

TOWN OF TRUMBULL, CONNECTICUT
FINANCIAL STATEMENTS

JUNE 30, 2013

TOWN OF TRUMBULL, CONNECTICUT

ANNUAL FINANCIAL REPORT

TABLE OF CONTENTS

Independent Auditors' Report	1-3
Management's Discussion and Analysis	4-11

Exhibit

Basic Financial Statements

Government-wide Financial Statements

I	Statement of Net Position	12
II	Statement of Activities	13

Fund Financial Statements

Governmental Funds:

III	Balance Sheet	14-15
IV	Statement of Revenues, Expenditures and Changes in Fund Balances	16-17

Proprietary Funds:

V	Statement of Net Position	18
VI	Statement of Revenues, Expenses and Changes in Fund Net Position	19
VII	Statement of Cash Flows	20

Fiduciary Funds:

VIII	Statement of Fiduciary Net Position	21
IX	Statement of Changes in Net Position	22

	Notes to Financial Statements	23-48
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Required Supplementary Information

RSI-1	Schedule of Revenues and Other Financing Sources - Budget and Actual (Non-GAAP Budgetary Basis) - General Fund	49-50
RSI-2	Schedule of Expenditures - Budget and Actual (Non-GAAP Budgetary Basis) - General Fund	51-53

Supplemental, Combining and Individual Fund Statements and Schedules

<u>General Fund</u>		
A-1	Combining Balance Sheet	54
A-2	Report of Tax Collector	55
<u>Proprietary Funds</u>		
B-1	Combining Statement of Net Position by Project - WPCA Fund	56
B-2	Combining Statement of Revenues, Expenses and Changes in Fund Net Position by Project - WPCA Fund	57
<u>Nonmajor Governmental Funds</u>		
C-1	Combining Balance Sheet	58-61
C-2	Combining Statement of Revenues, Expenditures and Changes in Fund Balances	62-65
<u>Internal Service Funds</u>		
D-1	Combining Statement of Net Position	66
D-2	Combining Statement of Revenues, Expenses and Changes in Fund Net Position	67
D-3	Combining Statement of Cash Flows	68
<u>Agency Funds</u>		
E-1	Combining Balance Sheet	69
E-2	Combining Statement of Changes in Assets and Liabilities	70
<u>Private Purpose Trust Funds</u>		
F-1	Combining Statement of Net Position	71
F-2	Combining Statement of Revenues, Expenses and Changes in Net Position	72
<u>Schedule 1</u>		
	Schedule of Debt Limitation	73

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Independent Auditors' Report

To the Town Council
Town of Trumbull, Connecticut

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 11 and the budgetary comparison information on pages 49 through 53 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 14, 2013 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Trumbull, Connecticut's internal control over financial reporting and compliance.

Blum, Shapiro & Company, P.C.

West Hartford, Connecticut
December 14, 2013

**TOWN OF TRUMBULL, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2013
(In thousands)**

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 12).

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 \$146.4 million. Total net position for Governmental Activities at fiscal year-end was \$83.0 million and total net position for Business-Type Activities were \$63.3 million.
- On a government-wide basis, during the year, the Town's net position increased by \$14.8 million. Net position increased by \$15.2 million for Governmental Activities and decreased by \$.4 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, a combined ending fund balance \$18.3 million, which are an increase of \$14.8 million from the prior fiscal year due to \$15.9 in permanent bonding within the BOE capital projects.
- At the end of the current fiscal year, the total fund balance for the general fund alone was \$20.8 million, and an increase of \$.8 million from the prior fiscal year. Of the total fund balance in the general fund as of June 30, 2013, \$17.2 million represents unassigned balance, which is available for spending at the government's discretion. Unassigned fund balance in the general fund at year-end represents 10.8% of total general fund expenditures of \$160 million.
- The Town of Trumbull's total debt increased by \$11.3 million during the current fiscal year. The key factors in the increase were the issuance of \$21.4 million in new bonds and an increase of \$1.1 million and \$.8 million of net pension obligation and net OPEB obligation, respectively.

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

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

Both of the government-wide financial statements distinguish functions of the Town 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 position and statement of activities) can be found on pages 12 and 13 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 changes 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 government-wide financial statements, there are often significant differences between the totals presented in these financial statements. For this reason, there is an analysis included with the balance sheet that reconciles the total fund balance to the amount of net position presented in the governmental activities column on the statement of net position. Also, there is an analysis included with the statement of revenues, expenditures, and changes in fund balances that reconciles the total change in fund balances for all governmental funds to the change in net position 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 14-17 of this report.

Proprietary funds. Proprietary fund financial statements consist of a statement of net position, statement of revenues, expenses and changes in fund net position 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 proprietary fund financial statements can be found on pages 18-20 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to 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 21 and 22 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 23 through 48 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 General Fund budgetary comparison. This information can be found on pages 49 through 53 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 12 and 13).

TABLE 1
NET POSITION
(In Thousands)

	Governmental		Business-Type		Total	
	Activities		Activities			
	2013	2012	2013	2012	2013	2012
Current and other assets	\$ 51,145	\$ 44,337	\$ 39,175	\$ 41,989	\$ 90,320	\$ 86,326
Capital assets, net of depreciation	220,253	208,974	98,431	95,214	318,684	304,188
Total assets	<u>271,398</u>	<u>253,311</u>	<u>137,607</u>	<u>137,203</u>	<u>409,005</u>	<u>390,514</u>
Current liabilities	35,833	35,440	9,611	6,271	45,444	41,710
Noncurrent liabilities	152,528	152,001	64,685	67,257	217,213	219,258
Total liabilities	<u>188,361</u>	<u>187,441</u>	<u>74,295</u>	<u>73,528</u>	<u>262,656</u>	<u>260,969</u>
Net Position:						
Net investment in capital assets	114,472	108,474	24,857	22,564	139,329	131,038
Restricted	227	194			227	194
Unrestricted	<u>(31,662)</u>	<u>(42,799)</u>	<u>38,454</u>	<u>41,111</u>	<u>6,792</u>	<u>(1,688)</u>
Total Net Position	<u>\$ 83,037</u>	<u>\$ 65,870</u>	<u>\$ 63,311</u>	<u>\$ 63,675</u>	<u>\$ 146,348</u>	<u>\$ 129,545</u>

By far the largest portion of the Town of Trumbull's net position 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 net 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.

TABLE 2
CHANGES IN NET POSITION
(In Thousands)

	<u>Governmental</u> <u>Activities</u>		<u>Business-Type</u> <u>Activities</u>		<u>Total</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Revenues:						
Program revenues:						
Charges for services	\$ 10,160	\$ 8,255	\$ 8,327	\$ 8,276	\$ 18,486	\$ 16,531
Operating grants and contributions	16,717	15,424	11		16,729	15,424
Capital grants and contributions	16,402	5,152			16,402	5,152
General revenues:						
Property taxes	135,370	130,865			135,370	130,865
Grants and contributions not restricted to specific purposes	943	1,007	1,537	1,424	2,479	2,431
Unrestricted investment earnings	120	268	1,299	1,451	1,419	1,719
Other general revenues	71	316	16	421	87	736
Total revenues	<u>179,783</u>	<u>161,287</u>	<u>11,189</u>	<u>11,572</u>	<u>190,973</u>	<u>172,859</u>
Program expenses:						
General government	22,259	19,933			22,259	19,933
Public safety	12,797	12,358			12,797	12,358
Public works	10,125	8,820			10,125	8,820
Health and welfare	770	678			770	678
Libraries	1,885	1,672			1,885	1,672
Social services	632	420			632	420
Parks and recreation	2,744	2,679			2,744	2,679
Education	109,195	107,817			109,195	107,817
Interest on long-term debt	4,909	5,110			4,909	5,110
WPCA			9,190	8,745	9,190	8,745
Golf Course			1,667	1,627	1,667	1,627
Total program expenses	<u>165,317</u>	<u>159,487</u>	<u>10,857</u>	<u>10,372</u>	<u>176,174</u>	<u>169,860</u>
Excess before transfers	14,466	1,800	332	1,199	14,798	2,999
Transfers	696	771	(696)	(771)	-	-
Increase (Decrease) in Net Position	<u>\$ 15,162</u>	<u>\$ 2,570</u>	<u>\$ (364)</u>	<u>\$ 429</u>	<u>\$ 14,798</u>	<u>\$ 2,999</u>

Trumbull's net position increased by \$14.8 million during the fiscal year, with net position of Governmental Activities increasing by \$15.2 million and net position of Business-Type Activities decreasing by \$.4 million.

Key elements of this increase are as follows:

- The Town's tax revenue increased \$4.5 million during the current fiscal year as a result of the increase in the mill rate and a 1% grand list growth.
- Capital grants and contributions increased by \$11.3 million of which \$12.4 million was for progress payments from the State on the Trumbull High School renovations and \$1.9 million on the Town's various Capital improvement projects
- These factors more than offset the increase in the following expenses:
 1. Increase in the Town's pension contributions to bring it to this year's ARC.
 2. Education Costs increased due to an overall increase in the operating budget.
 3. Increase in workers compensation due to ongoing open cases and final settlements.

The Business-Type Activities revenues decrease of \$.4 million was a result of additional expenses as it relates to the construction of the sewer system.

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

As of the end of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$18.3 million. Of this amount the Town has an unassigned fund balance of \$8.4 million. The remaining \$9.6 million of fund balance is restricted to indicate amounts that are not available for new spending because it has already been committed to liquidate contracts, purchase orders of the prior period and Board of Education reserve.

General Fund. At the end of the current fiscal year, unassigned fund balance of the general fund was \$17.2 million. Unassigned fund balance of the general fund represents 10.7% of total general fund expenditures.

Water Pollution Control Authority. The Water Pollution Control Authority (WPCA) had an unrestricted net position balance at June 30, 2013 of \$37.7 million and net investment in capital assets of \$22.4 million.

Golf Course. The Tashua Knolls Golf Course had an unrestricted net position balance at June 30, 2013 of \$.8 million and net investment in capital assets of \$2.5 million.

GENERAL FUND BUDGETARY HIGHLIGHTS (NOT ROUNDED)

The difference between the original budget and the final amended budget for expenditures was \$.5 million and the major contributing factors can be summarized as follows:

- There was a supplemental appropriation for \$222,000 to cover Police overtime due to various public safety issues, such as the Sandy Hook Elementary School tragedy and various storms.
- There was a supplemental appropriation for \$24,000 for the snow removal due to the various storms.
- There was a supplemental appropriation for \$61,000 for the disposal area due to storm related debris removal.
- There was a supplemental appropriation for \$60,000 for the annual concert.
- There were supplemental appropriations to EMS for a total of \$50,000 of which \$22,000 was to hire a consultant to review the EMS operations and \$28,000 to hire an EMS Director based on the consultant's recommendations.

However, the final budget to actual expenditure variance was favorable by \$.7 million. The major reasons for the net variance are as follows:

- Public Works had a surplus of \$107,000 due to vacancies in the department.
- Fleet Maintenance had a surplus of \$164,000 due to savings in fuel and due to reimbursement from FEMA for expenses related to storms.
- Town Hall had a surplus of \$253,000 of which \$196,000 was due to favorable negotiations of the MATHAS union contract which settled the first year for a one-time bonus instead of a normal increase and no increase for the first year of the Public Works/Parks union contract.
- EMS had a surplus of \$59,000 due to unused EMT consultants.
- Parks has a surplus of \$32,000 due to vacancies in the department.
- Senior Citizens has a surplus of \$33,000 due to a reduction in electricity due to the implementation of energy efficient measures.

The difference between the final revenue budget and actual revenues resulted in a net surplus of \$.7 million. The major reasons for the favorable variance are as follows:

- The state grants were \$278,000 over budget was mainly due to the increase of Education grants in the amount of \$202,000, VOAG grant in the amount of \$18,000 and an increase in FEMA reimbursement for storms in the amount of \$71,000.
- Licenses, permits and fees were over budget by \$252,000 due to an increase in the Town Clerk’s revenue of \$108,000 due to more refinancing as a result of lower interest rates and liens filed and at one time Energy Efficiency revenue of \$150,000
- These surpluses more than offset the deficits in the other revenue accounts.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

As of year-end, the Town had \$319 million (net of accumulated depreciation) invested in a variety of capital assets, as reflected in the following schedule:

**TABLE 3
CAPITAL ASSETS
(In Thousands)**

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Land	\$ 39,153	\$ 38,823	\$ 1,962	\$ 1,962	\$ 41,115	\$ 40,785
Land improvements	4,201	4,434	2,746	2,830	6,946	7,264
Buildings and improvements	83,898	87,381	1,249	1,302	85,148	88,683
Machinery and equipment	3,142	2,957	368	388	3,510	3,345
Infrastructure	21,770	21,865	62,981	64,699	84,751	86,564
Vehicles	3,796	3,132		1	3,796	3,133
Construction in progress	64,293	50,382	29,126	24,031	93,418	74,413
Total	\$ 220,253	\$ 208,974	\$ 98,431	\$ 95,214	\$ 318,684	\$ 304,188

Additional information on the Town’s capital assets can be found on pages 33 through 34 of this report.

Long-term Debt. At the end of the current fiscal year, the Town of Trumbull had total bonded debt outstanding of \$159.4 million. One hundred percent (100%) of this debt is backed by the full faith and credit of the Town government.

**TABLE 4
LONG-TERM DEBT
(In Thousands)**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
General obligation bonds	\$ 92,287	\$ 83,069	\$ 67,133	\$ 65,696	\$ 159,420	\$ 148,765

The Town of Trumbull’s total debt increased by \$11 million or 7.4% during the 2012-13 fiscal year.

The Town of Trumbull maintains an Aa2 rating from Moody’s Investors Service, AA/Stable by Standard & 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 \$943.0 million, 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 35 through 38 of this report.

Relevant Current Economic Factors, Decisions, and Conditions

The unemployment rate for the Town is currently 6.1%, which compares favorably to the State’s average unemployment rate of 7.5% and the Bridgeport Labor Market of 8.2%.

