

# Town of Simsbury Connecticut



## Comprehensive Annual Financial Report

For The Fiscal Year Ended

June 30, 2016

# **Comprehensive Annual Financial Report**

of the

## **TOWN OF SIMSBURY, CONNECTICUT**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

Department of Finance  
Sean Kimball  
Director of Finance

# **Introductory Section**

**TOWN OF SIMSBURY, CONNECTICUT**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
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**JUNE 30, 2016**

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# Town of Simsbury

933 HOPMEADOW STREET

P.O. BOX 495

SIMSBURY, CONNECTICUT 06070

December 29, 2016

To the Board of Selectmen, Board of Education, Board of Finance and the citizens of the Town of Simsbury:

Connecticut State Statutes require that all municipal entities publish within six months of the close of the fiscal year a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with auditing standards accepted in the United States of America by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the Town of Simsbury, Connecticut for the fiscal year ended June 30, 2016.

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

The Town's financial statements have been audited by Blum, Shapiro & Company, P.C., a firm of licensed certified public accountants. The goal of the independent audit was to provide a reasonable assurance that the financial statements of the Town of Simsbury for the fiscal year ended June 30, 2016, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates by management; and evaluating the overall financial statement presentation. The independent auditor concluded based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Town of Simsbury financial statements for the fiscal year ended June 30, 2016, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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The independent audit of the financial statements of the Town was part of broader, federal and state mandated "Single Audits" designed to meet the special needs of federal and state grantor agencies. The standards governing the Federal and State Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal and state awards. These reports are available in the Town of Simsbury's separately issued Single Audit Reports.

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

## **Profile of the Government**

The Town of Simsbury was incorporated as Connecticut's twenty-first Town in May 1670. It has a land area of approximately 34.5 square miles and a population of approximately 24,350. Centrally located in the heart of the New York - Boston corridor, Simsbury is a most attractive and diverse suburban community. As a part of the beautiful Farmington Valley, Simsbury offers an unmatched quality of life with a traditional New England town atmosphere in a setting of rolling hills, the picturesque Farmington River and well-manicured properties. Simsbury is conveniently located 20 minutes northwest of Hartford and 20 minutes southwest of Bradley International Airport.

The Town of Simsbury operates under a Charter revised as of November 6, 2012. The form of government is Board of Selectman – Board of Finance - Referendum. There are five Selectmen (2-year term) and a full time paid First Selectman (2-year term). There is also an eight-member Board of Education (4-year term) and a six member Board of Finance (6-year term). The First Selectman is the full time Chief Executive and Chief Administrative Officer of the town. The legislative authority of the government is vested in the Board of Selectmen. The Charter requires an automatic referendum for the annual budget and for expenditures in excess of 2% of the annual budget.

The Town of Simsbury provides a full range of services, including police protection; the construction and maintenance of streets, and other infrastructure; and recreational activities and cultural events; and a public school system which is one of the finest in the state and national level for excellence. Certain sanitation services are provided by a legally separate Water Pollution Control Authority, which functions, in essence as a department of the Town of Simsbury and therefore its operations have been included as an integral part of the Town of Simsbury's financial statements.

## **Annual Budget Process**

The budget serves as the foundation of the Town of Simsbury's financial planning and control. The proposed budget is presented during at least one Board of Finance Public Hearing in April. The proposed budget is subject to an automatic referendum by all qualified voters of the Town to be held from 14 to 21 days after the Board of Finance files the approved budget with the Town Clerk. Should the referendum fail to adopt the budget, the Board of Finance, in cooperation with the First Selectman and Board of Education, shall revise the annual budget, or that portion thereof, which has been rejected at the referendum, and present it at a subsequent Board of Finance Public Hearing and referendum for acceptance. If the budget remains unaccepted at the second referendum, the budget adopted for the then current fiscal year becomes the temporary budget on a month-to-month basis until a new budget is adopted.



## **Local Economy**

The Town has a diverse local economy with retail, insurance, and manufacturing. It is host to several national corporations, a world class skating center and an outdoor performing arts center. Simsbury's recently approved Form Based Codes and Planned Area Development Zoning Regulations have encouraged the creation of economic development opportunities for mixed use, pedestrian-friendly, low impact communities. Included are Dorset Crossing, with the St. Francis Emergency Care Center, 48 units of special needs housing; and future projects including plans for development of the property located at 200 Hopmeadow Street – former site of The Hartford's corporate offices – by The Silverman Group. Eastpointe apartments with 168 units, and retail/office space; Hopbrook Development with Millright's restaurant, offices, 85 luxury apartments and 20 townhouses. Dyno Nobel/Ensign Bickford Industries with its related companies owns substantial real estate in the town on which it has developed high quality residential structures and over 235,000 square feet of Class A office and research space. The diversity of the Town's grand list is reflected by the fact that the ten largest taxpayers only account for 7.47% of the grand list.

The Town's current unemployment rate is 2.5% compared to the state average of 4.7% and the national average of 4.6% (as of November, 2016).

## **Long-Term Financial Planning**

The Town and Board of Education has a five year Capital Improvement Plan which totals approximately \$73.6 million of which is estimated that \$65.6 million will be funded through debt and the remainder from grants and fund balance.

## **Relevant Financial Policies**

The Town of Simsbury written financial policies are as follows:

- Capital and Non-Recurring Fund Policy Statement
- Investment Policy
- Pension Investment Policy and Investment Objectives
- Other Post Employment Benefit (OPEB) Trust Investment Policy
- GASB 34 - Capital Asset Policy
- Fund Balance Policy
- Debt Policy

The Town's debt policy establishes as a long term objective that debt retirement expenses (interest and principal) be at a rate of not more than 7% of the total annual budget. For the year ended June 30, 2016, the annual debt retirement expense percentage in relation to the total annual budget was 7%, and therefore in compliance with the Town's debt policy.

## **Major Initiatives**

The Board of Finance Special Meeting on Capital Projects and subsequent Referendum approved the following projects:

At the May 18, 2016 Special Meeting of the Board of Finance, the Board approved the following projects and sent to Referendum:

- \$1,160,000 was approved and authorized to be funded through the issuance of bonds for the development of multi-use trails as a part of the Tariffville Connection of the East Coast Greenway.
- \$400,000 was approved and authorized to be funded through the issuance of bonds for open space planning, including the development of an open space master plan for the operation and management of open space.
- \$865,000 was approved and authorized to be funded through the issuance of bonds for the purchase of and improvements to the street lights, including the conversion to more energy efficient LED lighting.
- \$100,000 was approved and authorized to be funded through the issuance of bonds for the design and construction of the Simsbury Veteran's Memorial.
- \$2,500,000 was approved and authorized to be funded through the issuance of bonds for highway pavement management.
- \$385,000 was approved and authorized to be funded through the issuance of bonds for Town Hall site and safety improvements.
- \$450,000 was approved and authorized to be funded through the issuance of bonds for Public Works Complex infrastructure improvements.
- \$175,000 was approved and authorized to be funded through the issuance of bonds for the acquisition of portable generator infrastructure at Eno Memorial Hall, Simsbury Public Library, and Town Hall.
- \$450,000 was approved and authorized to be funded through the issuance of bonds for the design, acquisition and installation of a school district-owned network infrastructure to replace aging equipment.
- \$1,950,000 was approved and authorized to be funded through the issuance of bonds for renovations and improvements to Henry James Memorial School (Phase II).
- \$950,000 was approved and appropriated from bond proceeds for climate control improvements in all 7 schools.

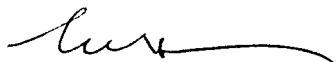
## **Awards and Acknowledgements**

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town for its comprehensive annual financial report for fiscal year ended June 30, 2015. This was the seventeenth consecutive year that we have received this prestigious award. In order to be awarded a Certificate of Achievement, the Town must publish an easily readable and efficiently organized comprehensive annual financial report. The report published satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report meets the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for a certificate.

The preparation of this report on a timely basis was made possible by the dedicated service of the entire staff of the Finance Department. In addition, the accounting firm of Blum, Shapiro & Company, P.C., made substantial contributions in the development of this document. Due credit also should be given to the First Selectman, Board of Selectmen, Board of Education and the Board of Finance for their cooperation, assistance and support throughout the year in matters pertaining to the financial affairs of the Town.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Lisa Heavner', with a long horizontal flourish extending to the right.

Lisa Heavner  
First Selectman

A handwritten signature in black ink, appearing to read 'Sean Kimball', with a stylized, cursive script.

Sean Kimball  
Director of Finance/Treasurer



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For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2015**

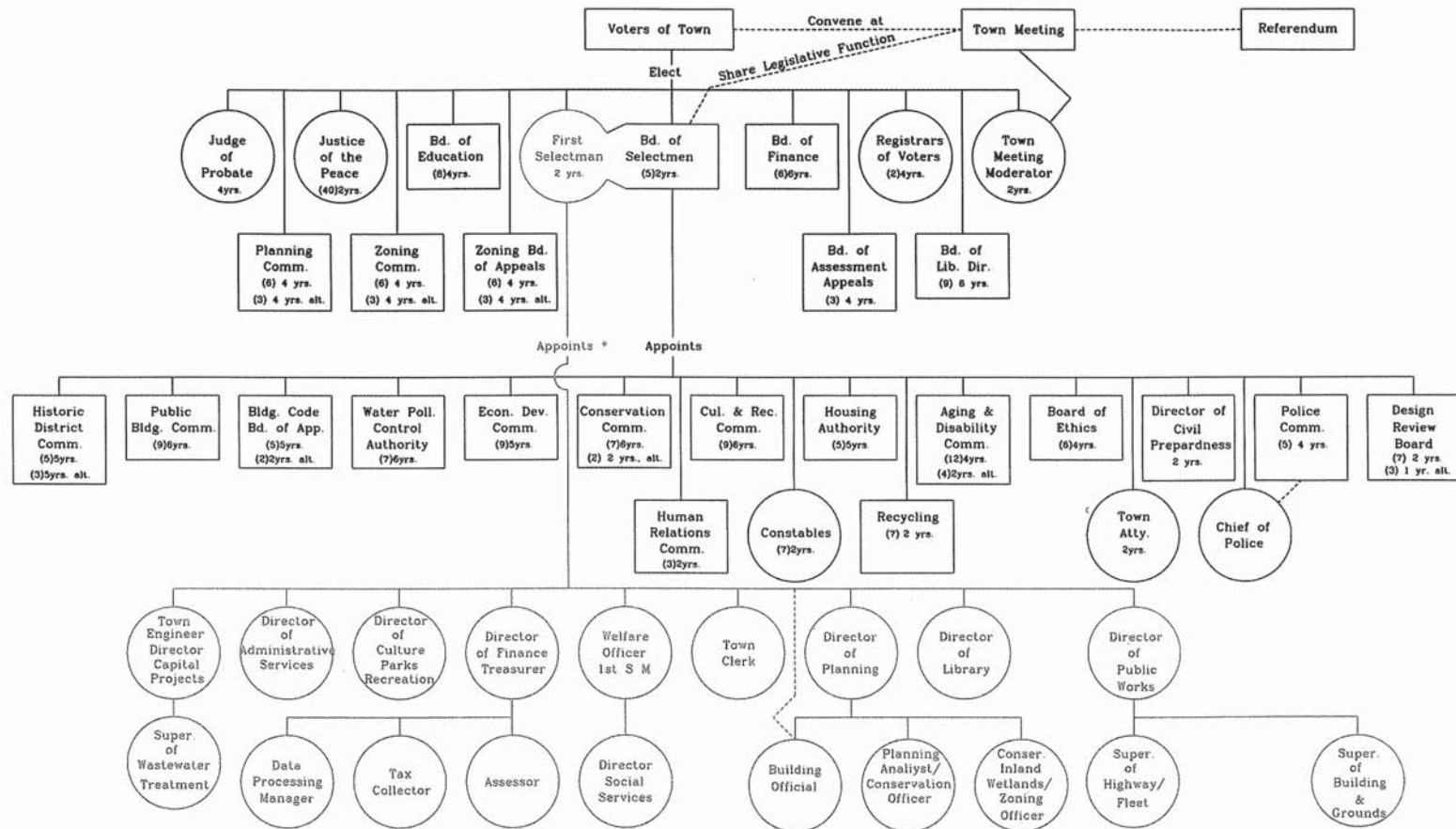
Executive Director/CEO

# Town of Simsbury Organizational Chart

**Legend**

- Groups functioning as boards, commissions or departments
- Individuals functioning as separate officers
- \* With the approval of Board of Selectmen

( ) Indicates number of members on a board or commission, followed by term of office



## **PRINCIPAL OFFICIALS**

**June 30, 2016**

### **BOARD OF SELECTMEN**

Lisa L. Heavner, First Selectman  
Chris M. Kelly, Deputy 1st Selectman  
Sean P. Askham  
Cheryl B. Cook  
Elaine Lang  
Mike R. Paine

### **BOARD OF EDUCATION**

Tara Donohue Willerup, Chairman  
Todd S. Burrick  
Thomas A. Doran  
Thomas E. Frank  
Robert Michael Goman  
Susan Salina  
Lydia A. Tedone  
Jeffrey Tindall

### **BOARD OF FINANCE**

Barbara Petitjean, Chairman  
Linda J. Schofield, Vice Chairman  
Jeffrey Blumenthal  
Robert D. Pomeroy, Jr.  
Kevin Prell  
Moir K. Wertheimer

### **APPOINTED OFFICIALS**

Matt Curtis, Superintendent  
Burke LaClair, School Business Manager  
Sean M. Kimball, Director of Finance/Treasurer  
Ericka Butler, Town Clerk  
Colleen O'Connor, Tax Collector  
David Gardner, Assessor  
Kevin J. Kowalski, Director of Civil Preparedness  
Micheline Lecours-Beck, Social Service Director  
Gerard Toner, Director of Culture, Parks & Recreation  
James Rabbitt, Director of Planning  
Mike Glidden, Conservation Officer  
Henry Miga, Building Official  
Jeff Shea, Town Engineer  
Updike, Kelley & Spellacy, Town Attorney

# Financial Section



Accounting | Tax | Business Consulting

## **Independent Auditors' Report**

To the Board of Finance  
Town of Simsbury, Connecticut

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Simsbury, Connecticut, as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the Town of Simsbury, Connecticut's basic financial statements as listed in the table of contents.

#### ***Management's Responsibility for the Financial Statements***

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

#### ***Auditors' Responsibility***

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

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

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



## ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Simsbury, Connecticut, as of June 30, 2016 and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund and the Sewer Use Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Change in Accounting Principle***

As discussed in Note 3 to the financial statements, during the fiscal year ended June 30, 2016, the Town adopted new accounting guidance, GASB Statement No. 72, *Fair Value Measurement and Application*. Our opinion is not modified with respect to this matter.

