b>FUND NET ASSETS, beginning</b>	<b>1,600,591</b>	<b>19,732</b>	<b>1,620,323</b>
<b>FUND NET ASSETS, ending</b>	<b>\$ 1,633,239</b>	<b>\$ -</b>	<b>\$ 1,633,239</b>

TOWN OF TRUMBULL, CONNECTICUT

COMBINING STATEMENT OF CASH FLOWS -  
INTERNAL SERVICE FUNDS

For the Year Ended June 30, 2011

	Lease Fund	Insurance Reserve	Totals
<b>Cash Flows From Operating Activities</b>			
Receipts from customers and users	\$ 445,127	\$ 1,185,613	1,630,740
Payments for benefits	-	(1,185,613)	(1,185,613)
<b>Net cash provided by operating activities</b>	<b>445,127</b>	<b>-</b>	<b>445,127</b>
<b>Cash Flows From Capital and Related Financing Activities</b>			
Disposal of property and equipment	22,034	-	22,034
Purchase of property and equipment	(372,980)	-	(372,980)
<b>Net cash used in capital and related financing activities</b>	<b>(350,946)</b>	<b>-</b>	<b>(350,946)</b>
<b>Cash Flows From Non-Capital and Related Financing Activities</b>			
Advances to other funds	(94,181)	-	(94,181)
<b>Net cash used in non-capital and related financing activities</b>	<b>(94,181)</b>	<b>-</b>	<b>(94,181)</b>
<b>Net increase in cash and cash equivalents</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash and Cash Equivalents</b>			
Beginning	-	-	-
Ending	\$ -	\$ -	\$ -
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities</b>			
Operating income (loss)	\$ 32,648	\$ (19,732)	\$ 12,916
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation	412,479	-	412,479
Changes in assets and liabilities:			
Increase in accounts payable and accrued expenses	-	19,732	19,732
<b>Net cash provided by operating activities</b>	<b>\$ 445,127</b>	<b>\$ -</b>	<b>\$ 445,127</b>

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**Fiduciary Funds**



TOWN OF TRUMBULL, CONNECTICUT

STATEMENT OF NET ASSETS - PRIVATE PURPOSE TRUST FUNDS

June 30, 2011

	Private Purpose Trust Funds			
	Trumbull Library	Special Purpose Contra Account	Special Trust	Total Private Purpose Trust Funds
<b>ASSETS</b>				
Cash and cash equivalents	\$ 82,247	\$ -	\$ 129,603	\$ 211,850
Other receivables	-	1,058	371,425	372,483
Due from other funds	-	512,665	1,435,653	1,948,318
<b>Total assets</b>	<b>82,247</b>	<b>513,723</b>	<b>1,936,681</b>	<b>2,532,651</b>
<b>LIABILITIES</b>				
Accounts payable	-	-	923,698	923,698
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>923,698</b>	<b>923,698</b>
<b>Net Assets Held in Trust</b>	<b>\$ 82,247</b>	<b>\$ 513,723</b>	<b>\$ 1,012,983</b>	<b>\$ 1,608,953</b>

TOWN OF TRUMBULL, CONNECTICUT

STATEMENT OF CHANGES IN NET ASSETS - PRIVATE PURPOSE TRUST FUNDS

For the Year Ended June 30, 2011

	Private Purpose Trust Funds			
	Trumbull Library	Special Purpose Contra Account	Special Trust	Total Private Purpose Trust Funds
<b>Additions</b>				
Interest and dividends	\$ 238	\$ -	\$ 300	\$ 538
Contributions	99,914	231,968	887,695	1,219,577
<b>Total additions</b>	<u>100,152</u>	<u>231,968</u>	<u>887,995</u>	<u>1,220,115</u>
<b>Deductions</b>				
Payments to beneficiaries	85,348	5,204	472,052	562,604
	<u>85,348</u>	<u>5,204</u>	<u>472,052</u>	<u>562,604</u>
<b>Change in net assets</b>	<u>14,804</u>	<u>226,764</u>	<u>415,943</u>	<u>657,511</u>
<b>Net Assets Held in Trust</b>				
Beginning of year	67,443	286,959	597,040	951,442
End of year	<u>\$ 82,247</u>	<u>\$ 513,723</u>	<u>\$ 1,012,983</u>	<u>\$ 1,608,953</u>