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

TOWN OF TRUMBULL, CONNECTICUT

STATEMENT OF NET POSITION

JUNE 30, 2013

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets:			
Cash and cash equivalents	\$ 38,183,868	\$	\$ 38,183,868
Investments	9,934,030		9,934,030
Receivables, net	14,242,573	27,284,879	41,527,452
Internal balances	(11,859,713)	11,859,713	-
Inventories	27,313		27,313
Other assets		30,582	30,582
Deferred charges	617,102		617,102
Capital assets:			
Assets not being depreciated	103,445,167	31,087,535	134,532,702
Assets being depreciated, net	116,807,900	67,343,852	184,151,752
Total assets	<u>271,398,240</u>	<u>137,606,561</u>	<u>409,004,801</u>
Liabilities:			
Accounts and other payables	6,830,056	597,514	7,427,570
Accrued liabilities	2,153,197	19,249	2,172,446
Due to fiduciary funds	1,125,995		1,125,995
Bond anticipation notes	12,426,000	5,000,000	17,426,000
Unearned revenue	3,933,841		3,933,841
Noncurrent liabilities:			
Due within one year	9,363,973	3,993,796	13,357,769
Due in more than one year	152,527,890	64,684,938	217,212,828
Total liabilities	<u>188,360,952</u>	<u>74,295,497</u>	<u>262,656,449</u>
Net Position:			
Net investment in capital assets	114,471,816	24,857,157	139,328,973
Restricted for:			
Trust purposes:			
Nonexpendable	227,072		227,072
Unrestricted	(31,661,600)	38,453,907	6,792,307
Total Net Position	<u>\$ 83,037,288</u>	<u>\$ 63,311,064</u>	<u>\$ 146,348,352</u>

The accompanying notes are an integral part of the financial statements

TOWN OF TRUMBULL, CONNECTICUT

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2013

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue And Changes In Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-Type Activities	Total
Governmental activities:							
General government	\$ 22,259,496	\$ 1,411,226	\$ 320,052	\$ (20,528,218)		\$ (20,528,218)	
Public safety	12,796,876	3,089,661		(9,707,215)		(9,707,215)	
Public works	10,125,359	370,603	1,088,347	(6,752,237)		(6,752,237)	
Public health	769,668		72,811	(696,857)		(696,857)	
Libraries	1,884,713			(1,884,713)		(1,884,713)	
Social services	632,459			(632,459)		(632,459)	
Parks and recreation	2,743,732	171,683		(2,572,049)		(2,572,049)	
Education	109,195,427	5,116,340	15,236,268	(74,438,415)		(74,438,415)	
Interest on long-term debt	4,909,186			(4,826,087)		(4,826,087)	
Total governmental activities	<u>165,316,916</u>	<u>10,159,513</u>	<u>16,717,478</u>	<u>(122,038,250)</u>		<u>(122,038,250)</u>	
Business-type activities:							
WPCA	9,190,014	6,399,630	11,375		(2,779,009)	(2,779,009)	
Golf course	1,667,313	1,927,123			259,810	259,810	
Total business-type activities	<u>10,857,327</u>	<u>8,326,753</u>	<u>11,375</u>	<u>-</u>	<u>(2,519,199)</u>	<u>(2,519,199)</u>	
Total primary governmental activities	<u>\$ 176,174,243</u>	<u>\$ 18,486,266</u>	<u>\$ 16,728,853</u>	<u>\$ 16,401,675</u>	<u>(122,038,250)</u>	<u>(2,519,199)</u>	<u>(124,557,449)</u>
General revenues:							
Property taxes					135,370,387	135,370,387	
Grants and contributions not restricted to specific programs					942,705	2,479,324	
Unrestricted investment earnings					120,189	1,418,890	
Miscellaneous					71,194	71,194	
Sewer assessments						15,934	
Transfers					696,267	(696,267)	
Total general revenues and transfers					<u>137,200,742</u>	<u>2,154,987</u>	<u>139,355,729</u>
Change in net position					15,162,492	(364,212)	14,798,280
Net Position at Beginning of Year, as Restated					<u>67,874,796</u>	<u>63,675,276</u>	<u>131,550,072</u>
Net Position at End of Year					<u>\$ 83,037,288</u>	<u>\$ 63,311,064</u>	<u>\$ 146,348,352</u>

The accompanying notes are an integral part of the financial statements

TOWN OF TRUMBULL, CONNECTICUT

BALANCE SHEET - GOVERNMENTAL FUNDS

JUNE 30, 2013

	<u>General</u>	<u>Five Year Capital Plan</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash and cash equivalents	\$ 37,346,129	\$	\$ 837,739	\$ 38,183,868
Investments	9,934,030			9,934,030
Receivables, net	10,611,143		2,284,351	12,895,494
Inventories			27,313	27,313
Due from other funds	3,681,725	6,646,103	5,553,163	15,880,991
Other assets	1,669,248			1,669,248
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Assets	\$ <u>63,242,275</u>	\$ <u>6,646,103</u>	\$ <u>8,702,566</u>	\$ <u>78,590,944</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts and other payables	\$ 5,901,236	\$ 223,289	\$ 705,492	\$ 6,830,017
Due to other funds	27,701,625		2,634,264	30,335,889
Deferred revenue	8,811,737		176,322	8,988,059
Advances to other funds			1,669,248	1,669,248
Bond anticipation notes		12,390,000	36,000	12,426,000
Total liabilities	<u>42,414,598</u>	<u>12,613,289</u>	<u>5,221,326</u>	<u>60,249,213</u>
Fund balances:				
Nonspendable	1,669,248		254,385	1,923,633
Restricted			72,172	72,172
Committed	1,181,446		5,989,558	7,171,004
Assigned	803,684			803,684
Unassigned	17,173,299	(5,967,186)	(2,834,875)	8,371,238
Total fund balances	<u>20,827,677</u>	<u>(5,967,186)</u>	<u>3,481,240</u>	<u>18,341,731</u>
Total Liabilities and Fund Balances	\$ <u>63,242,275</u>	\$ <u>6,646,103</u>	\$ <u>8,702,566</u>	\$ <u>78,590,944</u>

(Continued on next page)

TOWN OF TRUMBULL, CONNECTICUT

BALANCE SHEET - GOVERNMENTAL FUNDS (CONTINUED)

JUNE 30, 2013

Reconciliation of the Balance Sheet - Governmental Funds

to the Statement of Net Position:

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

Fund balances - total governmental funds	\$ 18,341,731
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Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:

Governmental capital assets	\$ 334,367,282	
Less accumulated depreciation	<u>(117,036,198)</u>	
Net capital assets		217,331,084

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

Property tax receivables greater than 60 days	3,174,790
Interest receivable on property taxes	1,347,079
Bond issuance costs	617,102
Receivable from the state for school construction projects	1,879,428

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

	1,454,699
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Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds:

Net pension obligation	(54,417,998)
Net OPEB obligation	(6,179,102)
Bonds payable	(92,286,720)
Interest payable on bonds and notes	(2,153,196)
Compensated absences	(4,878,078)
Claims and judgments	(125,000)
Bond premium	(3,549,149)
Deferred charges on refunding	<u>2,480,618</u>

Net Position of Governmental Activities (Exhibit I)	<u>\$ 83,037,288</u>
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The accompanying notes are an integral part of the financial statements

TOWN OF TRUMBULL, CONNECTICUT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2013

	<u>General</u>	<u>Five Year Capital Plan</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:				
Property taxes	\$ 135,506,647	\$	\$	\$ 135,506,647
Intergovernmental	17,524,070		17,105,052	34,629,122
Investment earnings	119,741		448	120,189
Charges for goods and services	6,719,471		3,440,042	10,159,513
Other			71,194	71,194
Total revenues	<u>159,869,929</u>	<u>-</u>	<u>20,616,736</u>	<u>180,486,665</u>
Expenditures:				
Current:				
General government	18,254,022		292,058	18,546,080
Public safety	11,202,287		1,084,854	12,287,141
Public works	8,679,323			8,679,323
Public health	569,774		32,811	602,585
Libraries	1,496,510			1,496,510
Social service	629,971			629,971
Parks and recreation	2,623,249			2,623,249
Education	105,090,812		4,595,109	109,685,921
Debt service:				
Principal	7,673,395			7,673,395
Interest	3,759,284			3,759,284
Capital outlay		2,650,591	13,894,450	16,545,041
Total expenditures	<u>159,978,627</u>	<u>2,650,591</u>	<u>19,899,282</u>	<u>182,528,500</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(108,698)</u>	<u>(2,650,591)</u>	<u>717,454</u>	<u>(2,041,835)</u>
Other Financing Sources:				
Transfers in	601,317		94,950	696,267
Issuance of general obligation bonds			15,900,000	15,900,000
Premium on general obligation bonds	286,375			286,375
Total other financing sources	<u>887,692</u>	<u>-</u>	<u>15,994,950</u>	<u>16,882,642</u>
Net Change in Fund Balances	778,994	(2,650,591)	16,712,404	14,840,807
Fund Balances at Beginning of Year, as Restated	<u>20,048,683</u>	<u>(3,316,595)</u>	<u>(13,231,164)</u>	<u>3,500,924</u>
Fund Balances at End of Year	<u>\$ 20,827,677</u>	<u>\$ (5,967,186)</u>	<u>\$ 3,481,240</u>	<u>\$ 18,341,731</u>

(Continued on next page)

TOWN OF TRUMBULL, CONNECTICUT

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

FOR THE YEAR ENDED JUNE 30, 2013

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

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

Net change in fund balances - total governmental funds (Exhibit IV)	\$ 14,840,807
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Governmental funds report capital outlays as expenditures. In the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:

Capital outlay	16,501,303
Depreciation expense	(5,483,521)

In the statement of activities, only the gain on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources.

Thus the change in net position differs from the change in fund balance by the cost of the assets sold.	(52,997)
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds, and revenues recognized in the funds are not reported in the statement of activities:

School building grant receipts	(567,264)
Property tax receivable - accrual basis change	(498,984)
Property tax interest and lien revenue - accrual basis change	362,724

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

Issuance of bonds and notes	(15,900,000)
Premium on bond issuance	(286,375)

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 the governmental funds:

Compensated absences	963,334
Bond principal payments	6,681,860
Accrued interest	(212,485)
Amortization of deferred charge on refunding	(247,907)
Amortization of bond issuance costs	(58,820)
Amortization of bond premiums	360,844
Net pension expense	(1,074,925)
Net OPEB expense	(826,901)
Claims and judgments	859,342

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

<u>(197,543)</u>

Change in Net Position of Governmental Activities (Exhibit II)	<u>\$ 15,162,492</u>
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The accompanying notes are an integral part of the financial statements

TOWN OF TRUMBULL, CONNECTICUT

STATEMENT OF NET POSITION - PROPRIETARY FUNDS

JUNE 30, 2013

	Business-Type Activities		Total Business-Type Activities	Governmental
	WPCA	Nonmajor Golf Course		Activities Internal Service Funds
Assets:				
Current assets:				
Receivables, net	\$ 971,688	\$ 45,887	\$ 1,017,575	\$
Assessment receivable	26,267,304		26,267,304	
Due from other funds	11,006,392	853,321	11,859,713	2,516,651
Other assets	30,582		30,582	
Total current assets	<u>38,275,966</u>	<u>899,208</u>	<u>39,175,174</u>	<u>2,516,651</u>
Noncurrent assets:				
Capital assets, net	93,326,748	5,104,639	98,431,387	2,921,983
Total assets	<u>131,602,714</u>	<u>6,003,847</u>	<u>137,606,561</u>	<u>5,438,634</u>
Liabilities:				
Current liabilities:				
Accounts and other payables	561,602	35,912	597,514	
Accrued liabilities	4,942	14,307	19,249	
Due to other funds			-	1,047,461
Bond anticipation notes	5,000,000		5,000,000	
Bonds payable	3,898,460	77,000	3,975,460	
Compensation absences	7,519	10,817	18,336	
Claim payable			-	827,806
Total current liabilities	<u>9,472,523</u>	<u>138,036</u>	<u>9,610,559</u>	<u>1,875,267</u>
Noncurrent liabilities:				
Bonds payable, net	62,063,956	2,534,814	64,598,770	
Compensated absences	40,603	45,565	86,168	
Claims payable			-	2,108,668
Total noncurrent liabilities	<u>62,104,559</u>	<u>2,580,379</u>	<u>64,684,938</u>	<u>2,108,668</u>
Total liabilities	<u>71,577,082</u>	<u>2,718,415</u>	<u>74,295,497</u>	<u>3,983,935</u>
Net Position:				
Net investment in capital assets	22,364,332	2,492,825	24,857,157	1,454,699
Unrestricted	<u>37,661,300</u>	<u>792,607</u>	<u>38,453,907</u>	
Total Net Position	<u>\$ 60,025,632</u>	<u>\$ 3,285,432</u>	<u>\$ 63,311,064</u>	<u>\$ 1,454,699</u>

The accompanying notes are an integral part of the financial statements

TOWN OF TRUMBULL, CONNECTICUT

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

FOR THE YEAR ENDED JUNE 30, 2013

	Business-Type Activities		Total Business-Type Activities	Governmental
	WPCA	Nonmajor Golf Course		Activities Internal Service Funds
Operating Revenues:				
Charges for services	\$ 6,399,630	\$ 1,927,123	\$ 8,326,753	\$ 1,884,311
Operating Expenses:				
Operating and maintenance	5,378,661	1,442,099	6,820,760	
Claims expense			-	1,706,264
Depreciation	1,742,736	156,773	1,899,509	375,590
Total operating expenses	7,121,397	1,598,872	8,720,269	2,081,854
Operating Income (Loss)	(721,767)	328,251	(393,516)	(197,543)
Nonoperating Revenue (Expenses):				
Income on investments	1,298,701		1,298,701	
Interest expense	(2,068,617)	(68,441)	(2,137,058)	
Intergovernmental revenues	11,375		11,375	
Net nonoperating expenses	(758,541)	(68,441)	(826,982)	-
Income (Loss) Before Capital Contributions and Transfers	(1,480,308)	259,810	(1,220,498)	(197,543)
Capital Contributions:				
Capital contributions	1,536,619		1,536,619	
Special assessments and other	15,934		15,934	
Total capital contributions	1,552,553	-	1,552,553	-
Income Before Transfers	72,245	259,810	332,055	(197,543)
Transfers Out	(500,540)	(195,727)	(696,267)	
Change in Net Position	(428,295)	64,083	(364,212)	(197,543)
Net Position at Beginning of Year	60,453,927	3,221,349	63,675,276	1,652,242
Net Position at End of Year	\$ 60,025,632	\$ 3,285,432	\$ 63,311,064	\$ 1,454,699