## ***Other Matters***

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 13, the OPEB schedules on page 65 and the pension schedules on pages 66 through 73 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 Simsbury, Connecticut's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the Town of Simsbury, Connecticut as of and for the year ended June 30, 2015 (not presented herein), and have issued our report thereon dated January 13, 2016, which contained unmodified opinions on the respective financial statements of the governmental activities, each major fund and the aggregate remaining fund information. The accompanying General Fund budget schedules for the year ended June 30, 2015 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the 2015 financial statements. The accompanying General Fund budget schedules have been subjected to the auditing procedures applied in the audit of the 2015 basic financial statements and certain additional procedures including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the General Fund budget schedules are fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2015.

#### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 29, 2016 on our consideration of the Town of Simsbury, 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 Simsbury, Connecticut's internal control over financial reporting and compliance.

*Blum, Shapiro & Company, P.C.*

West Hartford, Connecticut  
December 29, 2016

**TOWN OF SIMSBURY, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2016**

The management of the Town of Simsbury, Connecticut (the Town) offers readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2016. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

**Financial Highlights**

- At the end of the fiscal year the town's unassigned general fund balance was \$11,247,572 or 12.13% of General Fund expenditures.
- On a government-wide basis, the assets and deferred outflows of resources of the Town exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$122,829,233 for Governmental Activities.
- As of the close of the current fiscal year, the Town's Governmental Funds reported combined ending fund balances of \$24,532,829 a decrease of \$2,342,298 in comparison with the prior year.

**Overview of the Financial Statements**

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

**Government-Wide Financial Statements**

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

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

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

The government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the Town include general government, planning and development, public safety, facility management, culture and recreation, health and welfare and insurances, education, special projects and interest on long-term debt.

The government-wide financial statements can be found on pages 14 and 15 of this report.

## **Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town can be divided into three categories: Governmental Funds, Proprietary Funds and Fiduciary Funds.

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

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

The Town maintains 16 individual funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, Sewer Use Fund, Sewer Assessment Fund and the Capital Project Fund, all of which are considered to be major funds.

Data from the other 12 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The Town adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 16 to 20 of this report.

**Proprietary Funds** - The Town maintains a Self-Insurance Fund to account for the self-insurance program for health insurance coverage for the Town and Board of Education employees.

The basic proprietary fund financial statements can be found on pages 21 to 23 of this report.

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

The basic fiduciary fund financial statements can be found on pages 24 to 25 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 26 to 64 of this report.

## **Required Supplementary Information**

This report contains certain supplementary information concerning the Town's progress in funding its obligation to provide pension benefits and other post employment benefits to its employees.

## **Other Information**

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the notes to the financial statements. Combining and individual fund statements and schedules can be found on pages 74 to 91 of this report.

## **Government-Wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position and an important determinant of its ability to finance services in the future. In the case of the Town, assets exceeded liabilities by \$122,829,233 at the close of the most recent fiscal year.

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

### **NET POSITION – GOVERNMENTAL ACTIVITIES**

	<b>Governmental Activities</b>	
	<b>2016</b>	<b>2015</b>
Current assets	\$ 34,462,670	\$ 35,864,940
Capital assets, net of accumulated depreciation	134,240,433	135,701,727
Noncurrent assets	8,707,958	8,880,350
Total Assets	<u>177,411,061</u>	<u>180,447,017</u>
Deferred Outflow of Resources	<u>5,074,969</u>	<u>2,649,854</u>
Current liabilities	11,196,249	10,644,239
Noncurrent liabilities	47,677,834	51,647,363
Total Liabilities	<u>58,874,083</u>	<u>62,291,602</u>
Deferred Inflow of Resources	<u>782,714</u>	<u>168,000</u>
Net Position:		
Net investment in capital assets	103,429,189	100,313,724
Unrestricted	<u>19,400,044</u>	<u>20,323,545</u>
Total Net Position	<u>\$ 122,829,233</u>	<u>\$ 120,637,269</u>

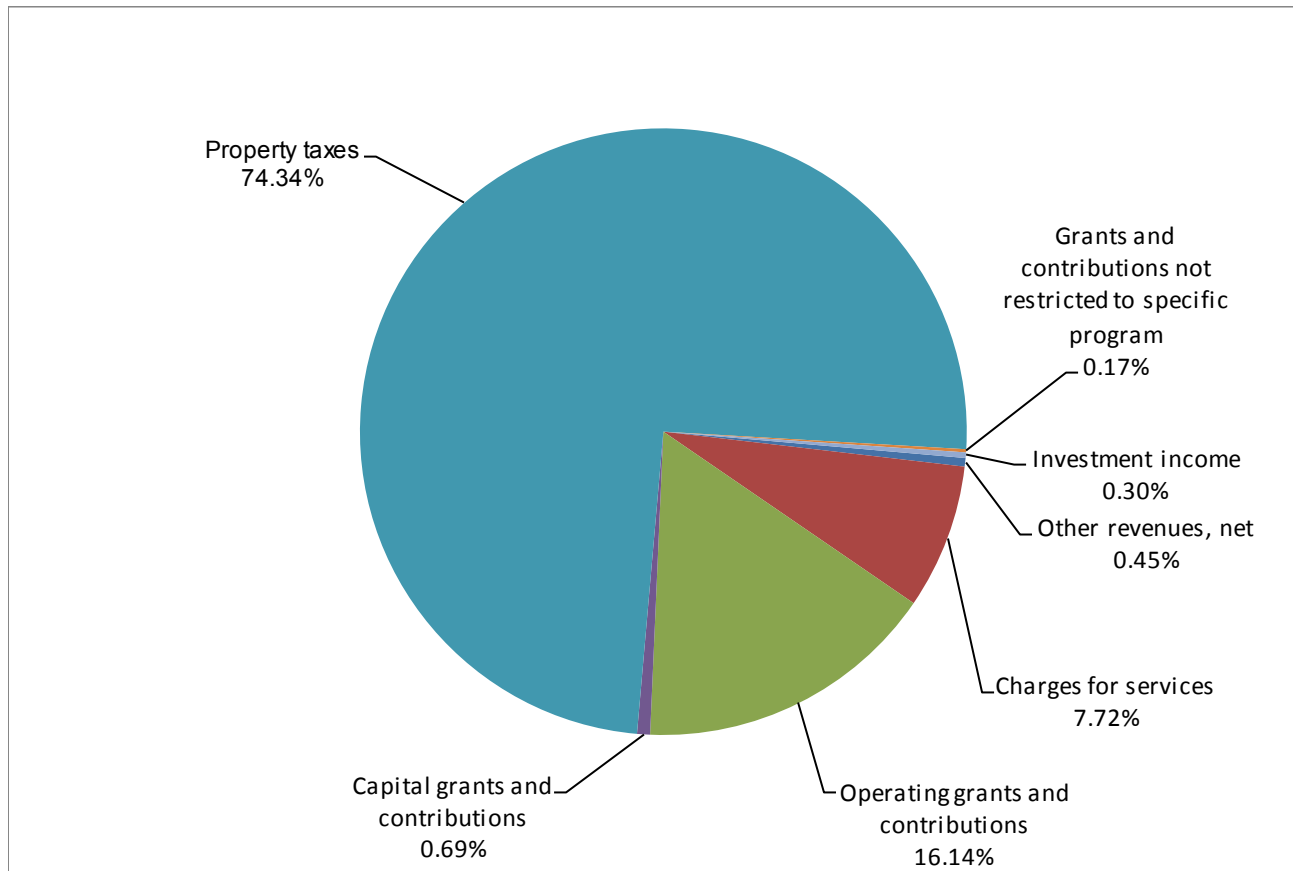
The government's net position increased by \$2,191,964 or 1.82% during the current fiscal year from \$120,637,269 at June 30, 2015 to \$122,829,233 at June 30, 2016. Unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation or other legal requirements, is \$19,400,044 at the end of this year compared to \$20,323,545 at the end of the prior year for a decrease of \$923,501.

## CHANGES IN NET POSITION – GOVERNMENTAL ACTIVITIES

	<b>Governmental Activities</b>	
	<b>2016</b>	<b>2015</b>
Revenues:		
Program revenues:		
Charges for services	\$ 8,775,525	\$ 7,365,866
Operating grants and contributions	18,339,231	16,739,947
Capital grants and contributions	784,249	953,206
General revenues:		
Property taxes	84,703,120	84,031,217
Grants and contributions not restricted to specific purpose	197,363	307,788
Unrestricted investment earnings	336,375	(22,010)
Other general revenues, net	507,433	739,629
Total revenues	<u>113,643,296</u>	<u>110,115,643</u>
Program expenses:		
General government	2,786,959	1,977,419
Planning and development	617,505	1,173,028
Public safety	5,437,865	5,887,147
Facility management	10,847,069	9,017,445
Culture and recreation	5,204,380	5,150,210
Health and welfare	915,881	919,341
Education	84,996,362	83,402,825
Interest on long-term debt	645,311	797,900
Total expenses	<u>111,451,332</u>	<u>108,325,315</u>
Change in net position	2,191,964	1,790,328
Net Position - July 1	<u>120,637,269</u>	<u>118,846,941</u>
Net Position - June 30	<u>\$ 122,829,233</u>	<u>\$ 120,637,269</u>

Total revenues were \$113,643,296 and \$110,115,643 respectively, for the years ended June 30, 2016 and June 30, 2015. Total cost of all programs and services were \$111,451,332, and \$108,325,315, respectively, for the years ended June 30, 2016 and June 30, 2015. Net position increased by \$2,191,964 and \$1,790,328 for the years ended June 30, 2016 and June 30, 2015, respectively.

## Revenue by Source - Governmental Activities



## Governmental Activities

Major revenue factors during the year include:

- Property taxes collected increased by \$671,903 or 0.8%.
- Charges for goods and services increased by \$1,409,659 or (19.1%). Illustrated below is a comparison between 2016 and 2015:

	<u>2016</u>	<u>2015</u>	<u>Variance</u>
General government	\$ 882,767	\$ 762,490	\$ 120,277
Planning and development	739,107	19,617	719,490
Public safety	276,530	254,006	22,524
Facility management	4,096,938	3,369,838	727,100
Culture and recreation	1,907,459	1,797,383	110,076
Health and welfare	2,876	2,320	556
Education	869,848	1,160,212	(290,364)
	<u>\$ 8,775,525</u>	<u>\$ 7,365,866</u>	<u>\$ 1,409,659</u>

- Operating Grants and contributions increased by \$1,599,284

	<u>2016</u>	<u>2015</u>	<u>Variance</u>
General government	\$ 213,374	\$ 215,448	\$ (2,074)
Planning and development	361,630	135,176	226,454
Public safety	29,229	34,435	(5,206)
Facility management	212,271	226,135	(13,864)
Culture and recreation	108,773	135,523	(26,750)
Health and welfare	236,228	209,240	26,988
Education	<u>17,177,726</u>	<u>15,783,990</u>	<u>1,393,736</u>
	<u>\$ 18,339,231</u>	<u>\$ 16,739,947</u>	<u>\$ 1,599,284</u>

- Capital grants and contributions decreased by \$168,957. Illustrated below is a breakdown comparison between 2016 and 2015:

	<u>2016</u>	<u>2015</u>	<u>Variance</u>
General government	\$	\$	\$ -
Planning and development			-
Public safety			-
Facility management	767,121	888,334	(121,213)
Culture and recreation			-
Health and welfare			-
Education	<u>17,128</u>	<u>64,872</u>	<u>(47,744)</u>
	<u>\$ 784,249</u>	<u>\$ 953,206</u>	<u>\$ (168,957)</u>

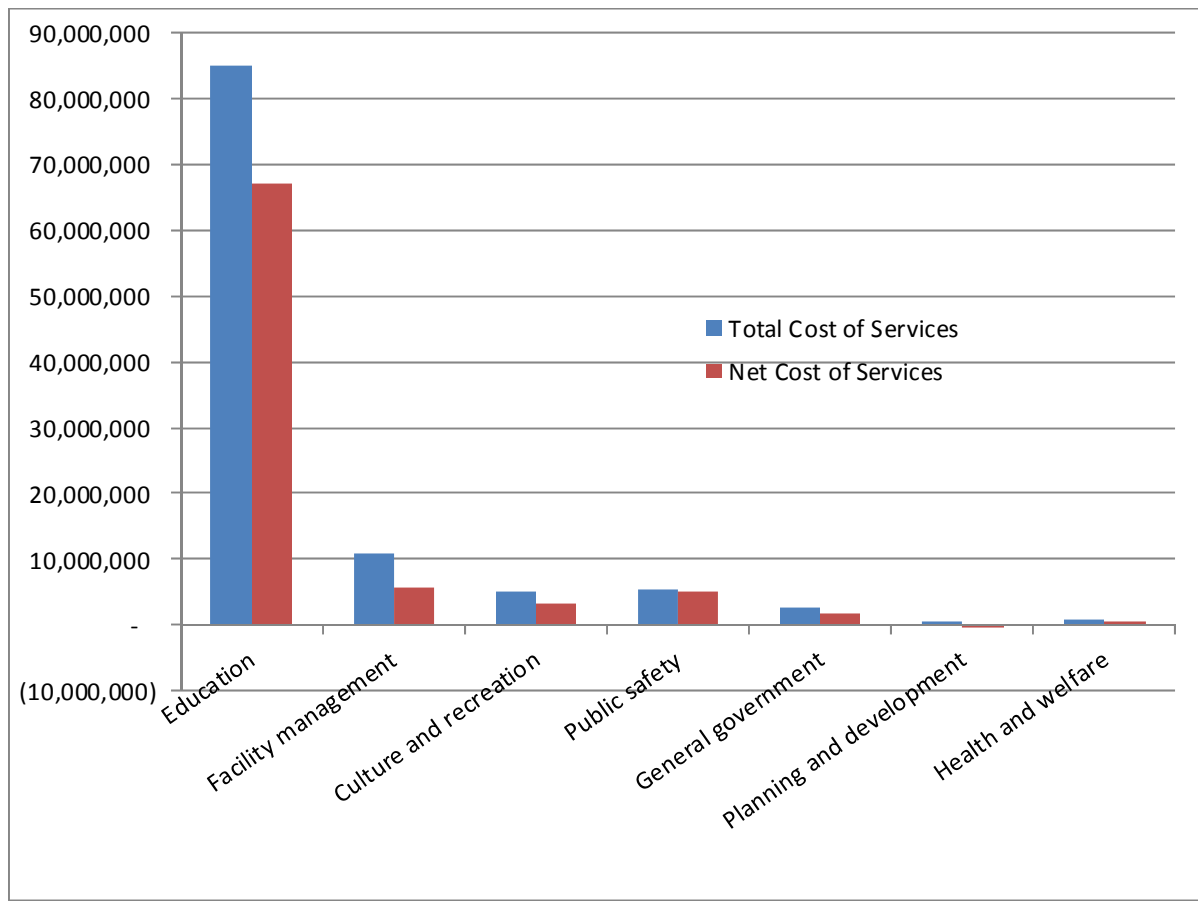
The following table presents the cost of each of the Town's programs as well as each program's net cost (total cost less revenues generated by the activities). The net cost shows the financial burden that was placed on the Town's taxpayers by each of these functions.