TOWN OF TRUMBULL, CONNECTICUT

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -  
AGENCY FUNDS

For the Year Ended June 30, 2011

	Balance July 1, 2010	Additions	Deletions	Balance June 30, 2011
<b>STUDENT ACTIVITY FUNDS</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 317,142	\$ 546,374	\$ (568,518)	\$ 294,998
<b>Liabilities</b>				
Due to students	\$ 317,142	\$ 546,374	\$ (568,518)	\$ 294,998
<b>BOE AGENCY FUNDS</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 61,281	\$ 12,292	\$ (34,159)	\$ 39,414
<b>Liabilities</b>				
Due to others	\$ 61,281	\$ 12,292	\$ (34,159)	\$ 39,414
<b>PERFORMANCE BONDS</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 615,533	\$ 146,731	\$ (12,695)	\$ 749,569
<b>Liabilities</b>				
Due to others	\$ 615,533	\$ 146,731	\$ (12,695)	\$ 749,569
<b>TOTAL</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 993,956	\$ 705,397	\$ (615,372)	\$ 1,083,981
<b>Liabilities</b>				
Due to students	\$ 317,142	\$ 546,374	\$ (568,518)	\$ 294,998
Due to others	676,814	159,023	(46,854)	788,983
	\$ 993,956	\$ 705,397	\$ (615,372)	\$ 1,083,981

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**Other Schedules**



TOWN OF TRUMBULL, CONNECTICUT

BALANCE SHEET - BY ACCOUNT - GENERAL FUND

June 30, 2011

	General Fund	Special Fund Revenue BOE Programs	Trumbull Day	Eliminate Interfund Receivables	Totals
<b>ASSETS</b>					
Cash	\$ 25,837,250	\$ 272,416	\$ -	\$ -	\$ 26,109,666
Investments	7,011,771	-	-	-	7,011,771
Intergovernmental receivables	3,285,023	-	-	-	3,285,023
Property taxes	3,117,361	-	-	-	3,117,361
Accounts receivable	369,619	122,365	-	-	491,984
Advances to other funds	1,694,039	-	-	-	1,694,039
Due from other funds	-	12,449	12,561	(25,010)	-
<b>Total assets</b>	<b>\$ 41,315,063</b>	<b>\$ 407,230</b>	<b>\$ 12,561</b>	<b>\$ (25,010)</b>	<b>\$ 41,709,844</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Accounts payable	\$ 2,034,022	\$ 1,743	\$ -	\$ -	\$ 2,035,765
Due to other funds	14,723,048	-	-	(25,010)	14,698,038
Unearned revenue	723,257	115,880	-	-	839,137
Deferred revenue	5,860,909	-	-	-	5,860,909
<b>Total liabilities</b>	<b>23,341,236</b>	<b>117,623</b>	<b>-</b>	<b>(25,010)</b>	<b>23,433,849</b>
<b>FUND BALANCES</b>					
Nonspendable	1,694,039	-	-	-	1,694,039
Assigned	464,248	289,607	12,561	-	766,416
Unassigned	15,815,540	-	-	-	15,815,540
<b>Total fund balances</b>	<b>17,973,827</b>	<b>289,607</b>	<b>12,561</b>	<b>-</b>	<b>18,275,995</b>
<b>Total liabilities and fund balances</b>	<b>\$ 41,315,063</b>	<b>\$ 407,230</b>	<b>\$ 12,561</b>	<b>\$ (25,010)</b>	<b>\$ 41,709,844</b>