The accompanying notes are an integral part of the financial statements

TOWN OF TRUMBULL, CONNECTICUT

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2013

	Business-Type Activities		Total Business-Type Activities	Governmental
	WPCA	Nonmajor Golf Course		Activities Internal Service Funds
Cash Flows from Operating Activities:				
Cash received from customers and users	\$ 6,166,221	\$ 1,928,477	\$ 8,094,698	\$ 1,884,311
Cash paid to suppliers for goods and services	(5,483,532)	(1,451,683)	(6,935,215)	
Cash received from (paid to) employees	(8,258)	5,217	(3,041)	
Cash paid for insurance claims and premiums			-	(1,286,441)
Net cash provided by operating activities	<u>674,431</u>	<u>482,011</u>	<u>1,156,442</u>	<u>597,870</u>
Cash Flows from Noncapital Financing Activities:				
Transfers out	(500,540)	(195,727)	(696,267)	
Cash received from other funds			-	91,678
Cash (received from) paid to other funds	<u>635,607</u>	<u>(62,882)</u>	<u>572,725</u>	
Net cash provided by (used in) noncapital financing activities	<u>135,067</u>	<u>(258,609)</u>	<u>(123,542)</u>	<u>91,678</u>
Cash Flows from Capital and Related Financing Activities:				
Principal payment - long-term obligations	(3,966,140)	(97,000)	(4,063,140)	
Principal payment - bond anticipation notes	(5,500,000)		(5,500,000)	
Interest paid	(2,194,545)	(80,559)	(2,275,104)	
Purchase of capital assets and construction	(5,071,494)	(45,843)	(5,117,337)	(689,548)
Proceeds from bond anticipation notes	5,000,000		5,000,000	
Proceeds from bond issuance	5,500,000		5,500,000	
Premium on bond issuance	99,060		99,060	
Special assessments	2,476,926		2,476,926	
Capital grants and contributions	1,547,994		1,547,994	
Net cash used in capital and related financing activities	<u>(2,108,199)</u>	<u>(223,402)</u>	<u>(2,331,601)</u>	<u>(689,548)</u>
Cash Flows from Investing Activities:				
Interest received	<u>1,298,701</u>		<u>1,298,701</u>	
Net Increase in Cash and Cash Equivalents	-	-	-	-
Cash and Cash Equivalents at Beginning of Year	-	-	-	-
Cash and Cash Equivalents at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities:				
Operating income (loss)	\$ (721,767)	\$ 328,251	\$ (393,516)	\$ (197,543)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation expense	1,742,736	156,773	1,899,509	375,590
Change in asset and liabilities:				
(Increase) decrease in accounts receivable	(233,409)	1,354	(232,055)	
Increase (decrease) in accounts payable	(96,561)	(9,584)	(106,145)	
Increase (decrease) in accrued expenses	(8,310)		(8,310)	
Increase (decrease) in compensated absences payable	(8,258)	5,217	(3,041)	
Increase (decrease) in claims payable			-	419,823
Net Cash Provided by Operating Activities	<u>\$ 674,431</u>	<u>\$ 482,011</u>	<u>\$ 1,156,442</u>	<u>\$ 597,870</u>

The accompanying notes are an integral part of the financial statements

TOWN OF TRUMBULL, CONNECTICUT

STATEMENT OF FIDUCIARY NET POSITION - FIDUCIARY FUNDS

JUNE 30, 2013

	<u>Pension Trust Funds</u>	<u>OPEB Trust Fund</u>	<u>Private Purpose Trust</u>	<u>Agency Funds</u>
Assets:				
Cash and cash equivalents	\$ 2,607,369	\$ 101,014	\$ 167,237	\$ 1,144,963
Investments:				
U.S. Bonds/notes	7,018,245			
Fixed income securities	8,313,720			
Common stock	15,567,426			
Other	893,029		21,353	
Property funds	221,160			
Mutual funds	30,314,254			
Due from other funds			1,125,995	
Accounts receivable	328,987		39,181	
	<u>65,264,190</u>	<u>101,014</u>	<u>1,353,766</u>	<u>\$ 1,144,963</u>
Liabilities:				
Accounts and other payables		6,925	21,888	\$
Deposits held for others				<u>1,144,963</u>
	<u>-</u>	<u>6,925</u>	<u>21,888</u>	<u>\$ 1,144,963</u>
Net Position:				
Held in Trust for Private Purpose			1,331,878	
Held in Trust for OPEB Benefits		94,089		
Held in Trust for Pension Benefits	65,264,190			
Total Net Position	<u>\$ 65,264,190</u>	<u>\$ 94,089</u>	<u>\$ 1,331,878</u>	

The accompanying notes are an integral part of the financial statements

TOWN OF TRUMBULL, CONNECTICUT

STATEMENT OF CHANGES IN NET POSITION - FIDUCIARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2013

	<u>Pension Trust Funds</u>	<u>OPEB Trust Fund</u>	<u>Private Purpose Trust</u>
Additions:			
Contributions:			
Employer	\$ 5,300,000	\$ 929,628	\$
Plan members	1,202,025	58,123	
Other			908,076
Total contributions	<u>6,502,025</u>	<u>987,751</u>	<u>908,076</u>
Investment income:			
Net appreciation in fair value of investments	4,585,881		
Interest and dividends	<u>1,614,696</u>	<u>78</u>	<u>256</u>
Total investment income	<u>6,200,577</u>	<u>78</u>	<u>256</u>
Total additions	<u>12,702,602</u>	<u>987,829</u>	<u>908,332</u>
Deductions:			
Benefits	5,938,893	895,365	742,764
Administration	<u>165,410</u>	<u>15,692</u>	
Total deductions	<u>6,104,303</u>	<u>911,057</u>	<u>742,764</u>
Net Increase in Net Position	6,598,299	76,772	165,568
Net Position at Beginning of Year, as Restated	<u>58,665,891</u>	<u>17,317</u>	<u>1,166,310</u>
Net Position at End of Year	<u>\$ 65,264,190</u>	<u>\$ 94,089</u>	<u>\$ 1,331,878</u>

The accompanying notes are an integral part of the financial statements

TOWN OF TRUMBULL, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The Town of Trumbull, Connecticut, 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.

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.

B. Government-Wide and Fund Financial Statements

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

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

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

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

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

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

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

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

The Town reports the following major governmental funds:

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

The Five Year Capital Plan Fund accounts for resources and expenditures on various capital projects.

The Town reports the following major proprietary funds:

The Water Pollution Control Authority (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 Pension Trust Funds and OPEB Trust Fund 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 Funds account for assets held by the Town in a trustee capacity on behalf of others.

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

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

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

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

D. Deposits and Investments

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

State statutes authorize the Town to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, repurchase agreements and certain other investments as described in Note 3.

Investments for the Town are reported at fair value.

E. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances." All trade and property tax receivables are shown net of an allowance for uncollectibles. An amount of \$750,000 has been established as an allowance for uncollectible taxes. At June 30, 2013, this represents 17.22% of all property taxes receivable.

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.

F. Inventories and Prepaid Items

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

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

G. Capital Assets

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

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset 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 primary government, is depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	50
Buildings 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.

H. Compensated Absences

Employees earn annual leave or vacation time according to the terms of the union contract that applies to them. Such amounts are liquidated within the functional cost area in which the employee's payroll is paid.

Annual leave, vacation and sick pay are accrued when incurred in proprietary funds and reported as a fund liability. Annual leave, vacation and sick pay that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a liability of the governmental fund that will pay it. Amounts not expected to be paid with expendable available financial resources are not reported in governmental funds. No expenditure is reported for these amounts.

Liabilities for compensated absences, including the current portion, are reported in the government-wide statement of net position. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

I. Long-Term Obligations

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

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

J. Fund Equity

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

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

Restricted Net Position - Net position is restricted because it is externally imposed by creditors (such as through debt covenants), grantors, contributors or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

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

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

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

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

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

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

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

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

Annual budgets are legally adopted for the General Fund and the two Enterprise Funds, WPCA and Golf Course. The budget is prepared on a modified accrual basis.

The Town follows these procedures in establishing budgetary data reflected in the financial statements:

- Department heads, officers and agencies of the Town file estimates of expenditures to be made and revenues to be collected in the upcoming year to the First Selectman. The First Selectman submits the proposed budget to the Board of Finance who adopts and approves the budget proposed, or makes changes in any estimates or appropriations contained in the proposed budget as deemed proper. The Board of Finance then recommends budgets, as revised, for adoption by the Town Council. Under the new Charter, taxpayers can petition for a referendum.
- The budget is legally adopted by the Town Council.
- The Board of Finance is authorized to transfer budgeted amounts between departmental appropriations. Subsequent appropriations must be approved by the Board of Finance and the Town Council if they are in excess of \$2,000. Additional appropriations of \$510,364 were approved during the fiscal year.
- The legal level of control (the level at which expenditures may not legally exceed appropriations) is at the department level.
- Appropriations for capital projects do not lapse until completion of the applicable projects. All General Fund unexpended appropriations lapse at year end.

The Town does not have legally adopted annual budgets for its special revenue funds because budgetary control is alternatively achieved by constraints imposed by the project authorization and grant awards related to these funds. The Town does not have legally adopted budgets for its fiduciary funds.

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

		Revenues and Other Financing Sources	Expenditures and Other Financing Uses
		<u> </u>	<u> </u>
Balance, budgetary basis	\$	147,363,709	\$ 146,409,317
Encumbrances outstanding at June 30, 2012, liquidated during the year ended June 30, 2013			779,534
Encumbrances outstanding at June 30, 2013, charged to budgetary expenditures during the year ended June 30, 2013			(803,684)
Amounts net for budgetary purposes		1,149,943	1,149,943
State Teachers' Retirement on-behalf payment		10,045,430	10,045,430
GASB 54 reclassifications		<u>2,198,539</u>	<u>2,398,087</u>
Balance, GAAP Basis	\$	<u>160,757,621</u>	\$ <u>159,978,627</u>

3. CASH, CASH EQUIVALENTS AND INVESTMENTS

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

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

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

Deposits

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

Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, \$35,048,753 of the Town’s bank balance of \$35,884,940 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 31,500,546
Uninsured and collateral held by the pledging bank’s trust department, not in the Town’s name	<u>3,548,207</u>
Total Amount Subject to Custodial Credit Risk	<u>\$ 35,048,753</u>

Cash Equivalents

Cash equivalents are short-term, highly liquid investments that are both readily convertible to known amounts of cash and purchased within 90 days of maturity. At June 30, 2013, the Town’s cash equivalents amounted to \$7,964,080. The following table provides a summary of the Town’s cash equivalents (excluding U.S. Government guaranteed obligations) as rated by nationally recognized statistical rating organizations.

	<u>Standard & Poor’s</u>
State Short-Term Investment Fund (STIF)	AAAm
Cutwater - Cooperative Liquid Assets Securities System (CLASS)	AAAm
Bank of America Money Market*	
Infinex Financial Group*	
UBS Financial Services*	
Wells Fargo Money Market*	

*Not rated

B. Investments

Investments as of June 30, 2013 in all funds are as follows:

Investment Type	Credit Rating	Fair Value	Investment Maturities (Years)		
			Less Than 1	1-10	More Than 10
Interest-bearing investments:					
U.S. Treasury Notes		\$ 5,705,787	\$	\$ 5,391,911	\$ 313,876
Government-Backed Securities	AAA	2,526,219		1,711,935	814,284
Government-Backed Securities	A+	100,549		100,549	
Government-Backed Securities	A	31,050		31,050	
Government-Backed Securities	N/A	2,335,090		48,205	2,286,885
Corporate Bonds	AAA	683,393		464,427	218,966
Corporate Bonds	AA+	256,702		256,702	
Corporate Bonds	AA	190,590		190,590	
Corporate Bonds	A+	578,358		578,358	
Corporate Bonds	A-	658,847		642,394	16,453
Corporate Bonds	A	1,444,991		1,356,565	88,426
Corporate Bonds	BBB+	409,124		409,124	
Corporate Bonds	BBB	1,367,401		1,367,401	
Corporate Bonds	BBB-	890,439		890,439	
Corporate Bonds	BB+	65,038		65,038	
Corporate Bonds	AA-	21,404			21,404
Corporate Bonds	N/A	5,246,105		350,154	4,895,951
Foreign Bonds	A+	150,125		150,125	
Foreign Bonds	A	146,385		146,385	
Foreign Bonds	A-	78,212		78,212	
Foreign Bonds	BBB+	66,942		66,942	
Foreign Bonds	BBB	140,110		140,110	
Foreign Bonds	BBB-	194,573		194,573	
Foreign Bonds	BB+	100,500		100,500	
Other fixed income	N/A	893,029			893,029
Certificate of deposit	N/A	1,659,924			
			<u>1,646,158</u>	<u>13,766</u>	
Total interest-bearing investments			\$ <u>1,646,158</u>	\$ <u>9,353,544</u>	\$ <u>9,235,398</u>
Other investments:					
Equitable securities (stock)	N/A	15,567,426			
Property funds	N/A	221,160			
Mutual funds	N/A	<u>30,553,744</u>			
Total Investments		\$ <u>72,283,217</u>			

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.

Credit Risk - Investments - The Town's investment policy minimizes credit risk by limiting investments to the safest types of securities, prequalifying the financial institution, broker/dealers, intermediaries and advisers, and diversifying the investment portfolio so that potential losses on individual securities will be minimized.

Concentration of Credit Risk - 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.

Custodial Credit Risk - Custodial credit risk for an investment is the risk that, in the event of the failure of the counterparty (the institution that pledges collateral or repurchase agreement securities to the Town or that sells investments to or buys them for the Town), the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At June 30, 2013, the Town's investments, other than open-end mutual funds and other pooled accounts that are not categorized as to custodial credit risk, were uninsured and unregistered securities held by the counterparty, or by its trust department or agent, and were not in the Town's name.