**GOVERNMENTAL ACTIVITIES**  
**For the Year Ended June 30, 2016**

	<u>Total Cost of Services</u>	<u>Net Cost of Services</u>
General government	\$ 2,786,959	\$ (1,690,818)
Planning and development	617,505	483,232
Public safety	5,437,865	(5,132,106)
Facility management	10,847,069	(5,770,739)
Culture and recreation	5,204,380	(3,188,148)
Health and welfare	915,881	(676,777)
Education	<u>84,996,362</u>	<u>(66,931,660)</u>
	<u>\$ 110,806,021</u>	<u>\$ (82,907,016)</u>



## **Expenses and Program Revenue - Governmental Activities**



## **Financial Analysis of the Government's Funds**

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

### **Governmental Funds**

The focus of the Town's Governmental Funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the Town's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a 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 \$24,532,829 a decrease of \$2,342,298 or 8.7% in comparison with the prior year. Of this total amount, \$30,304 is non-spendable (inventory), \$1,599,957 is restricted by governmental grants, \$10,572,926 is committed by the Simsbury Board of Finance (Budget-Making Authority), \$1,787,133 is assigned and \$10,542,509 is unassigned. The \$10,542,509 unassigned fund balance is available for spending at the Town's discretion. The total unassigned fund balance is comprised of a positive general fund balance of \$11,247,572 and a negative Capital Project fund balance of (\$705,062) which will be made positive after the Town's planned borrowing for approved capital projects during Fiscal Year 2017.

The General Fund is the chief operating fund of the Town. At the end of the current fiscal year, the unassigned fund balance for the General Fund was \$11,247,572, while total fund balance was \$13,462,303. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Of this total fund balance \$1,787,133 is assigned, \$427,598 is committed, with the balance being unassigned in the amount of \$11,247,572.

The total fund balance of the Town's General Fund increased by \$769,751 during the current fiscal year and the unassigned fund balance decreased by \$622,519. The assigned fund balance increased by \$1,603,672 over the prior year due largely to the Board of Finance's approved strategy to help mitigate the temporary loss of tax revenue during the redevelopment of the former Hartford Insurance property located at 200 Hopmeadow Street. Consistent with the Town's Reserve Policy, the Board of Finance assigned \$1,500,000 of reserves to offset the net property tax loss anticipated in fiscal years 2018-2020. It is anticipated that other developments and the redevelopment of the Hartford Site will more than make up for the tax loss by fiscal year 2020.

The Sewer Use Fund has a fund balance of \$5,247,774 at the end of the year, an increase of \$447,695 from the prior year. A portion of the fund balance is to be used to help pay the debt service on the Waste Water Treatment Plant \$26.8 million renovation and expansion capital project. This project was funded 100% by the State of Connecticut Clean Water Fund 2% Loan and Grant program. This project is completed and payments began on the 20-year, 2% loan program in September 2008. The loan will be repaid by future sewer user charges.

The Sewer Assessment Fund has a fund balance of \$1,505,743 at the end of the year, an increase of \$108,967 from the prior year.

The Planning and Development Program Fund has a fund balance of \$342,222 at the end of the year, a decrease of \$716.

The Capital Project Fund has a negative fund balance of (\$705,063) at the end of the year, a decrease of \$3,913,311 over the prior year. The Town typically borrows for capital projects during alternating years and the fund balance will be made positive by funds generated from bonding scheduled for Fiscal Year 2017.

The Capital Nonrecurring Fund has a fund balance of \$1,172,984 at the end of the year, an increase of \$111,437.

Other nonmajor governmental funds have a total fund balance of \$3,506,866 an increase of \$133,879 from the prior year as illustrated.

<b>NonMajor Governmental Funds</b>	<b>2016</b>	<b>2015</b>	<b>Variance</b>
Residential Rental Properties	\$ 226,205	\$ 190,952	\$ 35,253
Simsbury Farms Fund	63,030	-	63,030
General Government Program Fund	102,412	100,836	1,576
Public Safety Program Fund	367,949	338,598	29,351
Facilities Management Program Fund	1,247,994	1,136,174	111,820
Health & Welfare Program Fund	254,517	279,386	(24,869)
Culture & Recreation Program Fund	108,994	119,231	(10,237)
Board of Education Program Fund	992,947	1,041,604	(48,657)
Cafeteria	142,818	166,206	(23,388)
Total	<u>\$ 3,506,866</u>	<u>\$ 3,372,987</u>	<u>\$ 133,879</u>

## **General Fund Budgetary Highlights**

The original general fund budget including other financing sources and uses of \$92,025,530, was increased by \$885,000 to the final budget of \$92,910,530. This increase was driven by supplemental appropriations made by the Board of Finance including funding a turf field project at Simsbury High School, as well as funding some unforeseen expenditures.

Actual revenues were more than budgetary amounts by \$1,570,623, and expenditures were less than budgetary amounts by \$66,742. Most revenue types had favorable results; property taxes, intergovernmental revenue, charges for goods and services, licenses and permits, other local revenues and other financing sources.

Overall revenues over expenditures on the budgetary basis were 1,753,900.

## **Capital Asset and Debt Administration**

**Capital Assets** - The Town's investment in capital assets (net of accumulated depreciation) for its governmental activities as of June 30, 2016 amounted to \$134,240,433. This investment in capital assets included land, buildings and system improvements, machinery and equipment, park facilities, roads, highways, and bridges. The total net change in the Town's investment in capital assets for the current fiscal year was a decrease of \$1,461,294.

### **CAPITAL ASSETS (net of depreciation) June 30, 2016**

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Land	\$ 10,175,191
Development rights	11,725,000
Construction in progress	3,204,402
Buildings and improvements	88,041,038
Land improvements	1,780,844
Equipment	4,882,684
Infrastructure	<u>14,431,274</u>
	<u>\$ 134,240,433</u>

Additional information on the Town's Capital Assets can be found in Note 3C on page 41 of this report.

**Long-term Debt** - At the end of the current fiscal year, the Town had total bonded debt outstanding of \$31,689,473, of which \$6,177,663 is due within one year. All of the debt is backed by the full faith and credit of the Town.

### **OUTSTANDING DEBT June 30, 2016**

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General obligation bonds	\$ 18,885,000
Loan payable - Clean Water Fund	12,736,475
Loan payable - State of Connecticut	<u>67,998</u>
	<u>\$ 31,689,473</u>

The Town's total debt decreased during the current fiscal year by \$6,042,409. This decrease is driven by the retirement of old debt and paying of debt service payments.

The Town has an "Aaa" rating from Moody's for general obligation debt.

State statutes limit the amount of general obligation debt a governmental entity may issue to 7.0 times its total prior years' tax collections. The current debt limitation for the Town is \$592,572,134 which is significantly more than the Town's outstanding general obligation debt.

Additional information on the Town's long-term debt can be found in Note 3E on pages 45 to 47 of this report.

### **Economic Factors and Next Year's Budgets and Rates**

The Town's elected Board of Finance considered many factors when setting the fiscal year 2017 budget spending guideline and mill rate. Factors include the economy, which covers the unemployment rate and the increase in the annual social security cola for the elderly. The current unemployment rate for the Town of Simsbury for November, 2016 was 2.5%, which is a decrease from the prior year of 0.7%. This compares to the State's average unemployment rate of 4.7% and the national average rate of 4.6%.

The approved Fiscal 2017 budget was approved without a tax increase for the third consecutive year, thanks in part to controlling expenditures and better than expected grand list growth.

### **Requests for Information**

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Director of Finance/Treasurer for the Town of Simsbury.

# **Basic Financial Statements**

**TOWN OF SIMSBURY, CONNECTICUT**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2016**

	<u><b>Governmental Activities</b></u>
Assets:	
Current assets:	
Cash and cash equivalents	\$ 21,413,587
Investments	9,152,821
Accounts receivable	3,138,722
Due from fiduciary funds	48,498
Loans receivable	330,413
Inventories	30,304
Other assets	348,325
Total current assets	<u>34,462,670</u>
Noncurrent assets:	
Other post employment benefit asset	4,871,474
Capital assets:	
Nondepreciable	25,104,593
Depreciable, net	109,135,840
Loans receivable	3,836,484
Total noncurrent assets	<u>142,948,391</u>
Total assets	<u>177,411,061</u>
Deferred Outflows of Resources:	
Changes in pension actuarial experience	341,963
Changes in pension investment gains/losses	4,580,977
Deferred charge on refunding	152,029
Total deferred outflows of resources	<u>5,074,969</u>
Liabilities:	
Current liabilities:	
Accounts payable	3,501,895
Accrued interest payable	148,010
Unearned revenues	478,443
Bonds and loans payable	6,177,663
Compensated absences	815,238
Claims settlement	70,000
Landfill closure	5,000
Total current liabilities	<u>11,196,249</u>
Noncurrent liabilities:	
Bonds and loans payable	26,322,028
Net pension liability	20,042,867
Compensated absences	322,166
Claims liability	935,773
Landfill closure	55,000
Total noncurrent liabilities	<u>47,677,834</u>
Total liabilities	<u>58,874,083</u>
Deferred Inflows of Resources:	
Advance property tax collections	176,869
Advance sewer use collections	390
Changes in pension actuarial experience	605,455
Total deferred inflows of resources	<u>782,714</u>
Net Position:	
Net investment in capital assets	103,429,189
Unrestricted	19,400,044
Total Net Position	<u>\$ 122,829,233</u>

The accompanying notes are an integral part of the financial statements

**TOWN OF SIMSBURY, CONNECTICUT  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2016**

Function/Program Activities	Expenses	Charges for Services	Program Revenues		Net Revenues (Expenses) and Changes in Net Position
			Operating Grants and Contributions	Capital Grants and Contributions	
Primary Government:					
Governmental activities:					
General government	\$ 2,786,959	\$ 882,767	\$ 213,374	\$	\$ (1,690,818)
Planning and development	617,505	739,107	361,630		483,232
Public safety	5,437,865	276,530	29,229		(5,132,106)
Facility management	10,847,069	4,096,938	212,271	767,121	(5,770,739)
Culture and recreation	5,204,380	1,907,459	108,773		(3,188,148)
Health and welfare	915,881	2,876	236,228		(676,777)
Education	84,996,362	869,848	17,177,726	17,128	(66,931,660)
Interest on long-term debt	645,311				(645,311)
Total Governmental Activities	<u>\$ 111,451,332</u>	<u>\$ 8,775,525</u>	<u>\$ 18,339,231</u>	<u>\$ 784,249</u>	<u>(83,552,327)</u>
General Revenues:					
Property taxes, levied for general purposes					84,703,120
Grants and contributions not restricted to specific programs					197,363
Investment earnings					336,375
Other general revenues					507,433
Total general revenues					<u>85,744,291</u>
Change in net position					2,191,964
Net Position at Beginning of Year					<u>120,637,269</u>
Net Position at End of Year					<u>\$ 122,829,233</u>

The accompanying notes are an integral part of the financial statements

**TOWN OF SIMSBURY, CONNECTICUT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2016**

	General Fund	Sewer Use Fund	Sewer Assessment Fund	Planning & Development Program Fund	Capital Project Fund	Capital and Nonrecurring Expenditures Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>								
Cash and cash equivalents	\$ 6,685,090	\$ 5,295,157	\$ 1,505,744	\$ 342,222	\$ 90,000	\$ 1,816,357	\$ 2,988,537	\$ 18,723,107
Investments	8,361,156						791,665	9,152,821
Receivables	1,439,747	40,924	468,682	757,444		154,713	249,919	3,111,429
Due from other funds	252,174						48,498	300,672
Inventories							30,304	30,304
Other assets	19,325							19,325
Total Assets	<u>\$ 16,757,492</u>	<u>\$ 5,336,081</u>	<u>\$ 1,974,426</u>	<u>\$ 1,099,666</u>	<u>\$ 90,000</u>	<u>\$ 1,971,070</u>	<u>\$ 4,108,923</u>	<u>\$ 31,337,658</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>								
Liabilities:								
Accounts payable	\$ 1,945,434	\$ 87,917	\$	\$	\$ 592,446	\$ 448,086	\$ 416,406	\$ 3,490,289
Due to other funds					149,122		103,052	252,174
Due to other governments							7,651	7,651
Unearned revenue					53,495	350,000	74,948	478,443
Total liabilities	<u>1,945,434</u>	<u>87,917</u>	<u>-</u>	<u>-</u>	<u>795,063</u>	<u>798,086</u>	<u>602,057</u>	<u>4,228,557</u>
Deferred Inflows of Resources:								
Unavailable revenue - property taxes	814,809							814,809
Unavailable revenue - property tax interest	358,077							358,077
Unavailable revenue - sewer assessments			468,683					468,683
Unavailable revenue - loans receivable				757,444				757,444
Advance sewer use collections		390						390
Advance property tax collections	176,869							176,869
Total deferred inflows of resources	<u>1,349,755</u>	<u>390</u>	<u>468,683</u>	<u>757,444</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,576,272</u>
Fund Balances:								
Nonspendable							30,304	30,304
Restricted							1,599,957	1,599,957
Committed	427,598	5,247,774	1,505,743	342,222		1,172,984	1,876,605	10,572,926
Assigned	1,787,133							1,787,133
Unassigned	11,247,572				(705,063)			10,542,509
Total fund balances	<u>13,462,303</u>	<u>5,247,774</u>	<u>1,505,743</u>	<u>342,222</u>	<u>(705,063)</u>	<u>1,172,984</u>	<u>3,506,866</u>	<u>24,532,829</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 16,757,492</u>	<u>\$ 5,336,081</u>	<u>\$ 1,974,426</u>	<u>\$ 1,099,666</u>	<u>\$ 90,000</u>	<u>\$ 1,971,070</u>	<u>\$ 4,108,923</u>	<u>\$ 31,337,658</u>

(Continued on next page)



**TOWN OF SIMSBURY, CONNECTICUT**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS (CONTINUED)**  
**JUNE 30, 2016**

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

Fund balances - total governmental funds (Exhibit III)	\$ 24,532,829
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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	\$ 234,015,938	
Less accumulated depreciation	(99,775,505)	
Net capital assets		134,240,433

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

Other postemployment benefit asset	4,871,474
Loans receivable	4,924,342
Property tax receivables greater than 60 days	1,172,887
Sewer assessments receivable	468,683
Interest receivable on sewer use receivable	26,733
Changes in pension actuarial experience	341,963
Changes in pension investment gains/losses	4,580,977

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.