TOWN OF TRUMBULL, CONNECTICUT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BY ACCOUNT -  
GENERAL FUND

For the Year Ended June 30, 2011

	General Fund	Special Fund Revenue BOE Programs	Trumbull Day	Totals
<b>REVENUES</b>				
Property taxes	\$ 125,707,246	\$ -	\$ -	125,707,246
Intergovernmental	5,406,808	-	-	5,406,808
State on behalf payments	7,419,000	-	-	7,419,000
Charges for services	4,212,629	1,804,213	-	6,016,842
Interest income	178,657	-	-	178,657
<b>Total revenues</b>	<b>142,924,340</b>	<b>1,804,213</b>	<b>-</b>	<b>144,728,553</b>
<b>EXPENDITURES</b>				
Current:				
Culture and recreation	2,239,846	-	-	2,239,846
Public works	7,478,672	-	-	7,478,672
Education	86,899,460	1,644,383	-	88,543,843
State on behalf payments	7,419,000	-	-	7,419,000
General government	16,096,430	-	-	16,096,430
Public safety	9,845,935	-	-	9,845,935
Libraries	1,523,322	-	-	1,523,322
Public health	291,333	-	-	291,333
Social services	551,701	-	-	551,701
Capital outlay	344,326	-	-	344,326
Debt service				
Principal	5,855,400	-	-	5,855,400
Interest	2,237,474	-	-	2,237,474
<b>Total expenditures</b>	<b>140,782,899</b>	<b>1,644,383</b>	<b>-</b>	<b>142,427,282</b>
<b>Revenues over expenditures</b>	<b>2,141,441</b>	<b>159,830</b>	<b>-</b>	<b>2,301,271</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	487,812	-	-	487,812
Transfers (out)	(1,397,650)	-	-	(1,397,650)
<b>Total other financing sources (uses)</b>	<b>(909,838)</b>	<b>-</b>	<b>-</b>	<b>(909,838)</b>
<b>Change in fund balances</b>	<b>1,231,603</b>	<b>159,830</b>	<b>-</b>	<b>1,391,433</b>
<b>FUND BALANCES, beginning</b>	<b>16,742,224</b>	<b>129,777</b>	<b>12,561</b>	<b>16,884,562</b>
<b>FUND BALANCES, ending</b>	<b>\$ 17,973,827</b>	<b>\$ 289,607</b>	<b>\$ 12,561</b>	<b>\$ 18,275,995</b>

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TOWN OF TRUMBULL, CONNECTICUT

SCHEDULE OF PROPERTY TAXES LEVIED, COLLECTED AND OUTSTANDING  
GENERAL FUND

For the Year Ended June 30, 2011

Grand List Year	Balance		Current Levy	Lawful Corrections		Transfers to Suspense
	Uncollected July 1, 2010			Additions	Deletions	
2009	\$ -	\$ 124,559,988	\$ 547,663	\$ (208,539)	\$ -	
2008	1,718,175	-	59,433	(40,550)	-	
2007	690,060	-	127,123	(6,273)	154,948	
2006	158,225	-	-	(4,954)	-	
2005	77,030	-	-	(3,624)	-	
2004	26,313	-	-	(183)	-	
2003	20,083	-	-	-	-	
2002	103,285	-	-	-	-	
2001	24,562	-	-	-	-	
2000	73,851	-	-	-	-	
1999	43,781	-	-	-	-	
1998	101,349	-	-	-	-	
1997	37,417	-	-	-	-	
1996	37,020	-	-	-	-	
1995	15,916	-	-	-	-	
1994	41,199	-	-	-	-	
	<u>\$ 3,168,266</u>	<u>\$ 124,559,988</u>	<u>\$ 734,219</u>	<u>\$ (264,123)</u>	<u>\$ 154,948</u>	

Refund Balance	Balance to be Collected	Collections				Total	Balance Uncollected June 30, 2011
		Taxes	Interest	Lien Fees			
\$ -	\$ 124,899,112	\$ 123,244,683	\$ 249,514	\$ 6,575	\$ 123,500,772	\$ 1,654,429	
(39,464)	1,697,594	1,098,199	178,103	7,436	1,283,738	599,395	
(36,277)	619,685	339,839	85,948	1,117	426,904	279,846	
(2,806)	150,465	39,193	22,147	4,803	66,143	111,272	
(5,840)	67,566	21,795	8,391	120	30,306	45,771	
(6,053)	20,077	1,975	406	672	3,053	18,102	
(8,079)	12,004	-	-	-	-	12,004	
(19,826)	83,459	-	133	-	133	83,459	
(16,116)	8,446	277	430	24	731	8,169	
(62,421)	11,430	262	444	24	730	11,168	
(30,555)	13,226	243	450	24	717	12,983	
(88,966)	12,383	228	458	24	710	12,155	
(25,048)	12,369	228	378	24	630	12,141	
(25,318)	11,702	-	-	-	-	11,702	
(4,215)	11,701	-	-	-	-	11,701	
-	41,199	-	-	-	-	41,199	
<u>\$ (370,984)</u>	<u>\$ 127,672,418</u>	<u>\$ 124,746,922</u>	<u>\$ 546,802</u>	<u>\$ 20,843</u>	<u>\$ 125,314,567</u>	<u>\$ 2,925,496</u>	