4. RECEIVABLES

Receivables as of year end for the Town's individual major funds and nonmajor, internal service and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>WPCA</u>	<u>Nonmajor and Other Funds</u>	<u>Total</u>
Receivables:				
Taxes	\$ 4,355,322	\$	\$	\$ 4,355,322
Other deferred taxes	3,156,428			3,156,428
Interest on taxes*	1,347,079			1,347,079
Accounts	559,326	1,111,635	855,703	2,526,664
Intergovernmental	3,290,067	10,053	1,842,703	5,142,823
Special assessments		26,267,304		26,267,304
	<hr/>	<hr/>	<hr/>	<hr/>
Gross receivables	12,708,222	27,388,992	2,698,406	42,795,620
	<hr/>	<hr/>	<hr/>	<hr/>
Less allowance for uncollectibles	(750,000)	(150,000)		(900,000)
	<hr/>	<hr/>	<hr/>	<hr/>
Net Total Receivables	\$ <u>11,958,222</u>	\$ <u>27,238,992</u>	\$ <u>2,698,406</u>	\$ <u>41,895,620</u>

*Interest on property taxes is not included in the fund financial statements.

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

	<u>Unavailable</u>	<u>Unearned</u>
General Fund:		
Delinquent property taxes receivable	\$ 3,174,790	\$
Advance and unapplied taxes		230,935
Other deferred taxes		3,156,428
School building grants	1,879,428	
Other		370,156
Nonmajor Governmental Funds:		
Advances on grants		16,289
Other		160,033
	<hr/>	<hr/>
	\$ <u>5,054,218</u>	\$ <u>3,933,841</u>

5. CAPITAL ASSETS

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

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 38,822,819	\$ 329,846	\$ -	\$ 39,152,665
Construction in progress	50,381,597	13,916,805	5,900	64,292,502
Total capital assets not being depreciated	<u>89,204,416</u>	<u>14,246,651</u>	<u>5,900</u>	<u>103,445,167</u>
Capital assets being depreciated:				
Land improvements	11,072,651	130,096	-	11,202,747
Buildings and improvements	142,187,274	32,960	-	142,220,234
Machinery and equipment	11,171,288	620,038	-	11,791,326
Vehicles	8,741,430	1,248,346	200,513	9,789,263
Infrastructure	61,723,660	918,658	-	62,642,318
Total capital assets being depreciated	<u>234,896,303</u>	<u>2,950,098</u>	<u>200,513</u>	<u>237,645,888</u>
Less accumulated depreciation for:				
Land improvements	6,638,857	363,153	-	7,002,010
Buildings and improvements	54,805,868	3,515,869	-	58,321,737
Machinery and equipment	8,214,115	434,901	-	8,649,016
Vehicles	5,609,264	531,335	147,516	5,993,083
Infrastructure	39,858,289	1,013,853	-	40,872,142
Total accumulated depreciation	<u>115,126,393</u>	<u>5,859,111</u>	<u>147,516</u>	<u>120,837,988</u>
Total capital assets being depreciated, net	<u>119,769,910</u>	<u>(2,909,013)</u>	<u>52,997</u>	<u>116,807,900</u>
Governmental Activities Capital Assets, Net	<u>\$ 208,974,326</u>	<u>\$ 11,337,638</u>	<u>\$ 58,897</u>	<u>\$ 220,253,067</u>
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 1,962,013	\$ -	\$ -	\$ 1,962,013
Construction in progress	24,031,028	5,094,494	-	29,125,522
Total capital assets not being depreciated	<u>25,993,041</u>	<u>5,094,494</u>	<u>-</u>	<u>31,087,535</u>
Capital assets being depreciated:				
Land improvements	3,722,971	-	-	3,722,971
Building and improvements	2,550,730	-	-	2,550,730
Machinery and equipment	1,036,301	22,843	-	1,059,144
Vehicles	111,467	-	-	111,467
Infrastructure	88,228,072	-	-	88,228,072
Total capital assets being depreciated	<u>95,649,541</u>	<u>22,843</u>	<u>-</u>	<u>95,672,384</u>
Less accumulated depreciation for:				
Land improvements	892,665	84,645	-	977,310
Building and improvements	1,248,737	52,609	-	1,301,346
Machinery and equipment	648,025	43,053	-	691,078
Vehicles	110,144	1,399	-	111,543
Infrastructure	23,529,452	1,717,803	-	25,247,255
Total accumulated depreciation	<u>26,429,023</u>	<u>1,899,509</u>	<u>-</u>	<u>28,328,532</u>
Total capital assets being depreciated, net	<u>69,220,518</u>	<u>(1,876,666)</u>	<u>-</u>	<u>67,343,852</u>
Business-Type Activities Capital Assets, Net	<u>\$ 95,213,559</u>	<u>\$ 3,217,828</u>	<u>\$ -</u>	<u>\$ 98,431,387</u>

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

Governmental activities:	
Board of Education	\$ 3,545,540
General Government	183,301
Social Services	52,174
Public Works	1,315,570
Public Safety	354,222
Libraries	104,798
Recreation and Parks	<u>303,506</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 5,859,111</u>
Business-type activities	
WPCA	\$ 1,742,736
Golf Fund	<u>156,773</u>
Total Depreciation Expense - Business-Type Activities	<u>\$ 1,899,509</u>

6. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of June 30, 2013 is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Nonmajor governmental funds	General fund	\$ 5,553,163
General Fund	Nonmajor governmental funds	2,634,264
Five Year Capital Plan	General fund	6,646,103
WPCA	General fund	11,006,392
Golf Course	General fund	853,321
Internal Service	General fund	2,516,651
Private Purpose Trust	General fund	1,125,995
General Fund	Internal Service	<u>1,047,461</u>
		<u>\$ 31,383,350</u>

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

Advances from/to other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Nonmajor governmental funds	\$ 1,669,248

Interfund transfers:

	<u>Transfers In</u>		<u>Total Transfers Out</u>
	<u>General</u>	<u>Nonmajor Governmental</u>	
Transfers out:			
WPCA	\$ 405,590	\$ 94,950	\$ 500,540
Golf Course	<u>195,727</u>		<u>195,727</u>
Total Transfers In	<u>\$ 601,317</u>	<u>\$ 94,950</u>	<u>\$ 696,267</u>

The above transfers represent normal budgetary and other recurring transfers.

7. LONG-TERM DEBT

Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2013 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Funds:					
Bonds payable:					
General obligation bonds	\$ 83,068,580	\$ 15,900,000	\$ 6,681,860	\$ 92,286,720	\$ 7,314,540
Premium on bonds	3,623,578	286,375	360,844	3,549,109	
Less deferred amounts on refunding	<u>(2,728,525)</u>		<u>247,907</u>	<u>(2,480,618)</u>	
Total bonds payable	<u>83,963,633</u>	<u>16,186,375</u>	<u>7,290,611</u>	<u>93,355,211</u>	<u>7,314,540</u>
Other liabilities:					
Insurance claims	2,516,651	967,046	547,223	2,936,474	827,806
Other claims and judgments	984,342	125,000	984,342	125,000	125,000
Net pension obligation	53,343,073	1,074,925		54,417,998	
Compensated absences	5,841,412	21,021	984,355	4,878,078	1,096,627
Net OPEB obligation	<u>5,352,201</u>	<u>826,901</u>		<u>6,179,102</u>	
Total Governmental Activities Long-Term Liabilities	<u>\$ 152,001,312</u>	<u>\$ 19,201,268</u>	<u>\$ 9,806,531</u>	<u>\$ 161,891,863</u>	<u>\$ 9,363,973</u>
Business-type activities:					
Bonds payable:					
General obligation bonds	\$ 65,696,420	\$ 5,500,000	\$ 4,063,140	\$ 67,133,280	\$ 3,975,460
Premium on bonds	1,969,632	99,060	161,046	1,907,646	
Less deferred amounts on refunding	<u>(516,576)</u>		<u>49,880</u>	<u>(466,696)</u>	
Total bonds payable	<u>67,149,476</u>	<u>5,599,060</u>	<u>4,274,066</u>	<u>68,574,230</u>	<u>3,975,460</u>
Compensated absences	<u>107,545</u>	<u>5,217</u>	<u>8,258</u>	<u>104,504</u>	<u>18,336</u>
Business-Type Activities Long-Term Liabilities	<u>\$ 67,257,021</u>	<u>\$ 5,604,277</u>	<u>\$ 4,282,324</u>	<u>\$ 68,678,734</u>	<u>\$ 3,993,796</u>

Bonds Payable

The Town issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both governmental and business-type activities.

General obligation bonds are direct obligations of the Town for which full faith and credit are pledged and are payable from taxes levied on all taxable properties located within the Town. Certain general obligation bonds are to be repaid by revenues of the enterprise funds. General obligation bonds currently outstanding are as follows:

<u>Description</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate (%)</u>	<u>Amount of Original Issue</u>	<u>Annual Principal</u>	<u>Balance Outstanding June 30, 2013</u>
Governmental:						
General purpose:						
General obligation refunding	12/14/04	1/15/18	4-5.5%	\$ 6,468,000	various	\$ 3,812,000
General obligation	9/12/06	9/1/26	4-5%	15,335,000	various	770,000
General obligation	9/1/07	9/1/27	4-5%	11,965,000	various	6,424,000
General obligation refunding	8/19/08	8/19/21	3.25-5%	5,241,880	various	3,841,220
General obligation	9/1/08	9/1/28	3-5%	831,000	various	665,000
General obligation	9/1/09	9/1/29	2.25-4.05%	5,850,000	various	4,972,500
General obligation refunding	10/6/09	9/15/23	3-5%	17,523,000	various	15,952,000
General obligation refunding	9/1/10	9/15/23	3-5%	5,050,000	various	2,545,000
General obligation	9/1/10	9/1/28	3-5%	10,000,000	various	9,000,000
General obligation	9/1/11	9/1/31	2-4%	14,310,000	various	13,595,000
General obligation refunding	3/15/12	9/1/30	2-4%	14,862,000	various	14,810,000
General obligation	9/1/12	9/1/32	2-3%	15,900,000	various	15,900,000
Total governmental activities						<u>92,286,720</u>
Business-Type:						
General purpose:						
General obligation refunding	12/14/04	1/15/18	4-5.5%	1,907,000	various	1,123,000
General obligation	9/1/06	9/1/26	4-5%	105,000	various	5,000
General obligation	9/1/07	9/1/27	4-5.5%	2,890,000	various	1,671,000
General obligation refunding	8/19/08	8/19/21	3.25-5%	2,790,180	various	1,493,780
General obligation	9/1/08	9/1/28	3-5%	17,374,000	various	13,895,000
General obligation	9/1/09	9/1/29	2.25-4.05%	4,150,000	various	3,527,500
General obligation refunding	10/6/09	9/15/23	3-5%	7,967,000	various	6,663,000
General obligation refunding	9/15/10	9/15/23	3-5%	130,000	various	60,000
General obligation	9/1/10	9/1/29	2.25-4.05%	12,000,000	various	10,800,000
General obligation	9/1/11	9/1/31	2-4%	12,000,000	various	11,400,000
General obligation refunding	3/15/12	9/1/30	2-4%	11,208,000	various	10,995,000
General obligation	9/1/12	9/1/32	2-3%	5,500,000	various	5,500,000
Total business-type activities						<u>67,133,280</u>
Total Outstanding						<u>\$ 159,420,000</u>

The annual requirements to amortize bonds payable as of June 30, 2013 are as follows:

		Governmental Activities	
		<u>Principal</u>	<u>Interest</u>
2014	\$	7,314,540	\$ 3,066,479
2015		7,587,540	2,826,646
2016		7,504,090	2,569,668
2017		6,850,090	2,293,686
2018		6,929,690	2,036,026
2019-2023		28,206,270	6,720,956
2024-2028		18,919,500	2,791,223
2029-2033		<u>8,975,000</u>	<u>626,480</u>
	\$	<u>92,286,720</u>	\$ <u>22,931,164</u>

		Business-Type Activities	
		<u>Principal</u>	<u>Interest</u>
2014	\$	3,975,460	\$ 2,238,770
2015		4,712,460	2,111,858
2016		4,685,910	1,961,230
2017		4,714,910	1,799,087
2018		4,735,310	1,633,454
2019-2023		21,348,730	5,696,109
2024-2028		16,105,500	2,499,257
2029-2033		<u>6,855,000</u>	<u>420,213</u>
	\$	<u>67,133,280</u>	\$ <u>18,359,978</u>

The following is a schedule of bond anticipation note activity for the year ended June 30, 2013:

	Governmental Activities	Business-Type Activities WPCA	Total
Balance, July 1, 2012	\$ 23,050,000	\$ 5,500,000	\$ 28,550,000
Issued	12,426,000	5,000,000	17,426,000
Retired	<u>(23,050,000)</u>	<u>(5,500,000)</u>	<u>(28,550,000)</u>
Balance, June 30, 2013	<u>\$ 12,426,000</u>	<u>\$ 5,000,000</u>	<u>\$ 17,426,000</u>

The above retired note with an interest rate of 1.00% matured on September 7, 2012. The issued notes had an interest rate of 1.25% and mature on September 6, 2013.

In prior years, the Town had defeased certain general obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the Town's financial statements. The balance in escrow was \$25,785,082 at June 30, 2013. The outstanding balance of the defeased bonds as of June 30, 2013 is \$25,205,000.

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

<u>Category</u>	<u>Debt Limit</u>	<u>Net Indebtedness</u>	<u>Balance</u>
General purpose	\$ 303,111	\$ 34,610	\$ 268,501
Schools	606,222	80,882	525,340
Sewers	505,185	69,673	435,512
Urban renewal	437,827		437,827
Pension deficit	404,148		404,148

The total overall statutory debt limit for the Town is equal to seven times annual receipts from taxation, or \$943 million.

Authorized but Unissued Bonds

The total of authorized but unissued bonds (net of projected grants) at June 30, 2013 is \$8,318,332. In some cases, interim financing is obtained through bond anticipation notes or other short-term borrowings until the issuance of long-term debt.