2,080,310

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

Bonds payable	(18,885,000)
Unamortized bond premium	(810,218)
Deferred charge on refunding	152,029
Clean Water Fund 2% loan	(12,736,475)
Notes payable	(67,998)
Interest payable on bonds	(148,010)
Compensated absences	(1,137,404)
Net pension liability	(20,042,867)
Changes in pension actuarial experience	(605,455)
Claims settlements	(70,000)
Landfill liability	(60,000)

Net Position of Governmental Activities (Exhibit I)	\$ <u>122,829,233</u>
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The accompanying notes are an integral part of the financial statements

**TOWN OF SIMSBURY, CONNECTICUT**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2016**

	General Fund	Sewer Use Fund	Sewer Assessment Fund	Planning & Development Program Fund	Capital Project Fund	Capital and Nonrecurring Expenditures Fund	Nonmajor Governmental Funds	Total Governmental Fund
Revenues:								
Property taxes	\$ 84,535,118	\$	\$	\$	\$	\$	\$	\$ 84,535,118
Intergovernmental	13,884,108	431,181		37,673	219,431	309,897	4,411,440	19,293,730
Investment income (loss)	335,773	302	200				(2,600)	333,675
Charges for goods and services	770,614						2,967,579	3,738,193
Licenses and permits	1,175,709							1,175,709
Rental of town-owned property	137,767							137,767
Local revenues	78,642							78,642
Assessments		2,811,224	97,667					2,908,891
Other		404,932	11,100		1,000	180	442,326	859,538
Total revenues	<u>100,917,731</u>	<u>3,647,639</u>	<u>108,967</u>	<u>37,673</u>	<u>220,431</u>	<u>310,077</u>	<u>7,818,745</u>	<u>113,061,263</u>
Expenditures:								
Current:								
General government	2,209,779						35,549	2,245,328
Planning and development	512,953			38,389				551,342
Public safety	4,401,081						157,371	4,558,452
Facility management	3,776,791	1,833,290					80,459	5,690,540
Culture and recreation	2,233,904						1,976,696	4,210,600
Health and welfare	605,050						213,771	818,821
Fringe benefits and insurances	4,602,175							4,602,175
Education	74,054,959						4,836,708	78,891,667
Capital outlay					5,324,876	1,134,555	465,790	6,925,221
Debt service:								
Principal payments	5,035,000	999,616					8,522	6,043,138
Interest and other	501,272	265,592			99,413			866,277
Total expenditures	<u>97,932,964</u>	<u>3,098,498</u>	<u>-</u>	<u>38,389</u>	<u>5,424,289</u>	<u>1,134,555</u>	<u>7,774,866</u>	<u>115,403,561</u>
Excess (Deficiency) of Revenues over Expenditures	<u>2,984,767</u>	<u>549,141</u>	<u>108,967</u>	<u>(716)</u>	<u>(5,203,858)</u>	<u>(824,478)</u>	<u>43,879</u>	<u>(2,342,298)</u>
Other Financing Sources (Uses):								
Transfers in	101,446				1,290,547	935,915	90,000	2,417,908
Transfers out	(2,316,462)	(101,446)						(2,417,908)
Total other financing sources (uses)	<u>(2,215,016)</u>	<u>(101,446)</u>	<u>-</u>	<u>-</u>	<u>1,290,547</u>	<u>935,915</u>	<u>90,000</u>	<u>-</u>
Net Change in Fund Balances	769,751	447,695	108,967	(716)	(3,913,311)	111,437	133,879	(2,342,298)
Fund Balances at Beginning of Year	<u>12,692,552</u>	<u>4,800,079</u>	<u>1,396,776</u>	<u>342,938</u>	<u>3,208,248</u>	<u>1,061,547</u>	<u>3,372,987</u>	<u>26,875,127</u>
Fund Balances at End of Year	<u>\$ 13,462,303</u>	<u>\$ 5,247,774</u>	<u>\$ 1,505,743</u>	<u>\$ 342,222</u>	<u>\$ (705,063)</u>	<u>\$ 1,172,984</u>	<u>\$ 3,506,866</u>	<u>\$ 24,532,829</u>

(Continued on next page)

**TOWN OF SIMSBURY, CONNECTICUT**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2016**

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

Net change in fund balances - total governmental funds (Exhibit IV)	\$ (2,342,298)
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Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay	5,338,981
Depreciation expense	(5,619,734)
Loss on disposal of capital assets	(1,180,541)

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

Property taxes collected after 60 days	160,131
Sewer assessment revenue	(86,313)
Loans receivable	414,032
Sewer use interest receivable	7,871

Change in other post employment benefit assets	158,023
Changes in pension actuarial experience	19,509
Changes in pension investment gains/losses	2,454,942

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

Premium amortization	226,932
Accrued interest	44,100
Principal payments	6,042,409
Claims settlement payment	70,000
Pension liability	(2,418,386)

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

Amortization of deferred charge on refunding	(49,336)
Changes in pension actuarial experience	(526,249)
Change in long-term compensated absences	(132,483)
Other - landfill	5,000

The net profit (loss) of the internal service funds is reported with governmental activities.	<u>(394,627)</u>
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Change in Net Position of Governmental Activities (Exhibit II)	<u>\$ 2,191,963</u>
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The accompanying notes are an integral part of the financial statements

**TOWN OF SIMSBURY, CONNECTICUT  
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) - GENERAL AND MAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016**

	General Fund				Sewer Use Fund			
	Budget		Actual	Variance with Final Budget Positive (Negative)	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final			Original	Final		
Revenues:								
Property taxes	\$ 84,113,827	\$ 84,113,827	\$ 84,535,118	\$ 421,291	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenues	6,264,794	6,264,794	6,455,949	191,155	409,927	409,927	409,927	-
Investment income	150,000	150,000	335,773	185,773	-	-	302	302
Charges for goods and services	563,300	563,300	720,243	156,943	326,223	326,223	385,240	59,017
Fines and forfeitures	59,500	59,500	77,932	18,432	-	-	-	-
Rental of town-owned property	136,000	136,000	137,767	1,767	-	-	-	-
Licenses and permits	638,200	638,200	1,175,709	537,509	-	-	-	-
Local revenue	-	-	57,753	57,753	-	-	34,922	34,922
Assessment interest and liens	-	-	-	-	34,997	34,997	19,692	(15,305)
Assessments	-	-	-	-	2,624,417	2,624,417	2,811,224	186,807
Total revenues	<u>91,925,621</u>	<u>91,925,621</u>	<u>93,496,244</u>	<u>1,570,623</u>	<u>3,395,564</u>	<u>3,395,564</u>	<u>3,661,307</u>	<u>265,743</u>
Expenditures:								
Current:								
General government	1,115,549	1,251,401	1,251,401	-	-	-	-	-
Financial services	980,406	995,998	962,180	33,818	-	-	-	-
Planning and development	532,008	530,954	530,954	-	-	-	-	-
Public safety	4,393,122	4,401,081	4,401,081	-	-	-	-	-
Facility management	3,894,123	3,856,794	3,826,023	30,771	2,028,911	2,028,911	1,848,202	180,709
Culture and recreation	2,246,041	2,233,901	2,233,901	-	-	-	-	-
Health and welfare	605,430	605,049	605,049	-	-	-	-	-
Fringe benefits and insurance	4,595,675	4,602,176	4,602,176	-	-	-	-	-
Education	66,304,442	66,304,442	66,302,289	2,153	-	-	-	-
Debt service	5,536,273	5,536,273	5,536,273	-	1,265,207	1,265,207	1,265,207	-
Total expenditures	<u>90,203,069</u>	<u>90,318,069</u>	<u>90,251,327</u>	<u>66,742</u>	<u>3,294,118</u>	<u>3,294,118</u>	<u>3,113,409</u>	<u>180,709</u>
Excess of Revenues over Expenditures	<u>1,722,552</u>	<u>1,607,552</u>	<u>3,244,917</u>	<u>1,637,365</u>	<u>101,446</u>	<u>101,446</u>	<u>547,898</u>	<u>446,452</u>
Other Financing Sources (Uses):								
Transfers from other funds	99,909	99,909	101,446	1,537	-	-	-	-
Transfers to other funds	(1,822,461)	(2,592,461)	(2,477,463)	114,998	(101,446)	(101,446)	(101,446)	-
Net other financing uses	<u>(1,722,552)</u>	<u>(2,492,552)</u>	<u>(2,376,017)</u>	<u>116,535</u>	<u>(101,446)</u>	<u>(101,446)</u>	<u>(101,446)</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Financing Sources (Uses) over Expenditures and Other Financing Uses	<u>\$ -</u>	<u>\$ (885,000)</u>	<u>868,900</u>	<u>\$ 1,753,900</u>	<u>\$ -</u>	<u>\$ -</u>	<u>446,452</u>	<u>\$ 446,452</u>
Fund Balances at Beginning of Year			<u>11,934,720</u>				<u>4,738,431</u>	
Fund Balances at End of Year			<u>\$ 12,803,620</u>				<u>\$ 5,184,883</u>	

The accompanying notes are an integral part of the financial statements

**TOWN OF SIMSBURY, CONNECTICUT**  
**STATEMENT OF NET POSITION - PROPRIETARY FUNDS**  
**JUNE 30, 2016**

	<b><u>Governmental Activities</u></b>
	<b><u>Health Insurance Fund</u></b>
Assets:	
Current assets:	
Cash and cash equivalents	\$ 2,690,480
Accounts receivable, net	561
Prepaid items	329,000
Total current assets	<u>3,020,041</u>
Liabilities:	
Current liabilities:	
Accounts payable and accrued items	<u>3,958</u>
Noncurrent liabilities:	
Claim incurred but not reported	<u>935,773</u>
Total liabilities	<u>939,731</u>
Net Position:	
Unrestricted	<u>\$ 2,080,310</u>

The accompanying notes are an integral part of the financial statements

**TOWN OF SIMSBURY, CONNECTICUT  
STATEMENT OF REVENUES, EXPENSES AND CHANGES  
IN NET POSITION - PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016**

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	<b>Governmental Activities Health Insurance Fund</b>
Operating Revenues:	
Charges for services	\$ 10,837,050
Other operating revenue	<u>285,469</u>
Total operating revenues	<u>11,122,519</u>
Operating Expenses:	
Claims incurred	10,696,033
Administration and stop loss insurance fees	<u>821,113</u>
Total operating expenses	<u>11,517,146</u>
Change in Net Position	(394,627)
Net Position at Beginning of Year	<u>2,474,937</u>
Net Position at End of Year	<u><u>\$ 2,080,310</u></u>

The accompanying notes are an integral part of the financial statements

**TOWN OF SIMSBURY, CONNECTICUT  
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016**

	<b>Governmental Activities Health Insurance Fund</b>
Cash Flows from Operating Activities:	
Receipts from customers and users	\$ 11,122,519
Payments to employees	<u>(11,419,938)</u>
Net cash provided by (used in) operating activities	(297,419)
Cash Flows from Noncapital Financing Activities:	
Payments to other funds	<u>(23)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(297,442)
Cash and Cash Equivalents at Beginning of Year	<u>2,987,922</u>
Cash and Cash Equivalents at End of Year	\$ <u><u>2,690,480</u></u>
Reconciliation of Operating (Income) Loss to Net Cash Provided by (Used in) Operating Activities:	
Operating income (loss)	\$ <u>(394,627)</u>
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:	
Change in assets and liabilities:	
Decrease in accounts receivable	(561)
(Increase) decrease in prepaid items	17,000
Increase (decrease) in accounts payable	(4)
Increase (decrease) in claims payable	<u>80,773</u>
Total adjustments	<u>97,208</u>
Net Cash Provided by (Used in) Operating Activities	\$ <u><u>(297,419)</u></u>

The accompanying notes are an integral part of the financial statements

**TOWN OF SIMSBURY, CONNECTICUT**  
**STATEMENT OF FIDUCIARY NET POSITION - FIDUCIARY FUNDS**  
**JUNE 30, 2016**

	<b>Pension and Other Employee Benefit Trust Funds</b>	<b>Agency Funds</b>
<b>Assets:</b>		
Cash and cash equivalents	\$ 1,044,285	\$ 969,793
Investments, at fair value:		
Mutual funds	<u>66,100,159</u>	<u></u>
Total assets	<u>67,144,444</u>	<u>\$ 969,793</u>
<b>Liabilities:</b>		
Accounts payable	6,338	\$
Due to student groups and others		921,295
Due to other funds	<u></u>	<u>48,498</u>
Total liabilities	<u>6,338</u>	<u>\$ 969,793</u>
Net Position Restricted for Pension and Other Post Employee Benefits	<u>\$ 67,138,106</u>	

The accompanying notes are an integral part of the financial statements



**TOWN OF SIMSBURY, CONNECTICUT**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - FIDUCIARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2016**

	<b>Pension and Other Employee Benefit Trust Funds</b>
Additions:	
Contributions:	
Employer	\$ 4,235,267
Plan members	<u>1,398,415</u>
Total contributions	<u>5,633,682</u>
Investment earnings:	
Change in fair value of investments	(937,653)
Interest	<u>1,262,063</u>
Total investment gain (loss)	<u>324,410</u>
Less investment expenses:	
Investment management fees	<u>134,041</u>
Net investment gain (loss)	<u>190,369</u>
Total additions	<u>5,824,051</u>
Deductions:	
Benefits	4,844,997
Administrative expense	<u>80,326</u>
Total deductions	<u>4,925,323</u>
Net Change in Net Position	898,728
Net Position at Beginning of Year	<u>66,239,378</u>
Net Position at End of Year	<u><u>\$ 67,138,106</u></u>

The accompanying notes are an integral part of the financial statements

## **1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

### **A. Reporting Entity**

The Town of Simsbury, Connecticut (the Town) operates under a charter as revised November 6, 2012. The Town is governed by an elected Board of Selectmen consisting of a first selectman and five other members, an elected eight-member Board of Education, and an elected six-member Board of Finance. The financial statements include all of the funds of the Town that meet the criteria for inclusion as set forth in Statement of Governmental Accounting Standards No. 61 issued by the Governmental Accounting Standards Board (GASB).

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

### **B. Basis of Presentation**

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

#### **Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Town. Interfund services provided and used are not eliminated in the process of consolidation. Governmental activities are normally supported by taxes and intergovernmental revenues.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Certain indirect costs are allocated as part of the program expense reported for individual functions and activities and are not eliminated in the process of consolidation. 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 are reported as separate columns in the fund financial statements.

**Measurement Focus, Basis of Accounting and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Agency funds use the accrual basis of accounting but have no measurement focus since they report only assets and liabilities.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Property taxes, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. In determining when to recognize intergovernmental revenues (grants and entitlements), the legal and contractual requirements of the individual programs are used as guidance. Revenues are recognized when the eligibility requirements have been met. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the Town.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The Town reports the following major governmental funds:

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

The *Sewer Use Fund* is the sewer treatment plant primary operating fund. It accounts for all financial resources associated with the operations of the sewer treatment plant. The major sources of revenue for this fund is sewer assessments and use charges.

The *Sewer Assessment Fund* accounts for all financial resources of extending sewers within the Town of Simsbury. The major source of revenue for this fund is sewer assessment charges.

The *Planning & Development Program Fund* accounts for all financial resources of the community development block grant, the greenway project, the Simsbury meadow bandshell, the small cities community development block grant, the plan of conservation & development and the town center.

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

**TOWN OF SIMSBURY, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2016**

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The *Capital and Nonrecurring Expenditures Fund* accounts for equipment purchases and other nonrecurring capital expenditures.