TOWN OF TRUMBULL, CONNECTICUT

STATEMENT OF NET ASSETS - BY ACCOUNT - WPCA - PROPRIETARY FUNDS

June 30, 2011

	Business-Type Activities - Enterprise Funds		
	WPCA	WPCA	Total
	Operations #20	Construction #59	
<b>ASSETS</b>			
Current assets:			
Receivables:			
Due from other funds	\$ 2,988,812	\$ 4,832,522	\$ 7,821,334
User charges, net	679,937	-	679,937
Deferred charges	-	55,582	55,582
<b>Total current assets</b>	<b>3,668,749</b>	<b>4,888,104</b>	<b>8,556,853</b>
Noncurrent assets:			
Special assessments, net	-	30,611,179	30,611,179
Capital assets (net of accumulated depreciation)	-	85,503,538	85,503,538
<b>Total noncurrent assets</b>	<b>-</b>	<b>116,114,717</b>	<b>116,114,717</b>
<b>Total assets</b>	<b>3,668,749</b>	<b>121,002,821</b>	<b>124,671,570</b>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	121,024	1,197,299	1,318,323
Accrued payroll/benefits	56,528	-	56,528
Bonds payable	-	3,444,920	3,444,920
<b>Total current liabilities</b>	<b>177,552</b>	<b>4,642,219</b>	<b>4,819,771</b>
Noncurrent liabilities:			
Bonds payable	-	60,627,420	60,627,420
<b>Total noncurrent liabilities</b>	<b>-</b>	<b>60,627,420</b>	<b>60,627,420</b>
<b>Total liabilities</b>	<b>177,552</b>	<b>65,269,639</b>	<b>65,447,191</b>
<b>NET ASSETS</b>			
Invested in capital assets (net of related debt)	-	21,431,198	21,431,198
Unrestricted	3,491,197	34,301,984	37,793,181
<b>Total net assets</b>	<b>\$ 3,491,197</b>	<b>\$ 55,733,182</b>	<b>\$ 59,224,379</b>

TOWN OF TRUMBULL, CONNECTICUT

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS - BY ACCOUNT - WPCA -  
 PROPRIETARY FUNDS

For the Year Ended June 30, 2011

	Business-Type Activities - Enterprise Funds		
	WPCA	WPCA	Total
	Operations #20	Construction #59	
<b>OPERATING REVENUES</b>			
User charges	\$ 5,854,570	\$ -	\$ 5,854,570
<b>Total operating revenues</b>	<u>5,854,570</u>	<u>-</u>	<u>5,854,570</u>
<b>OPERATING EXPENSES</b>			
Operations and maintenance	4,597,928	79,254	4,677,182
Depreciation	-	1,767,529	1,767,529
<b>Total operating expenses</b>	<u>4,597,928</u>	<u>1,846,783</u>	<u>6,444,711</u>
<b>Operating income (loss)</b>	<u>1,256,642</u>	<u>(1,846,783)</u>	<u>(590,141)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Interest expense	-	(2,092,847)	(2,092,847)
Interest income	-	1,528,735	1,528,735
<b>Total nonoperating revenues (expenses)</b>	<u>-</u>	<u>(564,112)</u>	<u>(564,112)</u>
<b>Net income before transfers and other income</b>	<u>1,256,642</u>	<u>(2,410,895)</u>	<u>(1,154,253)</u>
<b>TRANSFERS AND CONTRIBUTIONS</b>			
Special assessments and other	6,651	15,421,956	15,428,607
Transfer in	-	1,397,650	1,397,650
Transfer out	(310,522)	-	(310,522)
<b>Total transfers and contributions</b>	<u>(303,871)</u>	<u>16,819,606</u>	<u>16,515,735</u>
<b>Change in net assets</b>	<u>952,771</u>	<u>14,408,711</u>	<u>15,361,482</u>
<b>NET ASSETS, beginning</b>	<u>2,538,426</u>	<u>41,324,471</u>	<u>43,862,897</u>
<b>NET ASSETS, ending</b>	<u>\$ 3,491,197</u>	<u>\$ 55,733,182</u>	<u>\$ 59,224,379</u>

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