8. FUND BALANCE

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

	<u>General</u>	<u>Five Year Capital Plan</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Fund balances:				
Nonspendable:				
Inventory	\$	\$	\$ 27,313	\$ 27,313
Permanent funds			227,072	227,072
Advances	1,669,248			1,669,248
Restricted for:				
Grants			72,172	72,172
Committed to:				
General government	39,632		64,059	103,691
Public safety			1,605,223	1,605,223
Health and welfare			8,291	8,291
Libraries			2,547	2,547
Education	1,141,814		422,107	1,563,921
Capital projects			3,177,978	3,177,978
Debt service			709,353	709,353
Assigned to:				
General government	53,256			53,256
Public works	329,461			329,461
Public safety	77,672			77,672
Health and welfare	496			496
Libraries	3,512			3,512
Parks and recreation	3,916			3,916
Education	335,371			335,371
Unassigned	17,173,299	(5,967,186)	(2,834,875)	8,371,238
Total Fund Balances	\$ 20,827,677	\$ (5,967,186)	\$ 3,481,240	\$ 18,341,731

Significant encumbrances at June 30, 2013 are contained in the above table in the assigned categories of the General Fund.

The Town had deficits in the following funds:

5 Year Capital Plan	\$	5,967,186
Millington League Settlement		75,853
Police Funds		14,932
Public Works Capital Projects		7,964
Land Acquisition		1,669,248
LOCIP		409,984
Resurfacing of Tennis Courts		4,670
Daniels Farm Road Bridge		17,571
Rails to Trails		208,725
New Elementary School		425,928

These deficits will be funded by general fund contributions and general obligation bonds.

9. 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, 2013 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, 2013, \$2,936,474 has been accrued for self-insurance claims payable and for incurred but not reported claims related to worker compensation and heart and hypertension claims.

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:

		Accrued Liability Beginning of Fiscal Year	Current Year Claims Paid and Changes in Estimates	Accrued Liability Claim Payments		Accrued Liability End of Fiscal Year
2012-13	\$	2,516,651	\$ 1,706,264	\$ 2,126,087	\$	2,936,474
2011-12		2,516,651	1,344,944	1,344,944		2,516,651

10. OTHER POSTEMPLOYMENT BENEFITS

A. Summary of Significant Accounting Policies

Basis of Accounting - The financial statements of the Other Postemployment Benefits Fund are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Administrative costs of the plan are paid by the Town.

B. Plan Description

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 Town does not issue a separate stand-alone financial statement for this plan.

At July 1, 2012, plan membership consisted of the following:

	Post- Retirement Medical Program
Retired members	68
Active plan members	<u>1,195</u>
Total Participants	<u><u>1,263</u></u>

C. Funding Policy

The Town provides post-retirement benefits for certain employees for current future health and life insurance benefit expenses through a single-employer defined benefit plan. An actuarial valuation is made to determine whether the contributions are sufficient to meet the plan obligations. In fiscal year 2009, the Town established a trust fund to irrevocably segregate assets to fund the liability associated with postemployment benefits in accordance with GASB guidelines. The Town is currently developing a funding strategy to provide for normal cost and the amortization of the accrued liability. The Town anticipates a commitment to fund normal cost and a long-term approach to the amortization of the actuarial accrued liability. The goal is to absorb, within the budgetary process, the actual cost of benefits in the determination of the costs of providing services to taxpayers.

The Town's funding strategy for postemployment obligations are based upon characteristics of benefits on each distinct group of employees established within their respective collective bargaining units.

D. Annual OPEB Cost and Net OPEB Obligations

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

	Other Postemployment Benefits Fund
Annual required contribution (ARC)	\$ 1,711,014
Interest on net OPEB obligation	240,849
Adjustment to annual required contribution	<u>(195,334)</u>
Annual OPEB cost	1,756,529
Contributions made	<u>929,628</u>
Increase in net OPEB obligation	826,901
Net OPEB obligation at beginning of year	<u>5,352,201</u>
Net OPEB Obligation at End of Year	<u>\$ 6,179,102</u>

The Town's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the fiscal years ended June 30, 2013, 2012 and 2011 is presented below.

Fiscal Year Ended	Annual OPEB Cost (AOC)	Actual Contribution	Percentage of AOC Contributed	Net OPEB Obligation
6/30/13	\$ 1,756,529	\$ 929,628	52.92%	\$ 6,179,102
6/30/12	1,961,359	556,045	28.35	5,352,201
6/30/11	1,939,477	510,133	26.30	3,946,887

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

Schedule of Funding Progress

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)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
7/1/12	\$ 26,309	\$ 27,544,001	\$ 27,517,692	0.10%	\$ 79,418,708	34.65%
7/1/10	82,120	26,148,998	26,066,878	0.32	75,396,441	34.57
7/1/08	18,674	23,661,376	23,642,702	0.08	68,878,313	34.33

Schedule of Employer Contribution

<u>Fiscal Year</u>		<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
6/30/13	\$	1,711,014	54.33%
6/30/12		1,961,359	28.35
6/30/11		1,916,068	26.62

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

In the July 1, 2012 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions include a 4.5% investment rate of return, which reflects that the Town has established an OPEB trust and is prefunding its OPEB benefits. The annual healthcare cost trend rate assumption is set at 8% for the 2012 year, declining 1% per year, until a final assumed rate of 5% is reached in 2015 and for future years. The general inflation assumption is included in the health care cost trend rate assumption. Projected salary increases were 4.0%. The actuarial value of assets was determined using the closed group method. The UAAL is being amortized as a level percentage of projected payroll on an open basis over a 30-year period.

11. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS

A. 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 the Town's financial reports as a pension trust fund. The PERS does not issue a stand-alone report.

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.

The membership of the plan consisted of the following at July 1, 2012, the date of the latest actuarial valuation:

	Police Benefit Plan	Town Pension Plan
Retirees and beneficiaries receiving benefits	44	325
Terminated plan members entitled to but not yet receiving benefits		74
Active plan members	<u>72</u>	<u>436</u>
Total	<u><u>116</u></u>	<u><u>835</u></u>

B. Summary of Significant Accounting Policies and Plan Asset Matters

Basis of Accounting: PERS financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized when due; investment income is recognized when earned. Expenses (benefits, administration and refunds of contributions) are recognized when incurred.

Investments are reported at fair value.

C. Funding Policy

Employees are required to contribute amounts ranging between 3.5% and 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.

D. Annual Pension Cost and Net Pension Obligation

The Town's annual pension cost and annual required contribution to the PERS for the current year were as follows:

	Police Benefit Plan	Town Pension Plan
Annual required contribution	\$ 3,088,000	\$ 4,576,000
Interest on net pension obligation	1,761,135	2,319,110
Adjustment to annual required contribution	<u>(2,788,875)</u>	<u>(2,580,445)</u>
Annual pension cost	2,060,260	4,314,665
Contributions made	<u>1,600,000</u>	<u>3,700,000</u>
Increase in net pension obligation	460,260	614,665
Net pension obligation at beginning of year	<u>22,421,600</u>	<u>30,921,473</u>
Net Pension Obligation at End of Year	<u><u>\$ 22,881,860</u></u>	<u><u>\$ 31,536,138</u></u>

Police Benefit Plan

The annual required contribution for the current year was determined as part of the July 1, 2012 actuarial valuation using the projected unit credit actuarial cost method. The actuarial assumptions included (a) 8.0% investment rate of return, (b) projected salary increases of 4.5% per year, and (c) inflation rate of 4.5%. The assumptions did not include post retirement benefit increases. The actuarial value of assets was determined using the adjusted market value method. The unfunded actuarial accrued liability is being amortized using level dollar method over a 15-year open period.

Town Employee Pension Plan

The annual required contribution for the current year was determined as part of the July 1, 2012 actuarial valuation using the projected unit credit actuarial cost method. The actuarial assumptions included (a) 7.5% investment rate of return, (b) projected salary increases of 4.0% per year, and (c) inflation rate of 4.5%. The assumptions did not include post retirement benefit increases. The actuarial value of assets was determined using the adjusted market value method. The unfunded actuarial accrued liability is being amortized using level dollar method over a 25-year open period.

E. Trend Information

	Fiscal Year Ended	Annual Pension Cost (APC)	Actual Contribution	Percentage of APC Contributed	Net Pension Obligation
Police Benefit Plan					
	6/30/11	\$ 2,936,742	\$ 1,350,000	46.0%	\$ 20,653,152
	6/30/12	3,218,448	1,450,000	45.1	22,421,600
	6/30/13	2,060,260	1,600,000	77.7	22,881,860
Town Employee Pension Plan					
	6/30/11	4,236,853	2,325,000	54.9	29,734,779
	6/30/12	4,186,694	3,000,000	71.7	30,921,473
	6/30/13	4,314,665	3,700,000	85.8	31,536,138

F. Pension Plan Required Supplementary Information

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded Accrued Liability (UAAL) (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL % of Covered Payroll ((b-a)/c)
Police Benefit Plan						
7/01/08	\$ 33,154,094	\$ 48,500,335	\$ 15,346,241	68.4%	\$ 5,029,000	305.2%
7/01/10	33,497,000	54,456,304	20,959,304	61.5	5,542,000	378.2
7/01/12	35,989,018	55,581,894	19,592,876	64.7	5,358,000	365.7
Town Employee Pension Plan						
7/01/08	19,572,031	57,704,539	38,132,508	33.9	17,476,000	218.2
7/01/10	16,807,159	62,863,043	46,055,884	26.7	18,308,000	251.6
7/01/12	19,096,003	67,905,000	48,808,997	28.1	18,559,000	263.0

Schedule of Employer Contributions

Fiscal Year Ended	Police Benefit Plan		Town Employee Pension Plan	
	Annual Required Contribution	Percentage Contributed	Annual Required Contribution	Percentage Contributed
6/30/11	\$ 3,474,000	39%	\$ 4,472,000	52%
6/30/12	3,393,000	43	4,438,000	68
6/30/13	3,088,000	52	4,576,000	81

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Valuations are performed annually. Additional information as of the latest actuarial valuation is presented in D above.

G. Financial Information for the Separate Plans

	Town Pension	Police Pension	Total
ASSETS			
Cash and cash equivalents	\$ 323,940	\$ 2,283,429	\$ 2,607,369
Investments	21,404,259	40,923,575	62,327,834
Receivables, net of allowance for collections		328,987	328,987
Total assets	<u>21,728,199</u>	<u>43,535,991</u>	<u>65,264,190</u>
Net Position Held in Trust for Pension Benefits and Other Purposes	<u>\$ 21,728,199</u>	<u>\$ 43,535,991</u>	<u>\$ 65,264,190</u>

	<u>Town Pension</u>	<u>Police Pension</u>	<u>Total</u>
Additions:			
Contributions:			
Employer	\$ 3,700,000	\$ 1,600,000	\$ 5,300,000
Plan members	853,518	348,507	1,202,025
Total contributions	<u>4,553,518</u>	<u>1,948,507</u>	<u>6,502,025</u>
Investment income:			
Net appreciation in fair value of investments	1,838,450	2,747,431	4,585,881
Interest and dividends	451,629	1,163,067	1,614,696
	<u>2,290,079</u>	<u>3,910,498</u>	<u>6,200,577</u>
Total additions	<u>6,843,597</u>	<u>5,859,005</u>	<u>12,702,602</u>
Deductions:			
Benefits	4,008,549	1,930,344	5,938,893
Administrative	59,023	106,387	165,410
	<u>4,067,572</u>	<u>2,036,731</u>	<u>6,104,303</u>
Change in net position	2,776,025	3,822,274	6,598,299
Net position held at beginning of year	<u>18,952,174</u>	<u>39,713,717</u>	<u>58,665,891</u>
Net Position Held at End of Year	<u>\$ 21,728,199</u>	<u>\$ 43,535,991</u>	<u>\$ 65,264,190</u>

H. Teachers' Retirement System

All Town certified teachers participate in the State of Connecticut Teachers' Retirement System under Section 10.183 of the General Statutes of the State of Connecticut. A teacher is eligible to receive a normal retirement benefit if he or she has: 1) attained age 60 and has accumulated 20 years of credited service in the public schools of Connecticut, or 2) attained any age and has accumulated 35 years of credited service, at least 25 years of which are service in the public schools of Connecticut.

The Board of Education withholds 7.25% of all teachers' annual salaries and transmits the funds to the State Teachers' Retirement Board. Teacher payroll subject to retirement amounted to \$47,883,841.

The retirement system for teachers is funded by the State based upon the recommendation of the State Teachers' Retirement Board. Such contribution includes amortization of the actuarially computed unfunded liability. The Town does not have any liability for teacher pensions. For the year ended June 30, 2013, the Town has recorded, in the General Fund, intergovernmental revenue and education expenditures in the amount of \$10,045,430 as payments made by the State of Connecticut on behalf of the Town.

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

12. RESTATEMENTS

Beginning balances have been restated as follows:

	Beginning Balance 7/1/2012	Adjustments	Beginning Balance as Restated 7/1/2012
Net Position Restatements:			
Governmental Activities	\$ 65,869,724	\$ 2,005,072	\$ 67,874,796
Governmental Fund Balance Restatements:			
Police Special Duty Fund		1,269,293	1,269,293
Paving Fund		735,779	735,779
Private Purpose Trust Fund Restatements:			
Special Trust	1,449,735	(357,452)	1,092,283
Special Purpose Contra Account	735,779	(735,779)	

Restatements were made as a result of eliminating liabilities that were not liquidated in prior years and change of fund types from private purpose trust funds to governmental funds.

13. CONTINGENT LIABILITIES

Law suits

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 resulting from such litigation and not covered by insurance 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 (MSW) 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 nonpaying 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 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. Nonresidential 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.

14. SUBSEQUENT EVENTS

On August 22, 2013, the Town issued \$9,521,000 of Bond Anticipation Notes with an interest rate of 1.25% and a maturity date of September 5, 2014, and \$11,605,000 of General Obligation Bonds with a variable interest rate between 2.50% and 4.50% and a final maturity of September 1, 2033.