Additionally, the Town reports the following fund types:

The *Special Revenue Funds* are used to account for proceeds of special revenue sources (except for major capital projects and trust funds) that are legally restricted to expenditures for specific purposes.

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

The *Pension and Other Employee Benefit Trust Funds* are used to account for the activities of the Town's defined benefit plans and the Town and Board of Education for other post employment benefits (e.g., health insurance, life insurance) which accumulate resources for pension benefit and other post employment benefit payments to qualified employees.

The *Agency Funds* account for monies held by the Town on behalf of students.

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 revenue includes all taxes.

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

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

**C. Cash Equivalents**

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

**D. Investments**

Investments are stated at fair value.

**E. Inventories and Prepaid Items**

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

**TOWN OF SIMSBURY, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2016**

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**F. Receivables and Payables**

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

**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 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 of more than 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 lives are not capitalized.

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

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

<b>Assets</b>	<b>Years</b>
Infrastructure:	
Roadways	40
Roadways - resurfacing	20
Bridge culvert	30-50
Sanitary sewer interceptors	40-50
Walkway and path	15-30
Dams and storm water control	40-60
Structure	40-60
Site lighting	20
Land and Buildings:	
Land	-
Buildings	50
Improvements	10-25
Construction in progress	-
Vehicles and Equipment:	
Computer equipment	5
Contractor's equipment	10
Furniture and fixtures	20
Miscellaneous equipment	5-10
Vehicles	3-10

#### **H. Deferred Outflows/Inflows of Resources**

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

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period or periods and so will not be recognized as an inflow of resources (revenue) until that time. The Town reports deferred inflows related to pension in the government-wide statement of net position and reports advance property tax collections and advance sewer use collections in the government-wide statement of net position and in the governmental funds balance sheet. A deferred inflow of resources related to pension results from differences between expected and actual experience. These amounts are deferred and included in pension expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan (active employees and inactive employees). Advance property tax collections and advance sewer use collections represent taxes and fees inherently associated with a future period. This amount is recognized during the period in which the revenue is associated. Also, for governmental funds, the Town reports unavailable revenue, which arises only under the modified accrual basis of accounting. The governmental funds report unavailable revenues from several sources: property taxes, property tax interest, sewer assessment and loans receivable. These amounts are deferred and recognized as an inflow of resources (revenue) in the period in which the amounts become available.

#### **I. Net Pension Liability**

The net pension liability is measured as the portion of the actuarial present value of projected benefits that is attributed to past periods of employee service (total pension liability), net of the pension plan's fiduciary net position. The pension plan's fiduciary net position is determined using the same valuation methods that are used by the pension plan for purposes of preparing its statement of fiduciary net position. The net pension liability is measured as of a date (measurement date) no earlier than the end of the employer's prior fiscal year, consistently applied from period to period.

#### **J. Other Post Employment (OPEB) Assets**

The net OPEB asset represents the cumulative difference between the annual OPEB cost and the Town's contributions to the plan. This amount is calculated on an actuarial basis and is recorded as a noncurrent asset in the government-wide financial statements.

## **K. Long-Term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

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

## **L. Compensated Absences and Termination Benefits**

Employees are paid by prescribed formula for absence due to vacation or sickness. All vacation and sick pay is accrued when incurred in the government-wide, proprietary and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

## **M. Equity**

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

### **Net Investment in Capital Assets**

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

### **Restricted Net Position**

Restrictions are externally imposed by creditors (such as through debt covenants), grantors, contributors or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The Town currently has no assets under restriction.

### **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 (Simsbury Board of Finance). The Board of Finance is the highest level of decision-making authority for the government that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or reverse the limitation.

**Assigned Fund Balance**

This balance represents amounts constrained for the intent to be used for a specific purpose by the finance director or the Board of Finance which have been delegated authority to assign amounts by the Town Charter.

**Unassigned Fund Balance**

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

**N. Property Taxes**

The Town's property tax is levied each June on the assessed value listed on the prior October 1 Grand List for all taxable property located in the Town. Although taxes are levied in June, the legal right to attach property does not exist until July 1. Real and personal property tax bills in excess of \$100 are due and payable in two installments, on July 1 following the date of the Grand List and on January 1 of the subsequent year. Motor vehicle taxes are payable in one installment on July 1.

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

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

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

**O. Accounting Estimates**

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



## **2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

### **A. Budgetary Information**

Budgets for the General Fund, Sewer Use Fund, Residential Rental Properties Fund, Animal Control Fund and Simsbury Farms Fund are authorized annually by the Board of Finance. Annual budgets are not adopted for Special Revenue Funds other than the Sewer Use Fund, Residential Rental Properties Fund, Animal Control Fund and Simsbury Farms Fund.

In accordance with the Town Charter, Chapter 9, Sections 901 through 911, the Town uses the following procedures in establishing the budgetary data included in the general-purpose financial statements:

No later than the 15th day of March, the Board of Education shall present its budget for the General Fund to the Board of Finance.

No later than the 30th day of March, the Board of Selectmen shall present to the Board of Finance a budget for all departments, offices or agencies of the Town except the Board of Education for the General Fund.

After various public hearings, the Board of Finance recommends the budget, as revised, for adoption at the Annual Town Meeting held on the first Tuesday in May. The Annual Town Meeting may reduce the annual budget or any portion thereof by two-thirds (2/3) vote of the voters in attendance, but shall not increase the annual budget or any portion thereof, as approved, or deemed to have been approved by the Board of Finance.

The Annual Town Meeting is then subject to an automatic referendum by all qualified voters of the Town. This referendum shall be held from 14 to 21 days following the conclusion of the Town Meeting. Any motion at a Town Meeting dealing with a referendum matter which reduces the amount of such referendum matter shall require a two-thirds (2/3) vote of those voters in attendance for passage. The Board of Finance, in cooperation with the First Selectman, shall revise the annual budget, or that portion thereof, which has been rejected at the referendum, as the case may be, and present it at a subsequent Town Meeting for discussion and an additional referendum for acceptance. If the budget remains unaccepted after such subsequent meeting and referendum, the budget adopted for the then current fiscal year shall be deemed to be the temporary budget for the forthcoming fiscal year and expenditures may be made on a month-to-month basis in accordance therewith, until such time as the referendum finally adopts a new budget.

Upon request of the Board of Selectmen, during the last six months of the fiscal year, the Board of Finance may, by resolution, transfer any unencumbered appropriation, balance or portion thereof from one department, commission, board or office to another, except for the Board of Education. No transfer shall be made from any appropriation for debt service and other statutory charges.

For management purposes, the Board of Finance is authorized to transfer the legally budgeted amounts between department accounts. In this function, departmental budget accounts serve as the legal level of control for the General Fund. The legal level of budgetary control is at the fund level for the Sewer Use, Residential Rental Properties, Animal Control and Simsbury Farms funds.

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

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Subject to certain restrictions, additional appropriations may be approved by the Board of Finance upon recommendation of the Board of Selectmen. Summarizations of the amended General Fund budgets approved by the Board of Finance for the "budgetary" general and certain special revenue funds are presented in the required supplementary information. During the year, supplemental budgetary appropriations of \$885,000 were made from General Fund unappropriated and unencumbered surplus.

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 included in either restricted, committed or assigned fund balance depending on the level of restriction. In addition, the on-behalf payment of the State of Connecticut Teacher's Retirement System is recorded for GAAP purposes only.

As explained above, the Town's budgetary fund structure accounts for certain transactions differently from that utilized in reporting in conformity with GAAP. A reconciliation of these differences at June 30, 2016 follows:

	<u>Revenue and Other Financing Sources</u>	<u>Expenditures and Other Financing Sources</u>	<u>Fund Balance</u>
General Fund:			
Balance, budgetary basis	\$ 93,597,690	\$ 92,728,790	\$ 12,803,620
Encumbrances outstanding at June 30, 2015, liquidated during the year ended June 30, 2016		98,208	
Encumbrances outstanding at June 30, 2015, cancelled during the year ended June 30, 2016	(6,672)		
Encumbrances outstanding at June 30, 2016, charged to budgetary expenditures during the year ending June 30, 2016		(287,133)	287,133
Encumbrances outstanding at June 30, 2015, still outstanding at June 30, 2016			13,952
State Teachers' Retirement on-behalf payments	7,428,159	7,428,159	
GASB 54 Combined Funds	161,000	372,402	427,598
Interfund transfer	(161,000)	(161,000)	
Other	<u>70,000</u>	<u>(70,000)</u>	
Balance, GAAP Basis	<u>\$ 101,019,177</u>	<u>\$ 100,249,426</u>	<u>\$ 13,462,303</u>

**TOWN OF SIMSBURY, CONNECTICUT**  
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	<u>Revenue and Other Financing Sources</u>	<u>Expenditures and Other Financing Sources</u>	<u>Fund Balance</u>
Sewer Use Fund:			
Balance, budgetary basis	\$ 3,661,307	\$ 3,214,855	\$ 5,184,883
Encumbrances outstanding at June 30, 2015, liquidated during the year ended June 30, 2016		13,127	
Encumbrances outstanding at June 30, 2015, cancelled during the year ended June 30, 2016	(13,668)		
Encumbrances outstanding at June 30, 2016, charged to budgetary expenditures during the year ended June 30, 2016		(28,038)	28,038
Encumbrances outstanding at June 30, 2015, still outstanding at June 30, 2016			34,853
Balance, GAAP Basis	<u>\$ 3,647,639</u>	<u>\$ 3,199,944</u>	<u>\$ 5,247,774</u>

**B. Deficit Fund Equity**

At June 30, 2016, the Capital Project Fund reported a deficit fund balance of \$705,063. This deficit will be covered by future transfers from the General Fund.

**3. DETAILED NOTES ON ALL FUNDS**

**A. 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.

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

**Deposits**

**Deposit Custodial Credit Risk**

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

Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, \$14,453,913 of the Town's bank balance of \$14,832,981 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 12,974,095
Uninsured and collateral held by the pledging bank's trust department, not in the Town's name	<u>1,479,818</u>
Total Amount Subject to Custodial Credit Risk	<u>\$ 14,453,913</u>

**Cash Equivalents**

At June 30, 2016, the Town's cash equivalents amounted to \$6,156,322. The following table provides a summary of the Town's cash equivalents (excluding U.S. government guaranteed obligations) as rated by nationally recognized statistical rating organizations. The pools all have maturities of less than one year.

	<u>Standard &amp; Poor's</u>
State Short-Term Investment Fund (STIF)	AAAm
Morgan Stanley - Money Market	*

\* Not rated

**TOWN OF SIMSBURY, CONNECTICUT**  
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**Investments**

As of June 30, 2016, the Town had the following investments:

Investment Type	Credit Rating	Fair Value	Investment Maturities	
			Less Than 1	1-10
U.S. Government Securities	Aa1	\$ 1,545,996	\$	\$ 1,521,876
Certificates of deposit*	N/A	6,815,280		6,815,280
Other investments:			\$	\$
Mutual funds	N/A	63,828,005	-	8,337,156
Limited partnerships	N/A	3,063,699		
Total investments		\$ 75,252,980		

\*Included in FDIC insurance.

**Investment Custodial Credit Risk**

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Town will not be able to recover the value if its investment or collateral securities that are in the possession of an outside party. The State of Connecticut STIF Investments are 2a-7 like pools.

**Credit Risk**

The Town's investment policy limits its investments to those in conformance with State Statutes governing qualified public depositories.

**Concentration of Credit Risk**

Maturities shall be staggered to avoid undue concentration of funds in a specific maturity. At least 10% of the portfolio shall be invested in overnight instruments or in marketable securities, which can be sold to raise cash in one day's notice.

**Fair Value**

The Town adopted new accounting guidance, GASB Statement No. 72, *Fair Value Measurement and Application*. The new disclosure is presented below:

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The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements); followed by quoted prices in inactive markets or for similar assets or with observable inputs (Level 2 measurements); and the lowest priority to unobservable inputs (Level 3 measurements). The Town has the following recurring fair value measurements as of June 30, 2016:

	<u>June 30, 2016</u>	<u>Fair Value Measurements Using</u>		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investments by fair value level:				
U.S. Government Securities	\$ 1,545,996	\$ 1,545,996	\$	
Mutual Funds	<u>63,828,005</u>	<u>63,828,005</u>		
Total investments measured at fair value	65,374,001	<u>\$ 65,374,001</u>	<u>\$ -</u>	<u>-</u>
Investments measured at net asset value (NAV):				
Cornerstone Patriot Fund LP	3,063,699			
Investments not included above:				
Certificates of deposit	<u>6,815,280</u>			
Total investments	<u>\$ 75,252,980</u>			

Debt and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities.

Private equity funds - international are valued as described in the following schedule.

The valuation method for investments measured at the net asset value (NAV) per share (or its equivalent) is presented on the following table.

	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency (If Currently Eligible)</u>	<u>Redemption Notice Period</u>
Cornerstone Patriot Fund LP	\$ 3,063,699	\$ -	Quarterly	30 days

**Interest Rate Risk**

The Town's investment policy limits its investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. Except for CNR and Risk Management Funds, funds of the Town shall be invested in instruments whose maturities do not exceed 270 days at the time of purchase, unless a temporary extension of maturities is approved by the Board of Finance.

The Pension Trust Funds are also authorized to invest in corporate bonds, domestic common stocks and domestic equity real estate. The investments of this fund are held in Trust by a Trustee Bank, which executes investment transactions under the direction of the Pension Plans' investment manager.