TOWN OF TRUMBULL, CONNECTICUT

GENERAL FUND

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

FOR THE YEAR ENDED JUNE 30, 2013

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Property Taxes:				
Current levy	\$ 134,733,184	\$ 134,733,184	\$ 134,873,089	\$ 139,905
Interest and lien fees	650,000	650,000	613,504	(36,496)
PILOT - St. Joseph's Village	17,900	17,900	20,054	2,154
Total property taxes	<u>135,401,084</u>	<u>135,401,084</u>	<u>135,506,647</u>	<u>105,563</u>
Intergovernmental:				
Education equalization grant	3,195,332	3,195,332	3,126,555	(68,777)
School building grants	650,363	650,363	650,363	-
Education grants	650,000	650,000	852,053	202,053
Elderly tax	2,000	2,000	2,000	-
Homeowners tax relief	323,000	323,000	309,690	(13,310)
Property tax relief	130,000	130,000	150,236	20,236
Military state and local	5,000	5,000		(5,000)
FEMA			71,420	71,420
Nonpublic pupils	75,000	75,000	78,919	3,919
Nonpublic busing	26,410	26,410	24,916	(1,494)
State property reimbursement	86,872	86,872	84,956	(1,916)
Disability exemption	3,050	3,050	3,577	527
Veterans grant	30,000	30,000	35,835	5,835
Telephone access tax	100,000	100,000	98,180	(1,820)
Manufacturing - tax relief	163,740	163,740	183,634	19,894
Foxwoods casino fund	51,108	51,108	52,530	1,422
Other various grants			22,002	22,002
VOAG grant	325,000	325,000	343,121	18,121
Bingo			65	65
Transportation	79,845	79,845	84,336	4,491
Total intergovernmental	<u>5,896,720</u>	<u>5,896,720</u>	<u>6,174,388</u>	<u>277,668</u>

(Continued on next page)

TOWN OF TRUMBULL, CONNECTICUT

GENERAL FUND

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

FOR THE YEAR ENDED JUNE 30, 2013

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Licenses, Permits, Fees and Other				
Town clerk fees	\$ 650,000	\$ 650,000	\$ 745,254	\$ 95,254
Planning and zoning	40,000	40,000	23,858	(16,142)
Police	20,000	20,000	32,464	12,464
Building	600,000	600,000	601,283	1,283
Tuition/rentals - BOE	1,400,000	1,400,000	1,275,588	(124,412)
Fire marshal	60,000	60,000	64,992	4,992
Disposal area	291,000	291,000	334,244	43,244
Counseling center	10,000	10,000	12,835	2,835
Emergency medical services	1,100,000	1,100,000	1,075,506	(24,494)
Town engineer	20,000	20,000	36,359	16,359
Miscellaneous revenue	85,929	85,929	246,195	160,266
Cell tower rental	150,000	150,000	226,663	76,663
Senior citizen services	9,100	9,100		(9,100)
Total licenses, permits, fees and other	<u>4,436,029</u>	<u>4,436,029</u>	<u>4,675,241</u>	<u>239,212</u>
Investment income				
Unrealized loss			(175,540)	(175,540)
Income from investments	<u>300,000</u>	<u>300,000</u>	<u>295,281</u>	<u>(4,719)</u>
Total investment income	<u>300,000</u>	<u>300,000</u>	<u>119,741</u>	<u>(180,259)</u>
Other financing sources				
Premium on general obligation bonds			286,375	286,375
Transfer in	<u>601,317</u>	<u>601,317</u>	<u>601,317</u>	<u>-</u>
Total other financing sources	<u>601,317</u>	<u>601,317</u>	<u>887,692</u>	<u>286,375</u>
Total Revenues and Other Financing Sources	<u>\$ 146,635,150</u>	<u>\$ 146,635,150</u>	<u>\$ 147,363,709</u>	<u>\$ 728,559</u>

TOWN OF TRUMBULL, CONNECTICUT

GENERAL FUND

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

FOR THE YEAR ENDED JUNE 30, 2013

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
General Government:				
Town council	\$ 85,523	\$ 86,403	\$ 86,403	\$ -
Ethics commission	120	5,120	4,916	204
First selectman	272,367	280,306	279,479	827
Probate judge	13,540	13,540	13,421	119
Elections registrar	141,500	141,500	134,730	6,770
Finance director	529,667	529,667	509,845	19,822
Finance board	76,277	78,883	77,907	976
Assessor	340,340	340,340	339,478	862
Tax review	7,125	7,125	3,914	3,211
Tax collector	360,578	369,081	367,917	1,164
Purchasing	77,309	83,325	83,224	101
Treasurer	21,652	21,652	21,652	-
Town attorneys	300,000	300,000	300,000	-
Human resources	205,792	205,792	200,883	4,909
Town clerk	255,080	266,281	265,629	652
Planning and zoning	283,738	318,776	316,680	2,096
Economic development	118,720	118,720	103,950	14,770
Inland-wetlands commission	10,475	14,659	13,477	1,182
Conservation commission	1,155	1,155	947	208
Transit district	44,084	44,084	44,084	-
Town hall	1,683,370	1,340,605	1,086,640	253,965
Technology	439,556	448,253	447,937	316
Employee benefits	13,226,206	13,240,694	13,298,846	(58,152)
Recycling	3,700	3,700	3,237	463
Clean energy	1,600	1,600		1,600
Trumbull nature center	7,469	7,469	6,243	1,226
Total general government	<u>18,506,943</u>	<u>18,268,730</u>	<u>18,011,439</u>	<u>257,291</u>

(Continued on next page)

TOWN OF TRUMBULL, CONNECTICUT

GENERAL FUND

**SCHEDULE OF EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**

FOR THE YEAR ENDED JUNE 30, 2013

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Public Safety:				
Police	\$ 7,389,413	\$ 7,870,573	\$ 7,842,919	\$ 27,654
Emergency medical service	1,074,825	1,125,075	1,066,356	58,719
Fire marshal	317,250	317,250	304,169	13,081
Fire hydrants - water	1,285,584	1,286,910	1,286,910	-
Building official	304,916	310,425	307,178	3,247
Dog warden	109,486	111,593	104,172	7,421
Central emergency dispatch	720	720	60	660
Emergency management	90,800	94,813	97,166	(2,353)
Total public safety	<u>10,572,994</u>	<u>11,117,359</u>	<u>11,008,930</u>	<u>108,429</u>
Public Works:				
Public works director	164,569	164,569	162,664	1,905
Public works (highway)	2,396,321	2,396,321	2,289,140	107,181
Street lights	423,880	422,554	397,725	24,829
Fleet maintenance	1,261,265	1,261,265	1,097,603	163,662
Public works maintenance	917,706	917,706	910,845	6,861
Disposal area	2,197,707	2,258,342	2,250,006	8,336
Town engineer	499,464	499,464	488,515	10,949
Snow removal	500,000	524,057	498,749	25,308
Highway construction	250,000	250,000	249,981	19
Total public works	<u>8,610,912</u>	<u>8,694,278</u>	<u>8,345,228</u>	<u>349,050</u>
Public Health:				
Board of health	257,956	257,956	257,950	6
Vital statistics	1,000	1,000	841	159
Nursing - seniors	30,575	30,575	27,933	2,642
Non-public schools	285,203	285,203	283,436	1,767
Total public health	<u>574,734</u>	<u>574,734</u>	<u>570,160</u>	<u>4,574</u>

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TOWN OF TRUMBULL, CONNECTICUT

GENERAL FUND

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

FOR THE YEAR ENDED JUNE 30, 2013

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Social Services:				
Social services	\$ 111,957	\$ 115,596	\$ 112,089	\$ 3,507
Counseling center	226,289	243,455	237,198	6,257
Youth commission	55,430	55,430	55,415	15
Senior citizen commission	237,645	241,065	208,192	32,873
Total social services	<u>631,321</u>	<u>655,546</u>	<u>612,894</u>	<u>42,652</u>
Libraries	<u>1,573,481</u>	<u>1,573,481</u>	<u>1,499,041</u>	<u>74,440</u>
Recreation and Parks:				
Arts commission	28,874	28,874	28,685	189
Public events	20,000	80,000	73,217	6,783
Recreation and parks	489,256	501,775	501,128	647
Parks	1,723,112	1,723,112	1,691,430	31,682
Tree warden	116,043	116,043	105,829	10,214
Total recreation and parks	<u>2,377,285</u>	<u>2,449,804</u>	<u>2,400,289</u>	<u>49,515</u>
Education:				
Contractual services	174,047	174,047	168,807	5,240
Operational expenditures	90,479,175	90,479,175	90,472,548	6,627
Busing	857,851	857,851	857,234	617
Board of Education maintenance			29,358	(29,358)
Use of buildings	240,432	240,432	232,968	7,464
Business education initiative	44,725	44,725	41,056	3,669
School nurses	702,737	726,839	726,686	153
Total education	<u>92,498,967</u>	<u>92,523,069</u>	<u>92,528,657</u>	<u>(5,588)</u>
Debt Service:				
Principal - bonds and notes	7,933,895	7,933,895	7,673,395	260,500
Interest - bonds	3,354,618	3,354,618	3,759,284	(404,666)
Total debt service	<u>11,288,513</u>	<u>11,288,513</u>	<u>11,432,679</u>	<u>(144,166)</u>
Total Expenditures	<u>\$ 146,635,150</u>	<u>\$ 147,145,514</u>	<u>\$ 146,409,317</u>	<u>\$ 736,197</u>

TOWN OF TRUMBULL, CONNECTICUT

GENERAL FUND

COMBINING BALANCE SHEET

JUNE 30, 2013

	<u>General</u>	<u>Special Revenue BOE Programs</u>	<u>Trumbull Day Fund</u>	<u>Interfund Elimination</u>	<u>Total</u>
ASSETS					
Cash and cash equivalents	\$ 36,843,952	\$ 502,177	\$	\$	\$ 37,346,129
Investments	9,934,030				9,934,030
Receivables, net of allowance for collections	10,253,834	262,297	95,012		10,611,143
Due from other funds	3,984,201			(302,476)	3,681,725
Advances to other funds	1,669,248				1,669,248
Total Assets	<u>\$ 62,685,265</u>	<u>\$ 764,474</u>	<u>\$ 95,012</u>	<u>\$ (302,476)</u>	<u>\$ 63,242,275</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable and accrued liabilities	\$ 5,847,820	\$ 551	\$ 52,865	\$	\$ 5,901,236
Due to other funds	27,699,110	302,476	2,515	(302,476)	27,701,625
Deferred revenue	8,618,104	193,633			8,811,737
Total liabilities	<u>42,165,034</u>	<u>496,660</u>	<u>55,380</u>	<u>(302,476)</u>	<u>42,414,598</u>
Fund Balances:					
Reserved for:					
Nonspendable	1,669,248				1,669,248
Committed	874,000	267,814	39,632		1,181,446
Assigned	803,684				803,684
Unassigned	17,173,299				17,173,299
Total fund balances	<u>20,520,231</u>	<u>267,814</u>	<u>39,632</u>	<u>-</u>	<u>20,827,677</u>
Total Liabilities and Fund Balances	<u>\$ 62,685,265</u>	<u>\$ 764,474</u>	<u>\$ 95,012</u>	<u>\$ (302,476)</u>	<u>\$ 63,242,275</u>

TOWN OF TRUMBULL, CONNECTICUT

GENERAL FUND
REPORT OF TAX COLLECTOR

FOR THE YEAR ENDED JUNE 30, 2013

Grand List	Uncollected Taxes July 1, 2012	Current Levy	Lawful Corrections		Transfers To Suspense	Adjusted Taxes Collectible	Collections				Uncollected Taxes June 30, 2013	
			Additions	Deductions			Taxes	Interest	Lien Fees	Total		
2011	\$	\$ 135,623,670	\$ 267,725	\$ 363,872	\$	\$ 135,527,523	\$ 132,867,800	\$ 255,475	\$ 2,500	\$ 133,125,775	\$ 2,659,723	
2010		1,655,374	89,590	23,346		1,721,618	878,654	179,731	4,356	1,062,741	842,964	
2009		638,981	56,035	2,212	112,836	579,968	246,291	82,116	1,100	329,507	333,677	
2008		192,212	30	2,121		190,121	54,586	34,376	456	89,418	135,535	
2007		167,780	31.00	2,446		165,365	53,028	21,387	240	74,655	112,337	
2006		80,555				80,555	2,850	9,536	120	12,506	77,705	
2005		38,483				38,483	3,381	5,595	48	9,024	35,102	
2004		14,591				14,591	4,255	33	24	4,312	10,336	
2003		10,575				10,575	(1,092)	35	24	(1,033)	11,667	
2002		83,001				83,001	1,354	38	24	1,416	81,647	
2001		7,895				7,895	(115)	289	82	256	8,010	
2000		10,780				10,780	(367)	41	24	(302)	11,147	
1999		12,673				12,673	319	1,333	24	1,676	12,354	
1998		11,154				11,154	(414)	1,354	24	964	11,568	
1997		12,047				12,047	497	1,460	24	1,981	11,550	
1996		11,702		11,702		-	-	-	-	-	-	
1995		11,701		11,701		-	-	-	-	-	-	
Total	\$	<u>2,959,504</u>	\$ <u>135,623,670</u>	\$ <u>413,411</u>	\$ <u>417,400</u>	\$ <u>112,836</u>	\$ <u>138,466,349</u>	\$ <u>134,111,027</u>	\$ <u>592,799</u>	\$ <u>9,070</u>	\$ <u>134,712,896</u>	\$ <u>4,355,322</u>

TOWN OF TRUMBULL, CONNECTICUT

COMBINING STATEMENT OF NET POSITION BY PROJECT- WPCA FUND

JUNE 30, 2013

	<u>WPCA Operations</u>	<u>WPCA Construction</u>	<u>Total WPCA</u>
Assets:			
Current assets:			
Receivables, net	\$ 953,568	\$ 18,120	\$ 971,688
Assessment receivable		26,267,304	26,267,304
Due from other funds	4,230,102	6,776,290	11,006,392
Other asset		30,582	30,582
	<u>5,183,670</u>	<u>33,092,296</u>	<u>38,275,966</u>
Total current assets			
Noncurrent assets:			
Capital assets, net		93,326,748	93,326,748
Total assets	<u>5,183,670</u>	<u>126,419,044</u>	<u>131,602,714</u>
Liabilities:			
Current liabilities:			
Accounts and other payables	328,752	232,850	561,602
Accrued liabilities	4,942		4,942
Bond anticipation notes		5,000,000	5,000,000
Bonds payable		3,898,460	3,898,460
Compensation absences	7,519		7,519
Total current liabilities	<u>341,213</u>	<u>9,131,310</u>	<u>9,472,523</u>
Noncurrent liabilities:			
Bonds payable, net		62,063,956	62,063,956
Compensated absences	40,603		40,603
Total noncurrent liabilities	<u>40,603</u>	<u>62,063,956</u>	<u>62,104,559</u>
Total liabilities	<u>381,816</u>	<u>71,195,266</u>	<u>71,577,082</u>
Net Position:			
Net investment in capital assets		22,364,332	22,364,332
Unrestricted	4,801,854	32,859,446	37,661,300
Total Net Position	<u>\$ 4,801,854</u>	<u>\$ 55,223,778</u>	<u>\$ 60,025,632</u>