**TOWN OF SIMSBURY, CONNECTICUT**  
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**B. Receivables**

Receivables at year end for the government's individual major funds and nonmajor funds in the aggregate are as follows:

	<u>General</u>	<u>Sewer Use Fund</u>	<u>Sewer Assessment Fund</u>	<u>Planning &amp; Development Project Fund</u>	<u>Capital and Nonrecurring Expenditures Fund</u>	<u>Other Funds</u>
Receivables:						
Accounts	\$ 155,446	\$ 3,600	\$	\$ 19,537	\$	\$ 4,089
Property taxes	926,224					
Interest receivable	358,077					
Special assessments		37,324	468,682			
Loans receivable				737,907		
Due from other governments					154,713	246,391
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total Receivables	\$ <u>1,439,747</u>	\$ <u>40,924</u>	\$ <u>468,682</u>	\$ <u>757,444</u>	\$ <u>154,713</u>	\$ <u>250,480</u>

**TOWN OF SIMSBURY, CONNECTICUT**  
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**C. Capital Assets**

Capital asset activity for the year ended June 30, 2016 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	\$ 10,175,191	\$	\$	\$ 10,175,191
Development rights	11,725,000			11,725,000
Construction in progress	<u>1,818,854</u>	<u>2,701,039</u>	<u>1,315,491</u>	<u>3,204,402</u>
Total capital assets not being depreciated	<u>23,719,045</u>	<u>2,701,039</u>	<u>1,315,491</u>	<u>25,104,593</u>
Capital assets being depreciated:				
Buildings and improvements	135,685,542	2,242,881		137,928,423
Land improvements	7,715,889	12,793		7,728,682
Equipment	18,272,733	1,403,421	382,906	19,293,248
Infrastructure	<u>44,908,512</u>	<u>294,338</u>	<u>1,241,858</u>	<u>43,960,992</u>
Total capital assets being depreciated	<u>206,582,676</u>	<u>3,953,433</u>	<u>1,624,764</u>	<u>208,911,345</u>
Less accumulated depreciation for:				
Buildings and improvements	46,579,946	3,307,439		49,887,385
Land improvements	5,745,015	202,823		5,947,838
Equipment	13,693,281	1,099,413	382,130	14,410,564
Infrastructure	<u>28,581,752</u>	<u>1,010,059</u>	<u>62,093</u>	<u>29,529,718</u>
Total accumulated depreciation	<u>94,599,994</u>	<u>5,619,734</u>	<u>444,223</u>	<u>99,775,505</u>
Total capital assets being depreciated, net	<u>111,982,682</u>	<u>(1,666,301)</u>	<u>1,180,541</u>	<u>109,135,840</u>
Governmental Activities Capital Assets, Net	<u>\$ 135,701,727</u>	<u>\$ 1,034,738</u>	<u>\$ 2,496,032</u>	<u>\$ 134,240,433</u>

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

Governmental activities:	
General government	\$ 313,967
Education	2,341,337
Public safety	127,163
Facility management	2,064,207
Culture and recreation	721,269
Health and welfare	<u>51,791</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 5,619,734</u>



**TOWN OF SIMSBURY, CONNECTICUT**  
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**Construction Commitments**

The government has active construction projects as of June 30, 2016. The following is a summary of capital projects as of June 30, 2016:

<u>Project</u>	<u>Project Authorization</u>	<u>Spent to Date</u>
<u>Sewer Extension Projects:</u>		
Project 2010	\$ 260,000	\$ 67,212
Project 2013	272,320	64,890
Farmington River Design	100,000	32,477
Wolcott Pump Station	1,378,500	994,314
Longview SCADA Control and Pump Upgrade	65,000	35,278
Sewer Main Extensions	156,000	14,853
Inline Grinder and Screen Replacement FY15	260,000	237,024
Sewer Main Extensions	371,000	
Inline Grinder and Screen Replacement FY16	260,000	234,600
Hopmeadow/Center Area Sewer repairs	135,000	
West Mtn. Road Area Sewer Interceptor - Design	50,000	11,834
Portable Generator	80,000	28,100
Portable Six (6) Inch Dri-Prime Pump	72,000	61,093
<u>Town Projects:</u>		
Library Expansion 5/06	6,100,000	6,099,439
Gertsen Land Purchase 5/08	723,329	722,035
Triangle Land Purchase 5/08	2,823,976	2,809,927
Streetscape 10/167 5/08	326,800	325,494
Eno Hall Improvements 5/08	1,027,894	1,032,551
Water Extensions 5/08	170,000	161,115
Tunxis Pump Station 5/10	670,000	612,762
Paving Management 5/10	2,400,000	2,374,863
Simsbury Farms Renovations	3,074,810	3,081,424
Police Dispatch Console	185,000	184,721
Emergency Mgmt Generators	363,213	339,677
Ethel Walker PHII	2,050,000	2,037,064
West ST/Owens Brook/Greenway	358,000	343,061
DPW Truck Wash	257,400	58,360
Town Hall Flat Roof Replacement	252,401	204,679
Center Area Charrette Infrastructure*	540,000	12,498
Senior/Community Center Design	204,000	63,911
Town office renovation	107,120	72,890
Town Teledata	125,000	104,199
Eno Hall Roof Repair	117,670	111,968
Ethel Walker Parcel C	1,168,049	1,125,736
Multi Use Trail Connections/Master Plan Updates	212,000	72,892
SF Golf Course Improvements	125,000	84,971
Bridge Improvements (Design)	115,000	
Highway Pavement Management	2,500,000	2,504,575
Technology Infrastructure	600,000	410,669
Alternative Energy Efficiency Projects	103,000	40,807
Open Space Betty Hudson Property	274,000	235,366
SF Rink/Pool Improvements	1,100,000	162,729

**TOWN OF SIMSBURY, CONNECTICUT**  
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Park Improvements	508,000	187,487
Open Space Planning and Improvements	145,000	5,147
Weatogue Planning Route 10 and Code Prep	57,000	
Salt Shed Replacement	375,000	372,333
Municipal Building Renovations	50,000	
Dam Evaluations and Repairs	30,000	5,419
Public Works Complex Infrastructure Improvements	280,000	62,441
Town Hall Site and Safety Improvements	45,000	
Portable Generator / Generator Infrastructure	80,000	29,705
Project Planning Fund	28,000	9,800
Various Drainage Improvements	175,000	65,893
Veterans Memorial (STEAP Grant)	150,000	12,185

Education Projects:

Computer technology improv 5/06	450,000	440,336
Tariffville expansion project 5/06	6,209,949	6,199,924
HVAC Boiler replacement 5/08	700,000	633,174
Tootin Hills roof replacement	1,257,500	1,032,723
Squadron Line generator 5/09	150,000	117,012
Latimer Lane roof replacement 5/10	1,277,500	1,176,996
District Network Infrastructure 5/10	451,327	449,755
District Network Infrastructure 5/12	1,800,000	1,365,958
Boiler Replacement Squadron Line	850,000	223,934
District Network Infrastructure	150,000	135,249
HJMS Main Office Security Phase I	1,055,000	1,112,283
SHS Turf Field/Synthetic Track Maintenance	250,000	226,646
Squadron Line Main Office Project	1,050,000	857,707
District Network Infrastructure	200,000	144,018
Climate Control (Phase 1 - 7 buildings)	2,150,000	127,930
Central School Roof Replacement	770,000	252,598

Capital Nonrecurring Projects:

Town Security Measures	103,428	85,891
School Security Measures	168,709	88,216
Boilers/Hvac	7,546	5,077
Modifications-Hvac	60,000	65,774
Bldg Renovations-Exterior	10,000	7,319
Renovations-Interior	162,500	148,239
Ceiling/Floor Replce	56,000	55,930
Renovations-Interior	132,500	132,600
Bldg Renovations-Exterior	66,000	66,001
Modifications-Plumbing	23,000	15,960
Ceiling/Floor Replce	46,000	46,000
Renovations-Interior	87,500	21,900
Bldg Renovations-Exterior	38,000	35,650
Modifications-Plumbing	31,000	
Ceiling/Floor Replce	75,000	45,389
School Equip/Intruct/Non	36,000	

Total	\$ 53,330,941	\$ 43,238,655
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The commitments are being financed with general obligation bonds and state and federal grants.

**TOWN OF SIMSBURY, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
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**D. Interfund Receivables, Payables and Transfers**

The composition of interfund balances as of June 30, 2016 is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Capital Project Fund	\$ 149,122
General Fund	Nonmajor Governmental Funds	103,052
Nonmajor Governmental Funds	Fiduciary Funds	<u>48,498</u>
		<u>\$ 300,672</u>

Interfund balances are a result of temporary loans to various funds.

Interfund transfers:

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Capital Nonrecurring Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Transfer out:					
General Fund	\$	\$ 1,290,547	\$ 935,915	\$ 90,000	\$ 2,316,462
Sewer Use Fund	<u>101,446</u>				<u>101,446</u>
Total Transfers In	<u>\$ 101,446</u>	<u>\$ 1,290,547</u>	<u>\$ 935,915</u>	<u>\$ 90,000</u>	<u>\$ 2,417,908</u>

Interfund transfers arose from transferring monies to fund operating activities.

**E. Long-Term Debt**

**Changes in Long-Term Liabilities**

Long-term liability activity for the year ended June 30, 2016 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities:					
Bonds and loans payable:					
General obligation bonds	\$ 23,920,000	\$	\$ 5,035,000	\$ 18,885,000	\$ 5,150,000
Premium on bonds issued	1,037,150		226,932	810,218	
Loans payable - Clean Water Fund	13,736,091		999,616	12,736,475	1,019,792
Loan payable - State of Connecticut	<u>75,791</u>		<u>7,793</u>	<u>67,998</u>	<u>7,871</u>
Total bonds and loans payable	38,769,032	-	6,269,341	32,499,691	6,177,663
Pension liability	17,624,481	2,418,386		20,042,867	
Compensated absences	1,004,921	826,145	693,662	1,137,404	815,238
Claims settlement	140,000		70,000	70,000	70,000
Landfill closure	<u>65,000</u>		<u>5,000</u>	<u>60,000</u>	<u>5,000</u>
Total Governmental Activities Long-Term Liabilities	<u>\$ 57,603,434</u>	<u>\$ 3,244,531</u>	<u>\$ 7,038,003</u>	<u>\$ 53,809,962</u>	<u>\$ 7,067,901</u>

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Compensated absences and other long-term liabilities are generally liquidated by the General Fund.

**General Obligation Bonds**

The Town issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities.

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. General obligation bonds currently outstanding are as follows:

	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Annual Principal</u>	<u>Principal Outstanding June 30, 2016</u>
Bonds payable:						
General Bonds	4/18/2007	\$ 9,865,000	3.75-4.00%	1/15/2017	\$ 985,000-990,000	\$ 985,000
General Bonds	4/8/2008	4,000,000	3.25-4.00%	1/15/2018	400,000	800,000
General Bonds	3/16/2011	5,000,000	1.50-3.00%	1/15/2021	500,000	1,000,000
General Bonds	8/4/2011	5,000,000	2.00%	1/15/2018	205,000-1,630,000	3,165,000
General Bonds	3/19/2013	5,555,000	1.50%	3/1/2023	550,000-560,000	3,875,000
General Bonds	6/30/2015	9,060,000	2.00-4.00%	7/15/2025	635,000-1,595,000	<u>9,060,000</u>
Total Bonds Payable						\$ <u>18,885,000</u>

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

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 5,150,000	\$ 528,800	\$ 5,678,800
2018	4,125,000	395,450	4,520,450
2019	2,150,000	248,450	2,398,450
2020	2,145,000	192,275	2,337,275
2021	1,675,000	143,225	1,818,225
2022-2025	<u>3,640,000</u>	<u>227,950</u>	<u>3,867,950</u>
	\$ <u>18,885,000</u>	\$ <u>1,736,150</u>	\$ <u>20,621,150</u>

**Clean Water Fund Loan**

The Town's Waste Water Treatment Plant \$26,840,083 renovation and expansion capital project was funded by the State of Connecticut Clean Water Fund 2% Loan and Grant program. The loan will be repaid by future sewer user charges.

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Annual debt service requirements to maturity for the Clean Water Fund loan are as follows:

<b>Year Ending June 30,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2017	\$ 1,019,792	\$ 245,415	\$ 1,265,207
2018	1,040,376	224,831	1,265,207
2019	1,061,375	203,832	1,265,207
2020	1,082,798	182,409	1,265,207
2021	1,104,654	160,553	1,265,207
2022-2026	5,866,859	459,177	6,326,036
2027-2028	1,560,621	20,889	1,581,510
	<u>\$ 12,736,475</u>	<u>\$ 1,497,106</u>	<u>\$ 14,233,581</u>

The Town has a corresponding receivable from participating municipalities for their portion of the Waste Water Treatment Plant renovation and expansion capital project. The total loan receivable at June 30, 2016 was \$4,126,618. Current year principal payments received by the Town totaled \$323,875.

**Project Loan**

The project loan obligation was issued by the State of Connecticut Department of Housing. The loan proceeds financed the Eno Farmhouse Renovation Project. The original loan balance was \$220,638 on June 10, 1994, with an interest rate of 1%. The obligation will be paid from future taxation.

Project loan obligations payable to the State of Connecticut mature as follows:

<b>Year Ending June 30,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2017	\$ 7,871	\$ 651	\$ 8,522
2018	7,951	572	8,523
2019	8,030	492	8,522
2020	8,111	411	8,522
2021	8,192	330	8,522
2022-2025	<u>27,843</u>	<u>501</u>	<u>28,344</u>
	<u>\$ 67,998</u>	<u>\$ 2,957</u>	<u>\$ 70,955</u>

**Authorized But Unissued Bonds**

The total of authorized but unissued bonds (net of projected grants) at June 30, 2016 is \$8,383,600.

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**F. Fund Balance**

The components of fund balance for the governmental funds at June 30, 2016 are as follows:

	Major Special Revenue Funds			Major Capital Project Funds		Nonmajor Governmental Funds	Total
	General Fund	Sewer Use Fund	Sewer Assessment Fund	Planning & Development Fund	Capital Projects Fund	Capital Nonrecurring Fund	
Fund balances:							
Nonspendable:							
Inventory	\$	\$	\$	\$	\$	\$	30,304 \$ 30,304
Restricted for:							
Grants						8,513	8,513
Education trusts						418,649	418,649
Facilities management trusts						1,146,379	1,146,379
Health and welfare trusts						26,416	26,416
Committed to:							
Sewer use		5,247,774					5,247,774
Sewer assessment			1,505,743				1,505,743
Education	427,598					686,812	1,114,410
General government						328,617	328,617
Public safety						367,949	367,949
Recreation						172,024	172,024
Planning and development				342,222			342,222
Health and welfare						219,588	219,588
Facilities management						101,615	101,615
Special assessment projects						1,172,984	1,172,984
Assigned to:							
Property purchases	1,500,000						1,500,000
Education	142,674						142,674
General government	77,228						77,228
Facilities management	49,231						49,231
Planning and development	18,000						18,000
Unassigned	11,247,572				(705,063)		10,542,509
Total Fund Balances	\$ 13,462,303	\$ 5,247,774	\$ 1,505,743	\$ 342,222	\$ (705,063)	\$ 1,172,984	\$ 3,506,866 \$ 24,532,829

Significant encumbrances at June 30, 2016 contained in the above table in the assigned and committed categories are as follows:

	<u>Assigned</u>	<u>Committed</u>
General Fund	\$ 287,133	\$
Sewer Use Fund		62,891
Capital Projects Fund		149,336
Capital Nonrecurring Fund		129,540
	<u>\$ 287,133</u>	<u>\$ 341,767</u>

#### **4. EMPLOYEE RETIREMENT PLAN**

##### **A. Pension Trust Fund**

The Town maintains three single-employer defined benefit pension plans for full-time employees: General Government Plan, Police Plan and Board of Education Plan. The plans are considered to be part of the Town's financial reporting entity and are included in the Town's financial reports as Pension Trust Funds. The plans do not issue stand-alone financial reports.

Oversight of the Town's retirement plans rests with the Retirement Plan Sub-Committee, which is comprised of two members of the Board of Selectmen, two members of the Board of Education, two members of the Board of Finance and two members at large. The Sub-Committee is staffed by the Town Treasurer, the Board of Education's Business Manager and the Town's Director of Administrative Services. The Town and the Board of Education have appointed a third party to serve as fiduciary investment advisor. Effective 2013, the Town of Simsbury's Charter was amended to place fiduciary responsibility for the investment of pension funds to the Board of Finance.