TOWN OF TRUMBULL, CONNECTICUT

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN FUND NET POSITION BY PROJECT - WPCA FUND

FOR THE YEAR ENDED JUNE 30, 2013

	<u>WPCA Operations</u>	<u>WPCA Construction</u>	<u>Total WPCA</u>
Operating Revenues:			
Charges for services	\$ 6,399,630	\$	\$ 6,399,630
Operating Expenses:			
Operations and maintenance	5,378,661		5,378,661
Depreciation		1,742,736	1,742,736
Total operating expenses	<u>5,378,661</u>	<u>1,742,736</u>	<u>7,121,397</u>
Operating Income (Loss)	<u>1,020,969</u>	<u>(1,742,736)</u>	<u>(721,767)</u>
Nonoperating Revenue (Expenses):			
Interest income		1,298,701	1,298,701
Interest expense		(2,068,617)	(2,068,617)
Intergovernmental income	11,375		11,375
Net nonoperating revenue (expenses)	<u>11,375</u>	<u>(769,916)</u>	<u>(758,541)</u>
Income (Loss) Before Capital Contributions and Transfers	<u>1,032,344</u>	<u>(2,512,652)</u>	<u>(1,480,308)</u>
Capital Contributions:			
Capital contributions		1,536,619	1,536,619
Special assessments and other	15,934		15,934
Total capital contributions	<u>15,934</u>	<u>1,536,619</u>	<u>1,552,553</u>
Income (Loss) Before Transfers	1,048,278	(976,033)	72,245
Transfers Out	<u>(500,540)</u>		<u>(500,540)</u>
Change in Net Position	547,738	(976,033)	(428,295)
Net Position at Beginning of Year	<u>4,254,116</u>	<u>56,199,811</u>	<u>60,453,927</u>
Net Position at End of Year	<u>\$ 4,801,854</u>	<u>\$ 55,223,778</u>	<u>\$ 60,025,632</u>

TOWN OF TRUMBULL, CONNECTICUT

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2013

Special Revenue Funds

	Homeland Securities Act	Dog Fund	Youth and Children Services	Trumbull Library	Town Clerk Historical Preservation	Millington League Settlement	Education Grants and Other Programs	Police Grants	Police Special Duty	School Lunch	Social Services
ASSETS											
Cash and cash equivalents	\$	\$	\$	\$ 2,547	\$	\$	\$	\$	\$	\$ 609,538	\$
Accounts receivable		605					72,420		339,150	66,911	
Due from other funds	1,688	115,710	11,021		86,973			865	1,150,408		2,103
Inventory										27,313	
Total Assets	<u>\$ 1,688</u>	<u>\$ 116,315</u>	<u>\$ 11,021</u>	<u>\$ 2,547</u>	<u>\$ 86,973</u>	<u>\$ -</u>	<u>\$ 72,420</u>	<u>\$ 865</u>	<u>\$ 1,489,558</u>	<u>\$ 703,762</u>	<u>\$ 2,103</u>
LIABILITIES AND FUND BALANCES											
Liabilities:											
Accounts and other payable	\$	\$ 45	\$ 2,730	\$	\$ 22,914	\$	\$ 15,876	\$	\$	\$	\$
Due to other funds						75,853	40,255			127,354	
Bond anticipation notes payable											
Advances to other funds											
Deferred revenue							16,289			60,077	
Total liabilities	<u>-</u>	<u>45</u>	<u>2,730</u>	<u>-</u>	<u>22,914</u>	<u>75,853</u>	<u>72,420</u>	<u>-</u>	<u>-</u>	<u>187,431</u>	<u>-</u>
Fund Balances:											
Nonspendable										27,313	
Restricted	1,688	605						865		66,911	2,103
Committed		115,665	8,291	2,547	64,059				1,489,558	422,107	
Unassigned						(75,853)					
Total fund balances	<u>1,688</u>	<u>116,270</u>	<u>8,291</u>	<u>2,547</u>	<u>64,059</u>	<u>(75,853)</u>	<u>-</u>	<u>865</u>	<u>1,489,558</u>	<u>516,331</u>	<u>2,103</u>
Total Liabilities and Fund Balances	<u>\$ 1,688</u>	<u>\$ 116,315</u>	<u>\$ 11,021</u>	<u>\$ 2,547</u>	<u>\$ 86,973</u>	<u>\$ -</u>	<u>\$ 72,420</u>	<u>\$ 865</u>	<u>\$ 1,489,558</u>	<u>\$ 703,762</u>	<u>\$ 2,103</u>

(Continued on next page)

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

JUNE 30, 2013

Capital Projects Funds

		<u>Debt Service Fund</u>		<u>Police Funds</u>		<u>Public Works Capital Projects</u>		<u>Small Cities</u>		<u>Senior Citizen Bus Fund</u>		<u>THS Renovations</u>		<u>Land Acquisition</u>		<u>Police Station Improvements</u>		<u>LOCIP</u>
ASSETS																		
Cash and cash equivalents	\$		\$		\$	1,045,443		\$	39	\$		\$		\$		\$		\$
Accounts receivable																		262,675
Due from other funds		709,353						10,576				1,177,573				75,476		
Inventory																		
Total Assets	\$	<u>709,353</u>	\$	<u>-</u>	\$	<u>1,045,443</u>	\$	<u>10,615</u>	\$	<u>-</u>	\$	<u>1,177,573</u>	\$	<u>-</u>	\$	<u>75,476</u>	\$	<u>262,675</u>
LIABILITIES AND FUND BALANCES																		
Liabilities:																		
Accounts and other payable	\$		\$	211	\$		\$		\$		\$		\$		\$		\$	6,879
Due to other funds				14,721		1,053,407												665,780
Bond anticipation notes payable																		
Advances to other funds														1,669,248				
Deferred revenue																		
Total liabilities		<u>-</u>		<u>14,932</u>		<u>1,053,407</u>		<u>-</u>		<u>-</u>		<u>-</u>		<u>1,669,248</u>		<u>-</u>		<u>672,659</u>
Fund Balances:																		
Nonspendable																		
Restricted																		
Committed		709,353						10,615				1,177,573				75,476		
Unassigned				(14,932)		(7,964)							(1,669,248)					(409,984)
Total fund balances		<u>709,353</u>		<u>(14,932)</u>		<u>(7,964)</u>		<u>10,615</u>		<u>-</u>		<u>1,177,573</u>		<u>(1,669,248)</u>		<u>75,476</u>		<u>(409,984)</u>
Total Liabilities and Fund Balances	\$	<u>709,353</u>	\$	<u>-</u>	\$	<u>1,045,443</u>	\$	<u>10,615</u>	\$	<u>-</u>	\$	<u>1,177,573</u>	\$	<u>-</u>	\$	<u>75,476</u>	\$	<u>262,675</u>

(Continued on next page)

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

JUNE 30, 2013

Capital Projects Funds

	<u>Park Improvements</u>	<u>Resurfacing of Town Roads</u>	<u>Reserve for Capital and Nonrecurring Expenditures</u>	<u>Resurfacing of Tennis Courts</u>	<u>Pre- Kindergarten School</u>	<u>Daniels Farm Road Bridge</u>	<u>BOE Emergency Projects</u>	<u>Townwide Park Improvements</u>	<u>Tax Assessor CAMA System</u>	<u>Technology Town & BOE</u>
ASSETS										
Cash and cash equivalents	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Accounts receivable										
Due from other funds	76,456	28,811	83,807		245,738		67,902	330	39,682	83,296
Inventory										
Total Assets	<u>\$ 76,456</u>	<u>\$ 28,811</u>	<u>\$ 83,807</u>	<u>\$ -</u>	<u>\$ 245,738</u>	<u>\$ -</u>	<u>\$ 67,902</u>	<u>\$ 330</u>	<u>\$ 39,682</u>	<u>\$ 83,296</u>
LIABILITIES AND FUND BALANCES										
Liabilities:										
Accounts and other payable	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Due to other funds				4,670		17,571				
Bond anticipation notes payable										
Advances to other funds										
Deferred revenue										
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,670</u>	<u>-</u>	<u>17,571</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:										
Nonspendable										
Restricted										
Committed	76,456	28,811	83,807		245,738		67,902	330	39,682	83,296
Unassigned				(4,670)		(17,571)				
Total fund balances	<u>76,456</u>	<u>28,811</u>	<u>83,807</u>	<u>(4,670)</u>	<u>245,738</u>	<u>(17,571)</u>	<u>67,902</u>	<u>330</u>	<u>39,682</u>	<u>83,296</u>
Total Liabilities and Fund Balances	<u>\$ 76,456</u>	<u>\$ 28,811</u>	<u>\$ 83,807</u>	<u>\$ -</u>	<u>\$ 245,738</u>	<u>\$ -</u>	<u>\$ 67,902</u>	<u>\$ 330</u>	<u>\$ 39,682</u>	<u>\$ 83,296</u>

(Continued on next page)

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

JUNE 30, 2013

	Capital Projects Funds						Permanent Funds		Total Nonmajor Governmental Funds	
	Paving	Rails to Trails	New Elementary School	BOE Capital Projects	BOE 2nd Year Phase I Technology	BOE Phase II Technology	BOE 2nd Year Phase II Technology	BOE Scholarships		Cemetery Fund
ASSETS										
Cash and cash equivalents	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Accounts receivable		638		396,553			99,956		25,874	837,739
Due from other funds		687,646		857,507	23,772	14,843	170		1,457	2,284,351
Inventory										5,553,163
										27,313
Total Assets	\$	<u>688,284</u>	\$	<u>-</u>	\$	<u>-</u>	\$	<u>1,254,060</u>	\$	<u>23,772</u>
										<u>14,843</u>
										<u>170</u>
										<u>299,697</u>
										<u>27,331</u>
										<u>8,702,566</u>
LIABILITIES AND FUND BALANCES										
Liabilities:										
Accounts and other payable	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Due to other funds			208,725	425,928						705,492
Bond anticipation notes payable				36,000						2,634,264
Advances to other funds										36,000
Deferred revenue							99,956			1,669,248
Total liabilities		<u>-</u>	<u>208,725</u>	<u>425,928</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>99,956</u>	<u>-</u>	<u>176,322</u>
Fund Balances:										
Nonspendable								199,741	27,331	254,385
Restricted										72,172
Committed		688,284		561,223	23,772	14,843	170			5,989,558
Unassigned			(208,725)	(425,928)						(2,834,875)
Total fund balances		<u>688,284</u>	<u>(208,725)</u>	<u>(425,928)</u>	<u>561,223</u>	<u>23,772</u>	<u>14,843</u>	<u>170</u>	<u>199,741</u>	<u>27,331</u>
Total Liabilities and Fund Balances	\$	<u>688,284</u>	\$	<u>-</u>	\$	<u>-</u>	\$	<u>1,254,060</u>	\$	<u>23,772</u>
										<u>14,843</u>
										<u>170</u>
										<u>299,697</u>
										<u>27,331</u>
										<u>8,702,566</u>

TOWN OF TRUMBULL, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2013

Special Revenue Funds

	<u>Homeland Securities Act</u>	<u>Dog Fund</u>	<u>Youth and Children Services</u>	<u>Trumbull Library</u>	<u>Town Clerk Historical Preservation</u>	<u>Millington League Settlement</u>	<u>Education Grants and Other Programs</u>	<u>Police Grants</u>	<u>Police Special Duty</u>	<u>School Lunch</u>	<u>Social Services</u>
Revenue:											
Intergovernmental revenue	\$	\$	\$ 32,811	\$	\$ 244,088	\$	\$ 2,029,405	\$	\$	\$ 393,613	\$
Investment income											
Charges for goods and services		21,366			15,730				1,294,050	2,088,386	
Other											
Total revenues	<u>-</u>	<u>21,366</u>	<u>32,811</u>	<u>-</u>	<u>259,818</u>	<u>-</u>	<u>2,029,405</u>	<u>-</u>	<u>1,294,050</u>	<u>2,481,999</u>	<u>-</u>
Expenditures:											
Current:											
General government					292,058						
Public safety		11,069							1,073,785		
Public health			32,811								
Education							2,029,405			2,548,609	
Capital outlay		4,299									
Total expenditures	<u>-</u>	<u>15,368</u>	<u>32,811</u>	<u>-</u>	<u>292,058</u>	<u>-</u>	<u>2,029,405</u>	<u>-</u>	<u>1,073,785</u>	<u>2,548,609</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures	<u>-</u>	<u>5,998</u>	<u>-</u>	<u>-</u>	<u>(32,240)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>220,265</u>	<u>(66,610)</u>	<u>-</u>
Other Financing Sources:											
Transfers in											
Issuance of debt											
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	-	5,998	-	-	(32,240)	-	-	-	220,265	(66,610)	-
Fund Balances at Beginning of Year, as Restated	<u>1,688</u>	<u>110,272</u>	<u>8,291</u>	<u>2,547</u>	<u>96,299</u>	<u>(75,853)</u>	<u>-</u>	<u>865</u>	<u>1,269,293</u>	<u>582,941</u>	<u>2,103</u>
Fund Balances at End of Year	<u>\$ 1,688</u>	<u>\$ 116,270</u>	<u>\$ 8,291</u>	<u>\$ 2,547</u>	<u>\$ 64,059</u>	<u>\$ (75,853)</u>	<u>\$ -</u>	<u>\$ 865</u>	<u>\$ 1,489,558</u>	<u>\$ 516,331</u>	<u>\$ 2,103</u>

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

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2013

Capital Projects Funds

	<u>Debt Service Fund</u>	<u>Police Funds</u>	<u>Public Works Capital Projects</u>	<u>Small Cities</u>	<u>Senior Citizen Bus Fund</u>	<u>THS Renovations</u>	<u>Land Acquisition</u>	<u>Police Station Improvements</u>	<u>LOCIP</u>
Revenue:									
Intergovernmental revenue	\$	\$ 18,060	\$ 1,420,787	\$	\$ 40,000	\$	\$	\$	\$ 262,675
Investment income									
Charges for goods and services							20,510		
Other									
Total revenues	<u>-</u>	<u>18,060</u>	<u>1,420,787</u>	<u>-</u>	<u>40,000</u>	<u>-</u>	<u>20,510</u>	<u>-</u>	<u>262,675</u>
Expenditures:									
Current:									
General government									
Public safety									
Public health									
Education									
Capital outlay		32,935	1,499,683		40,000		4,775		262,675
Total expenditures	<u>-</u>	<u>32,935</u>	<u>1,499,683</u>	<u>-</u>	<u>40,000</u>	<u>-</u>	<u>4,775</u>	<u>-</u>	<u>262,675</u>
Excess (Deficiency) of Revenues over Expenditures	<u>-</u>	<u>(14,875)</u>	<u>(78,896)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,735</u>	<u>-</u>	<u>-</u>
Other Financing Sources:									
Transfers in			94,950						
Issuance of debt									
Total other financing sources	<u>-</u>	<u>-</u>	<u>94,950</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>-</u>	<u>(14,875)</u>	<u>16,054</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,735</u>	<u>-</u>	<u>-</u>
Fund Balances at Beginning of Year, as Restated	<u>709,353</u>	<u>(57)</u>	<u>(24,018)</u>	<u>10,615</u>	<u>-</u>	<u>1,177,573</u>	<u>(1,684,983)</u>	<u>75,476</u>	<u>(409,984)</u>
Fund Balances at End of Year	<u>\$ 709,353</u>	<u>\$ (14,932)</u>	<u>\$ (7,964)</u>	<u>\$ 10,615</u>	<u>\$ -</u>	<u>\$ 1,177,573</u>	<u>\$ (1,669,248)</u>	<u>\$ 75,476</u>	<u>\$ (409,984)</u>

(Continued on next page)

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

NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2013

Capital Projects Funds

	<u>Park Improvements</u>	<u>Resurfacing of Town Roads</u>	<u>Reserve for Capital and Nonrecurring Expenditures</u>	<u>Resurfacing of Tennis Courts</u>	<u>Pre- Kindergarten School</u>	<u>Daniels Farm Road Bridge</u>	<u>BOE Emergency Projects</u>	<u>Townwide Park Improvements</u>	<u>Tax Assessor CAMA System</u>	<u>Technology Town & BOE</u>
Revenue:										
Intergovernmental revenue	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Investment income										
Charges for goods and services										
Other										
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:										
Current:										
General government										
Public safety										
Public health										
Education										
Capital outlay	11,025						250,288			
Total expenditures	<u>11,025</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>250,288</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(11,025)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(250,288)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Sources:										
Transfers in										
Issuance of debt										
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(11,025)	-	-	-	-	-	(250,288)	-	-	-
Fund Balances at Beginning of Year, as Restated	87,481	28,811	83,807	(4,670)	245,738	(17,571)	318,190	330	39,682	83,296
Fund Balances at End of Year	<u>\$ 76,456</u>	<u>\$ 28,811</u>	<u>\$ 83,807</u>	<u>\$ (4,670)</u>	<u>\$ 245,738</u>	<u>\$ (17,571)</u>	<u>\$ 67,902</u>	<u>\$ 330</u>	<u>\$ 39,682</u>	<u>\$ 83,296</u>

(Continued on next page)

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

NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2013

	Capital Projects Funds						Permanent Fund		Total Nonmajor Governmental Funds	
	Paving	Rails to Trails	New Elementary School	BOE Capital Projects	BOE 2nd Year Phase I Technology	BOE Phase II Technology	BOE 2nd Year Phase II Technology	BOE Scholarships		Cemetery Fund
Revenue:										
Intergovernmental revenue	\$ 230,710	\$	\$	\$ 12,432,903	\$	\$	\$	\$	\$ 17,105,052	
Investment income							408	40	448	
Charges for goods and services									3,440,042	
Other	638			21,316			49,240		71,194	
Total revenues	<u>231,348</u>	<u>-</u>	<u>-</u>	<u>12,454,219</u>	<u>-</u>	<u>-</u>	<u>49,648</u>	<u>40</u>	<u>20,616,736</u>	
Expenditures:										
Current:										
General government									292,058	
Public safety									1,084,854	
Public health									32,811	
Education							17,095		4,595,109	
Capital outlay	278,843	2,945		11,506,982					13,894,450	
Total expenditures	<u>278,843</u>	<u>2,945</u>	<u>-</u>	<u>11,506,982</u>	<u>-</u>	<u>-</u>	<u>17,095</u>	<u>-</u>	<u>19,899,282</u>	
Excess (Deficiency) of Revenues over Expenditures	<u>(47,495)</u>	<u>(2,945)</u>	<u>-</u>	<u>947,237</u>	<u>-</u>	<u>-</u>	<u>32,553</u>	<u>40</u>	<u>717,454</u>	
Other Financing Sources:										
Transfers in									94,950	
Issuance of debt				15,900,000					15,900,000	
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,900,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,994,950</u>	
Net Change in Fund Balances	(47,495)	(2,945)	-	16,847,237	-	-	-	32,553	40	16,712,404
Fund Balances at Beginning of Year, as Restated	735,779	(205,780)	(425,928)	(16,286,014)	23,772	14,843	170	167,188	27,291	(13,231,164)
Fund Balances at End of Year	<u>\$ 688,284</u>	<u>\$ (208,725)</u>	<u>\$ (425,928)</u>	<u>\$ 561,223</u>	<u>\$ 23,772</u>	<u>\$ 14,843</u>	<u>\$ 170</u>	<u>\$ 199,741</u>	<u>\$ 27,331</u>	<u>\$ 3,481,240</u>

TOWN OF TRUMBULL, CONNECTICUT
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2013

	<u>Lease Fund</u>	<u>Insurance Reserve Fund</u>	<u>Total</u>
ASSETS			
Current assets:			
Due from other funds	\$	\$ 2,516,651	\$ 2,516,651
Noncurrent assets:			
Capital assets, net	<u>2,921,983</u>	<u> </u>	<u>2,921,983</u>
Total assets	<u>2,921,983</u>	<u>2,516,651</u>	<u>5,438,634</u>
LIABILITIES AND NET POSITION			
Liabilities:			
Current liabilities:			
Claims payable		827,806	827,806
Due to other funds	1,047,461		1,047,461
Total current liabilities	<u>1,047,461</u>	<u>827,806</u>	<u>1,875,267</u>
Noncurrent liabilities:			
Claims payable		2,108,668	2,108,668
Total liabilities	<u>1,047,461</u>	<u>2,936,474</u>	<u>3,983,935</u>
NET POSITION			
Net Position:			
Net investment in capital assets	<u>1,874,522</u>		<u>1,874,522</u>
Total Net Position	<u>\$ 1,874,522</u>	<u>\$ (419,823)</u>	<u>\$ 1,454,699</u>

TOWN OF TRUMBULL, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2013

	<u>Lease Fund</u>	<u>Insurance Reserve Fund</u>	<u>Total</u>
Operating Revenues:			
Charges for services	\$ 597,870	\$ 1,286,441	\$ 1,884,311
Operating Expenses:			
Claims expense		1,706,264	1,706,264
Depreciation expense	375,590		375,590
Total operating expenses	<u>375,590</u>	<u>1,706,264</u>	<u>2,081,854</u>
Operating Income (Loss)	222,280	(419,823)	(197,543)
Net Position at Beginning of Year	<u>1,652,242</u>	-	<u>1,652,242</u>
Net Position at End of Year	<u><u>\$ 1,874,522</u></u>	<u><u>\$ (419,823)</u></u>	<u><u>\$ 1,454,699</u></u>

TOWN OF TRUMBULL, CONNECTICUT
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2013

	<u>Lease Fund</u>	<u>Insurance Reserve Fund</u>	<u>Total</u>
Cash Flows from Operating Activities:			
Cash received from users	\$ 597,870	\$ 1,286,441	\$ 1,884,311
Cash paid for insurance claims and premiums		<u>(1,286,441)</u>	<u>(1,286,441)</u>
Net cash provided by operating activities	<u>597,870</u>	<u>-</u>	<u>597,870</u>
Cash Flows from Noncapital Financing Activities:			
Cash provided by other funds	<u>91,678</u>		<u>91,678</u>
Net cash provided by noncapital financing activities	<u>91,678</u>	<u>-</u>	<u>91,678</u>
Cash Flows from Capital and Related Financing Activities:			
Purchase of fixed assets	<u>(689,548)</u>		<u>(689,548)</u>
Net cash used in capital and related financing activities	<u>(689,548)</u>	<u>-</u>	<u>(689,548)</u>
Net Increase in Cash and Cash Equivalents	-	-	-
Cash and Cash Equivalents at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Cash and Cash Equivalents at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities:			
Operating income (loss)	\$ 222,280	\$ (419,823)	\$ (197,543)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation expense	375,590		375,590
Increase (decrease) in claims payable		<u>419,823</u>	<u>419,823</u>
Net Cash Provided by Operating Activities	<u>\$ 597,870</u>	<u>\$ -</u>	<u>\$ 597,870</u>

TOWN OF TRUMBULL, CONNECTICUT

AGENCY FUNDS

COMBINING BALANCE SHEET
JUNE 30, 2013

	Performance Bond Fund	Student Activity Fund	Total
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash and cash equivalents	\$ 861,862	\$ 283,101	\$ 1,144,963
	<u> </u>	<u> </u>	<u> </u>
LIABILITIES			
Deposits held for others	\$ 861,862	\$ 283,101	\$ 1,144,963
	<u> </u>	<u> </u>	<u> </u>

TOWN OF TRUMBULL, CONNECTICUT

AGENCY FUNDS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2013

	<u>Balance July 1, 2012</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2013</u>
Performance Bond Fund				
Assets:				
Cash and cash equivalents	\$ <u>1,891,678</u>	\$ <u>16,061</u>	\$ <u>1,045,877</u>	\$ <u>861,862</u>
Liabilities:				
Deposits held for others	\$ <u>1,891,678</u>	\$ <u>16,061</u>	\$ <u>1,045,877</u>	\$ <u>861,862</u>
Student Activity Fund				
Assets:				
Cash and cash equivalents	\$ <u>317,499</u>	\$ <u>621,528</u>	\$ <u>655,926</u>	\$ <u>283,101</u>
Liabilities:				
Deposits held for others	\$ <u>317,499</u>	\$ <u>621,528</u>	\$ <u>655,926</u>	\$ <u>283,101</u>
Total All Funds				
Assets:				
Cash and cash equivalents	\$ <u>2,209,177</u>	\$ <u>637,589</u>	\$ <u>1,701,803</u>	\$ <u>1,144,963</u>
Liabilities:				
Deposits held for others	\$ <u>2,209,177</u>	\$ <u>637,589</u>	\$ <u>1,701,803</u>	\$ <u>1,144,963</u>

TOWN OF TRUMBULL, CONNECTICUT
COMBINING STATEMENT OF NET POSITION
PRIVATE PURPOSE TRUST FUNDS

JUNE 30, 2013

	<u>Trumbull Library</u>	<u>Special Trust</u>	<u>Total</u>
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 54,725	\$ 112,512	\$ 167,237
Investments	21,353		21,353
Receivables		39,181	39,181
Due from other funds		1,125,995	1,125,995
Total current assets	<u>76,078</u>	<u>1,277,688</u>	<u>1,353,766</u>
LIABILITIES AND NET POSITION			
Liabilities:			
Current liabilities:			
Accounts and other payables		21,888	21,888
NET POSITION IN TRUST	<u>\$ 76,078</u>	<u>\$ 1,255,800</u>	<u>\$ 1,331,878</u>

TOWN OF TRUMBULL, CONNECTICUT

**COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION**

PRIVATE PURPOSE TRUST FUNDS

FOR THE YEAR ENDED JUNE 30, 2013

	<u>Trumbull Library</u>	<u>Special Trust</u>	<u>Total</u>
Additions:			
Interest and dividends	\$ 55	\$ 201	\$ 256
Intergovernmental	13,047	3,265	16,312
Contributions	74,587	817,177	891,764
Total additions	<u>87,689</u>	<u>820,643</u>	<u>908,332</u>
Deductions:			
Payments to beneficiaries	<u>85,638</u>	<u>657,126</u>	<u>742,764</u>
Change in net position	2,051	163,517	165,568
Net position at beginning of year, as restated	<u>74,027</u>	<u>1,092,283</u>	<u>1,166,310</u>
Net Position at End of Year	<u>\$ 76,078</u>	<u>\$ 1,255,800</u>	<u>\$ 1,331,878</u>

TOWN OF TRUMBULL, CONNECTICUT

SCHEDULE OF DEBT LIMITATION

COMPARATIVE SCHEDULE BY SOURCE

(In Thousands)

JUNE 30, 2013

Total tax collections, including interest and lien fees, received by Treasurer for year ended June 30, 2013	\$ 134,713
Reimbursement for loss on:	
Tax relief for elderly - elderly freeze	<u>3</u>
BASE	<u>\$ 134,716</u>

	<u>General Purpose</u>	<u>Schools</u>	<u>Sewers</u>	<u>Urban Renewal</u>	<u>Pension Deficit</u>
Debt limitation:					
2-1/4 times base	\$ 303,111	\$	\$	\$	\$
4-1/2 times base		606,222			
3-3/4 times base			505,185		
3-1/4 times base				437,827	
3 times base					404,148
Total debt limitation	<u>303,111</u>	<u>606,222</u>	<u>505,185</u>	<u>437,827</u>	<u>404,148</u>
Indebtedness:					
Bonds payable	21,536	73,212	64,673		
Bond anticipation notes	9,815	2,611	5,000		
Bonds authorized - unissued	<u>3,259</u>	<u>5,059</u>			
Total indebtedness	<u>34,610</u>	<u>80,882</u>	<u>69,673</u>	<u>-</u>	<u>-</u>
Debt Limitation in Excess of Outstanding and Authorized Debt	<u>\$ 268,501</u>	<u>\$ 525,340</u>	<u>\$ 435,512</u>	<u>\$ 437,827</u>	<u>\$ 404,148</u>

Note: In no event shall total debt exceed seven times annual receipts from taxation (\$943.0 million).