##### **Plan Description and Benefits Provided**

###### **General Government Pension Plan**

All full-time employees, except police and Board of Education employees, are eligible to participate in the General Government Pension Plan. The Plan provides retirement benefits as well as death and disability benefits. Annual retirement benefits for normal retirement for plan participants are based on the average monthly compensation during the highest five consecutive years of service out of the last ten years of the participants' active employment. The plan permits early retirement for participants at age 55 with 5 years of credited service. Benefits for early retirement are based on credited service and final average earnings to date of actual retirement reduced by 1/3 of 1% for each month by which the participant's retirement date precedes his normal retirement date. The participants' annual benefit is 2% of final average earnings times credited service for union employees, and 2½% of final average earnings times credited service for unaffiliated employees. State of Connecticut Statutes assign the authority to establish and amend the benefit provisions of the plan to the Town.

###### **Police Pension Plan**

All regular full-time employees of the Simsbury Police Department are eligible to participate in the Police Retirement Fund. The Plan provides retirement benefits as well as death benefits under two separate divisions. Division 000 participants are defined as those individuals who entered the plan on or after January 18, 1990, whereas Division 001 participants entered the plan prior to January 18, 1990. Pension benefits for normal retirement under the plan are based on average monthly compensation during the highest five consecutive years out of the last ten years. The participants' annual benefit is 2½% of final average earnings times credited service for Division 000, and 2% of final average earnings times credited service for Division 001. The Plan permits early retirement for participants at the earlier of 5 years early with 10 years of service or 20 years of credited service for Division 000, and at five years early with 10 years of credited service for Division 001. Benefits are based on credited service and final average earnings to date of actual retirement actuarially reduced for each month by which the participant's retirement date precedes his normal retirement date. State of Connecticut Statutes assign the authority to establish and amend the benefit provisions of the plan to the Town.

**TOWN OF SIMSBURY, CONNECTICUT**  
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**Board of Education Pension Plan**

All regular full-time employees of the Board of Education, other than individuals covered by the State Teachers Retirement System or those who participate in the defined contribution plan, are eligible to participate in the Plan. The Plan provides retirement benefits as well as disability benefits. Pension benefits for normal retirement under the Plan are based on the average earnings received in the last three July 1's before retirement for the National Association of Government Employees (NAGE); the average earnings received the last three completed years of employment for the Simsbury Federation of Educational Personnel (SFEP), and the highest average earnings received in any three consecutive July 1's during the last ten years before retirement for unaffiliated employees and the Simsbury School Nurses Association (SSNA). The participants' annual benefit shall be equal to 1½% of final average earnings times credited service through July 1, 1996, plus 2% of final average earnings times credited service after July 1, 1996. The plan permits early retirement for participants eligible five years early with ten years of credited service. Benefits are based on credited service and final average earnings to date and actual retirement reduced by 4% for each year by which the participant's retirement date precedes his normal retirement date. There is no reduction for NAGE employees after age 62 and 29 years of service or for unaffiliated employees after age 62 and 25 years of service. State of Connecticut Statutes assign the authority to establish and amend the benefit provisions of the plan to the Town of Simsbury Board of Education.

At July 1, 2015, plan membership consisted of the following:

	<b>General Government Plan</b>	<b>Police Plan</b>	<b>Board of Education Plan</b>
Retirees and beneficiaries currently receiving benefits	86	34	113
Vested terminated employees	55	1	77
Active employees	<u>98</u>	<u>34</u>	<u>177</u>
Total Participants	<u><u>239</u></u>	<u><u>69</u></u>	<u><u>367</u></u>



## **Summary of Significant Accounting Policies**

### **Basis of Accounting**

Pension plan financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as revenues in the period in which employee services are performed. Benefits and refunds are recognized when due and payable in accordance with the terms of the plans.

### **Method Used to Value Investments**

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

### **Contributions**

#### **General Government Plan**

This plan provides for union employee contributions of 2% and for unaffiliated 5% of regular earnings for employees, hired prior to August 12, 2013, and 7% for unaffiliated hired after that date. The Town is required by its Charter to contribute amounts necessary to fund the plan. Employer contributions to the plan of \$1,023,393 were made in accordance with actuarially determined requirements. The contribution represents 115.2% of the actuarially determined contribution and 15.80% of covered payroll. State of Connecticut Statutes assign the authority to establish and amend the contribution provisions of the plan to the Town.

Administrative costs of the plan are financed through investment earnings.

#### **Police Plan**

Plan provisions require employee contributions of 6% of regular earnings for Division 000 and employee contributions of 3% of regular earnings for Division 001. The Town is required by Charter to contribute amounts necessary to fund the plan. Employer contributions to the plan of \$727,009 were made in accordance with actuarially determined requirements. The contribution represents 115.2% of the actuarially determined contribution and 24.91% of covered payroll. State of Connecticut Statutes assign the authority to establish and amend the contribution provisions of the plan to the Town.

Administrative costs of the plan are financed through investment earnings.

#### **Board of Education Plan**

This plan provides for employee contributions of 4% to 4.5% of regular earnings, based on the current individual collective bargaining contract. The Town is required by its Charter to contribute amounts necessary to fund the plan. Employer contributions to the plan of \$1,288,982 were made in accordance with actuarially determined requirements. The contribution represents 116.1% of the actuarially determined contribution and 16.39% of covered payroll. State of Connecticut Statutes assign the authority to establish and amend the contribution provisions of the plan to the Town of Simsbury Board of Education.

Administrative costs of the plan are financed through investment earnings.

**TOWN OF SIMSBURY, CONNECTICUT**  
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**Investments**

**Investment Policy**

The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the Retirement Plan Subcommittee by a majority vote of its members. It is the policy of the Retirement Plan Subcommittee to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The pension plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. The following was the Board's adopted asset allocation policy as of June 30, 2016:

<u>Asset Class</u>	<u>Target</u>
US Core Fixed Income	28.00 %
US Equity Market	29.50
Foreign Developed Equity	22.50
Hedge FOF Diversified	10.00
Private Real Estate Property	5.00
Commodities	<u>5.00</u>
Total	<u>100.00 %</u>

**Rate of Return**

For the year ended June 30, 2016, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was as follows:

General Government	(0.10%)
Police	(0.08%)
Board of Education	0.12%

The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**Net Pension Liability of the Town**

The components of the net pension liability of the Town at June 30, 2016, were as follows:

	<u>General Government</u>	<u>Police</u>	<u>Board of Education</u>	<u>Total</u>
Total pension liability	\$ 27,795,511	\$ 19,611,721	\$ 27,028,848	\$ 74,436,080
Plan fiduciary net position	<u>21,130,353</u>	<u>14,632,757</u>	<u>18,630,103</u>	<u>54,393,213</u>
Net Pension Liability	<u>\$ 6,665,158</u>	<u>\$ 4,978,964</u>	<u>\$ 8,398,745</u>	<u>\$ 20,042,867</u>
Plan fiduciary net position as a percentage of the total liability	76.02 %	74.61 %	68.93 %	73.07 %

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**Actuarial Assumptions**

The total pension liability was determined by an actuarial valuation as of July 1, 2015, using the following actuarial assumptions, applied to all periods included in the measurement:

	<b>General Government</b>	<b>Police</b>	<b>Board of Education</b>
Inflation	2.75%	2.75%	2.75%
Salary increases	3.5%	8.25%, for first 7 years and 3.00% thereafter	3.5%
Investment rate of return	7.0%, net of pension plan investment expense	7.0%, net of pension plan investment expense	7.0%, net of pension plan investment expense

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

The actuarial assumptions used in the July 1, 2015 valuation were based on the results of an actuarial experience study for the period July 1, 2008 - July 1, 2012.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2016 (see the discussion of the pension plan's investment policy) are summarized in the following table:

<b>Asset Class</b>	<b>Long-Term Real Rate of Return</b>
US Core Fixed Income	2.55
US Equity Market	4.06
Foreign Developed Equity	4.35
Hedge FOF Diversified	1.86
Private Real Estate Property	3.32
Commodities	1.66

**TOWN OF SIMSBURY, CONNECTICUT**  
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**Discount Rate**

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

**Changes in the Net Pension Liability**

*General Government*

	<b>Total Pension Liability (a)</b>	<b>Increase (Decrease) Plan Fiduciary Net Position (b)</b>	<b>Net Pension Liability (a) - (b)</b>
Balances as of June 30, 2015	\$ 26,835,154	\$ 21,015,440	\$ 5,819,714
Changes for the year:			
Service cost	651,746		651,746
Interest on total pension liability	1,864,604		1,864,604
Effect of plan changes			-
Effect of economic/demographic gains or losses	(259,385)		(259,385)
Effect of assumptions changes or inputs			-
Benefit payments	(1,296,608)	(1,296,608)	-
Employer contributions		1,023,393	(1,023,393)
Member contributions		445,994	(445,994)
Net investment income		(20,390)	20,390
Administrative expenses		(37,476)	37,476
Balances as of June 30, 2016	<u>\$ 27,795,511</u>	<u>\$ 21,130,353</u>	<u>\$ 6,665,158</u>

*Police*

	<b>Total Pension Liability (a)</b>	<b>Increase (Decrease) Plan Fiduciary Net Position (b)</b>	<b>Net Pension Liability (a) - (b)</b>
Balances as of June 30, 2015	\$ 18,722,179	\$ 14,799,718	\$ 3,922,461
Changes for the year:			
Service cost	484,804		484,804
Interest on total pension liability	1,327,012		1,327,012
Effect of plan changes			-
Effect of economic/demographic gains or losses	132,622		132,622
Effect of assumptions changes or inputs			-
Benefit payments	(1,054,896)	(1,054,896)	-
Employer contributions		727,009	(727,009)
Member contributions		196,550	(196,550)
Net investment income		(11,573)	11,573
Administrative expenses		(24,051)	24,051
Balances as of June 30, 2016	<u>\$ 19,611,721</u>	<u>\$ 14,632,757</u>	<u>\$ 4,978,964</u>

**TOWN OF SIMSBURY, CONNECTICUT**  
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*Board of Education*

	<b>Total Pension Liability (a)</b>	<b>Increase (Decrease) Plan Fiduciary Net Position (b)</b>	<b>Net Pension Liability (a) - (b)</b>
Balances as of June 30, 2015	\$ 26,020,747	\$ 18,138,441	\$ 7,882,306
Changes for the year:			
Service cost	792,518		792,518
Interest on total pension liability	1,815,018		1,815,018
Effect of plan changes	(29,091)		(29,091)
Effect of economic/demographic gains or losses	(445,038)		(445,038)
Effect of assumptions changes or inputs			-
Benefit payments	(1,125,306)	(1,125,306)	-
Employer contributions		1,288,982	(1,288,982)
Member contributions		324,788	(324,788)
Net investment income		21,997	(21,997)
Administrative expenses		(18,799)	18,799
Balances as of June 30, 2016	\$ <u>27,028,848</u>	\$ <u>18,630,103</u>	\$ <u>8,398,745</u>

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

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

	<b>1% Decrease (6.00%)</b>	<b>Current (7.00%)</b>	<b>1% Increase (8.00%)</b>
General Government	\$ 9,801,051	\$ 6,665,158	\$ 4,075,820
Police	7,381,927	4,978,964	3,203,816
Board of Education	11,507,494	8,398,745	6,009,799
Total	\$ <u>28,690,472</u>	\$ <u>20,042,867</u>	\$ <u>13,289,435</u>

**TOWN OF SIMSBURY, CONNECTICUT**  
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**Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

For the year ended June 30, 2016, the Town recognized pension expense of \$3,509,568. At June 30, 2016, the Town reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

*General Government*

	<b>General</b>	
	<b>Deferred Inflows of Resources</b>	<b>Deferred Outflows of Resources</b>
Differences between expected and actual experience	\$ 207,508	\$ 58,886
Net difference between projected and actual earning on pension plan investments		1,776,735
Total	<u>\$ 207,508</u>	<u>\$ 1,835,621</u>

*Police*

	<b>Police</b>	
	<b>Deferred Inflows of Resources</b>	<b>Deferred Outflows of Resources</b>
Differences between expected and actual experience	\$ 67,021	\$ 115,834
Net difference between projected and actual earning on pension plan investments		1,257,611
Total	<u>\$ 67,021</u>	<u>\$ 1,373,445</u>

*Board of Education*

	<b>Board of Education</b>	
	<b>Deferred Inflows of Resources</b>	<b>Deferred Outflows of Resources</b>
Differences between expected and actual experience	\$ 330,926	\$ 167,243
Net difference between projected and actual earning on pension plan investments		1,546,631
Total	<u>\$ 330,926</u>	<u>\$ 1,713,874</u>

**TOWN OF SIMSBURY, CONNECTICUT  
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Amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

**Year Ending June 30,**

2017	\$ 1,213,059
2018	1,213,059
2019	1,161,626
2020	699,340
2021	4,603
Thereafter	25,798

**B. Teachers Retirement**

**Plan Description**

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

**Benefit Provisions**

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

**Normal Retirement**

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

**Early Retirement**

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

**Disability Retirement**

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

**Contributions**

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

**TOWN OF SIMSBURY, CONNECTICUT  
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*Employer (School Districts)*

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

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

*Employees*

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

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

At June 30, 2016, the Town reports no amounts for its proportionate share of the net pension liability, and related deferred outflows and inflows, due to the statutory requirement that the State pay 100% of the required contribution. The amount recognized by the Town as its proportionate share of the net pension liability, the related state support, and the total portion of the net pension liability that was associated with the Town were as follows:

Town's proportionate share of the net pension liability	\$ -
State's proportionate share of the net pension liability associated with the Town	<u>92,706,902</u>
Total	\$ <u>92,706,902</u>

The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2014. At June 30, 2016, the Town has no proportionate share of the net pension liability.

For the year ended June 30, 2016, the Town recognized pension expense and revenue of \$7,428,159 in Exhibit II for on-behalf amounts for the benefits provided by the State.

**Actuarial Assumptions**

The total pension liability was determined by an actuarial valuation as of June 30, 2014, using the following actuarial assumptions, applied to all periods included in the measurement:

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

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



**TOWN OF SIMSBURY, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
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The actuarial assumptions used in the June 30, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2005 - June 30, 2010.

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

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Large Cap U.S. equities	21.0%	7.3%
Developed non-U.S. equities	18.0%	7.5%
Emerging markets (non-U.S.)	9.0%	8.6%
Core fixed income	7.0%	1.7%
Inflation linked bond fund	3.0%	1.3%
Emerging market bond	5.0%	4.8%
High yield bonds	5.0%	3.7%
Real estate	7.0%	5.9%
Private equity	11.0%	10.9%
Alternative investments	8.0%	0.7%
Liquidity fund	6.0%	0.4%
Total	<u>100.0%</u>	

#### **Discount Rate**

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

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

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

#### **Pension Plan Fiduciary Net Position**

Detailed information about the pension plan's fiduciary net position is available in the separately issued financial statements available at [www.ct.gov](http://www.ct.gov).

## **Other Information**

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

### **C. Post Employment Healthcare Plan - Retiree Health Plan**

#### **Summary of Significant Accounting Policies**

##### **Basis of Accounting**

The financial statements of the Retiree Health Plan (RHP) 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.

Investments are reported at fair value. Investment income is recognized as earned.

##### **Plan Description**

The RHP is a single-employer defined benefit healthcare plan administered by the Town of Simsbury. The RHP provides medical, dental and life insurance benefits to eligible retirees and their spouses. All employees of the Town are eligible to participate in the plan. Benefit provisions are established through negotiations between the Town and the various unions representing the employees.

The plan is considered to be part of the Town's financial reporting entity and is included in the Town's financial report as the Other Post Employment Benefits Trust Fund. The plan does not issue a stand-alone financial report.

**TOWN OF SIMSBURY, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
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At July 1, 2015, plan membership consisted of the following:

	<b>Retiree Health Plan</b>
Retired members	234
Spouses of retired members	35
Active plan members	<u>646</u>
Total Participants	<u><u>915</u></u>

**Funding Policy**

The contribution requirements of plan members and the Town are also negotiated with the various unions representing the employees. Retired plan members and beneficiaries currently receiving benefits are required to contribute specified amounts monthly towards the cost of health insurance premiums as follows:

**Town Employees**

Retired town employees under the age of 65 receiving coverage under CIGNA contribute between \$139 and \$558 per month for retiree only coverage and between \$697 and \$1,116 per month for retiree and spouse coverage to age 65. Retired town employees under the age of 65 receiving coverage under CIGNA contribute between \$204 and \$816 per month for retiree only coverage and between \$1,020 and \$1,632 per month for retiree and spouse coverage to age 65. Eligible Town employees over age 65 have the option of joining the Town's fully-insured Anthem Medicare Supplement Plan. Retirees typically contribute 25% of the premium (\$124) per month for individual coverage and 100% of the premium (\$497) for spouse coverage.

**Board of Education Employees**

Retired Board of Education employees under 65 or not eligible for Medicare, can receive coverage through the same CIGAN plans available to active employees. Retiree monthly contributions for retiree only plans and retiree and spouse plans are between \$508 and \$794 and \$1,017 and \$1,584, respectively. Retired BOE employees over 65 and eligible for Medicare Part A and B may participate in the Board's fully insured Anthem Medicare Supplement Plan with a monthly contribution of \$470.

For the year ended June 30, 2016, plan members contributed \$431,083 for their share of premium payments. The Town is required to contribute the balance of the current premium cost and may contribute an additional amount as determined by the Town in order to prefund benefits.

Employer contributions to the plan of \$1,195,883 were made in accordance with actuarially determined requirements.

**TOWN OF SIMSBURY, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2016**

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**Annual OPEB Cost and Net OPEB Obligations**

The Town of Simsbury's annual other postemployment benefit (OPEB) cost is calculated based on the annual required contribution (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The following table shows the components of the Town's annual OPEB cost for the year, the amount actually contributed to the plan and changes in the Town's net OPEB obligation (asset):

	<b>Retiree Medical Program</b>
Annual required contribution (ARC)	\$ 1,047,953
Interest on net OPEB obligation	(353,509)
Adjustment to annual required contribution	<u>343,416</u>
Annual OPEB cost	1,037,860
Contributions made	<u>1,195,883</u>
Change in net OPEB asset	(158,023)
Net OPEB asset at beginning of year	<u>(4,713,451)</u>
Net OPEB Asset at End of Year	<u><u>\$ (4,871,474)</u></u>

The Town's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation (asset) three year trend information is presented below.

<b>Fiscal Year Ending</b>	<b>Annual OPEB Cost (AOC)</b>	<b>Actual Contribution</b>	<b>Percentage of AOC Contributed</b>	<b>Net OPEB Obligation (Asset)</b>
6/30/2014	\$ 1,815,344	\$ 1,980,158	109.08%	\$ (1,706,111)
6/30/2015	1,872,660	4,880,000	260.59%	(4,713,451)
6/30/2016	1,037,860	1,195,883	115.23%	(4,871,474)

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. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

**TOWN OF SIMSBURY, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2016**

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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, 2015 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions include a 7% investment rate of return, which is the rate of the expected long-term investment returns of plan assets calculated based on the funding policy of the plan at the valuation date. The annual healthcare cost trend rate is 5.28% initially, reduced by decrements to an ultimate rate of 4.4% after 73 years. The general inflation assumption is 2.75%. Projected salary increases were 3.5%. The actuarial value of assets was determined using market value. The UAAL is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at June 30, 2016 was 21 years.

**Funding Status and Funding Progress**

The funded status of the plan as of July 1, 2015, the most recent actuarial valuation date is as follows:

<b>Actuarial Valuation Date</b>	<b>Actuarial Value of Assets (a)</b>	<b>Actuarial Accrued Liability (AAL) Entry Age (b)</b>	<b>Unfunded AAL (UAAL) (b-a)</b>	<b>Funded Ratio (a/b)</b>	<b>Covered Payroll ( c )</b>	<b>UAAL as a % of Covered Payroll ((b-a)/c)</b>
7/1/2015	\$ 12,286,000	\$ 18,372,000	\$ 6,086,000	66.9%	\$ 45,238,000	13.5%

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

**TOWN OF SIMSBURY, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2016**

The combining Statement of Net Position and the Combining Statement of Revenues, Expenses and Changes in Net Position for the Pension and Other Employee Benefit Trust Funds are as follows:

**Combining Statement of Net Position**

	<b>General Government Pension Fund</b>	<b>Police Pension Fund</b>	<b>Board of Education Pension Fund</b>	<b>Other Post Employment Benefit Trust Fund</b>	<b>Trust Funds Total</b>
Assets:					
Cash	\$ 403,600	\$ 214,372	\$ 234,260	\$ 192,053	\$ 1,044,285
Investments	<u>20,726,753</u>	<u>14,418,385</u>	<u>18,395,843</u>	<u>12,559,178</u>	<u>66,100,159</u>
Total assets	<u>21,130,353</u>	<u>14,632,757</u>	<u>18,630,103</u>	<u>12,751,231</u>	<u>67,144,444</u>
Liabilities:					
Accounts payable				6,338	6,338
Net Position of Pension and Other Post Employment Benefits	<u>\$ 21,130,353</u>	<u>\$ 14,632,757</u>	<u>\$ 18,630,103</u>	<u>\$ 12,744,893</u>	<u>\$ 67,138,106</u>

**Combining Statement of Revenues, Expenses and Changes in Net Position**

	<b>General Government Pension Fund</b>	<b>Police Pension Fund</b>	<b>Board of Education Pension Fund</b>	<b>Other Post Employment Benefit Trust Fund</b>	<b>Trust Funds Total</b>
Additions:					
Contributions:					
Employer	\$ 1,023,393	\$ 727,009	\$ 1,288,982	\$ 1,195,883	\$ 4,235,267
Employee	<u>445,994</u>	<u>196,550</u>	<u>324,788</u>	<u>431,083</u>	<u>1,398,415</u>
Total contributions	<u>1,469,387</u>	<u>923,559</u>	<u>1,613,770</u>	<u>1,626,966</u>	<u>5,633,682</u>
Investment income:					
Change in fair value of investments	(378,543)	(258,555)	(291,135)	(9,420)	(937,653)
Interest and dividends	<u>385,336</u>	<u>271,459</u>	<u>338,287</u>	<u>266,981</u>	<u>1,262,063</u>
Total investment income	6,793	12,904	47,152	257,561	324,410
Less investment expenses:					
Custodian fees	<u>(27,183)</u>	<u>(24,477)</u>	<u>(25,155)</u>	<u>(57,226)</u>	<u>(134,041)</u>
Net investment gain (loss)	<u>(20,390)</u>	<u>(11,573)</u>	<u>21,997</u>	<u>200,335</u>	<u>190,369</u>
Total additions	<u>1,448,997</u>	<u>911,986</u>	<u>1,635,767</u>	<u>1,827,301</u>	<u>5,824,051</u>
Deductions:					
Benefits	1,296,608	1,054,896	1,125,306	1,368,187	4,844,997
Administration	<u>37,476</u>	<u>24,051</u>	<u>18,799</u>	<u></u>	<u>80,326</u>
Total deductions	<u>1,334,084</u>	<u>1,078,947</u>	<u>1,144,105</u>	<u>1,368,187</u>	<u>4,925,323</u>
Change in Net Position	114,913	(166,961)	491,662	459,114	898,728
Net Position at Beginning of Year	<u>21,015,440</u>	<u>14,799,718</u>	<u>18,138,441</u>	<u>12,285,779</u>	<u>66,239,378</u>
Net Position at End of Year	<u>\$ 21,130,353</u>	<u>\$ 14,632,757</u>	<u>\$ 18,630,103</u>	<u>\$ 12,744,893</u>	<u>\$ 67,138,106</u>

**TOWN OF SIMSBURY, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2016**

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**5. OTHER INFORMATION**

**A. Risk Management**

The Town is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; error and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks did not exceed commercial insurance coverage during the three years ended June 30, 2016.

The Town's self-insurance program is used to account for health insurance coverage for Town and Board of Education employees. The Town retains the risk of up to a maximum of \$250,000 per claim. Commercial insurance covers any individual claim in excess of \$10,000. During 2016, total claims expense of \$10,696,033 was incurred, which represent claims processed and an estimate for claims incurred but not reported as of June 30, 2016.

The Fund establishes claims liabilities based on estimates of claims that have been incurred but not reported; accordingly, the Fund recorded an additional liability at June 30, 2016 of \$935,773.

Premium payments are reported as interfund services provided and used for the General Fund, and, accordingly, they are treated as operating revenues of the Self-Insurance Fund and operating expenditures of the General Fund.

A schedule of changes in the claims liability for the years ended June 30, 2016 and 2015, is presented below:

		<u>Liability</u>	<u>Current Year</u>	<u>Claim</u>	<u>Liability</u>
		<u>July 1,</u>	<u>Claims and</u>	<u>Payments</u>	<u>June 30,</u>
			<u>Changes in</u>		
			<u>Estimates</u>		
2014-15	\$	1,290,025	\$ 10,936,081	\$ 11,371,106	\$ 855,000
2015-16		855,000	10,696,033	10,615,260	935,773

**B. Contingent Liabilities**

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

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

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

**C. Landfill Postclosure Care Costs**

The Simsbury landfill stopped accepting solid waste in 1988. The landfill has been capped and tested by the Department of Environmental Protection prior to October 1, 1993 and, as such, the U.S. EPA adopted regulations 40 CFR, Part 258 (Subtitle D), do not apply. However, the Simsbury landfill is still required to monitor its postclosure functions under an approved plan with the State of Connecticut Department of Environmental Protection.

The landfill closing costs of \$65,000 reported as a liability in the government-wide financial statements represent an estimate of the postclosure costs to be incurred by the Town over the next 12 fiscal years for mandatory ground water testing based on a study conducted by an independent consultant. It is estimated that the Town will incur a \$5,000 annual cost over the next 12 fiscal years. This estimate is subject to changes that may result from inflation, technological changes or regulatory changes.



# **Required Supplementary Information**

**TOWN OF SIMSBURY, CONNECTICUT  
REQUIRED SUPPLEMENTARY INFORMATION -  
OTHER POST EMPLOYMENT BENEFITS TRUST FUND**

Schedule of Funding Progress

<u>Actuarial Valuation Date</u>	<u>Fiscal Year Ending</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL)</u>	<u>Unfunded AAL (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a Percentage of Covered Payroll</u>
<i>Retiree Medical Program</i>							
7/1/2009	6/30/2011	\$ 1,747,000	\$ 17,565,000	\$ 15,818,000	9.95%	\$ n/a	n/a
7/1/2009	6/30/2012	1,747,000	17,565,000	15,818,000	9.95%	n/a	n/a
7/1/2011	6/30/2013	4,253,000	18,933,000	14,680,000	22.46%	n/a	n/a
7/1/2012	6/30/2014	5,018,000	19,989,000	14,971,000	25.10%	44,132,000	33.92%
7/1/2012	6/30/2015	5,018,000	19,989,000	14,971,000	25.10%	44,132,000	33.92%
7/1/2014	6/30/2016	11,496,819	17,328,319	5,831,500	66.35%	44,570,517	13.08%

Schedule of Employer Contributions

<u>Year Ended</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
6/30/2011	\$ 1,611,000	118.1 %
6/30/2012	1,705,000	107.6
6/30/2013	1,613,000	148.4
6/30/2014	1,825,000	108.5
6/30/2015	1,880,000	259.6
6/30/2016	1,047,953	114.1

n/a - The covered payroll is not available.

**TOWN OF SIMSBURY, CONNECTICUT**  
**SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF NET PENSION LIABILITY**  
**TEACHERS RETIREMENT SYSTEM**  
**LAST TWO FISCAL YEARS\***

	<u>2016</u>	<u>2015</u>
Town's proportion of the net pension liability	0.00%	0.00%
Town's proportionate share of the net pension liability	\$ -	\$ -
State's proportionate share of the net pension liability associated with the Town	<u>92,706,902</u>	<u>85,688,952</u>
Total	<u>\$ 92,706,902</u>	<u>\$ 85,688,952</u>
Town's covered-employee payroll	\$ 32,597,004	\$ 32,231,978
Town's proportionate share of the net pension liability as a percentage of its covered-employee payroll	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	59.50%	61.51%

**Notes to Schedule**

Changes in benefit terms  
Changes of assumptions

None  
During 2011, rates of withdrawal, retirement and assumed rates of salary increases were adjusted to reflect actual and anticipated experience. These assumptions were recommended as part of the Experience Study for the System for the five-year period ended June 30, 2010.

Actuarial cost method  
Amortization method  
Remaining amortization period  
Asset valuation method

Entry age  
Level percent of salary, closed  
22.4 years  
4-year smoothed market

\*Note: This schedule is intended to be for ten years. Additional years will be added as they become available.

**TOWN OF SIMSBURY, CONNECTICUT**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**  
**GENERAL GOVERNMENT**  
**LAST THREE FISCAL YEARS \***

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total pension liability:			
Service cost	\$ 651,746	\$ 607,101	\$ 605,889
Interest	1,864,604	1,793,949	1,718,093
Changes of benefit terms		(16,733)	
Differences between expected and actual experience	(259,385)	99,498	(1,191)
Changes of assumptions			
Benefit payments, including refunds of member contributions	(1,296,608)	(1,321,430)	(1,157,072)
Net change in total pension liability	960,357	1,162,385	1,165,719
Total pension liability - beginning	26,835,154	25,672,769	24,507,050
Total pension liability - ending	<u>27,795,511</u>	<u>26,835,154</u>	<u>25,672,769</u>
Plan fiduciary net position:			
Contributions - employer	1,023,393	1,013,590	985,741
Contributions - member	445,994	223,536	175,834
Net investment income	(20,390)	417,241	2,628,574
Benefit payments	(1,296,608)	(1,321,430)	(1,105,875)
Refunds of member contributions			(51,197)
Administrative expense	(37,476)	(35,251)	(32,427)
Net change in plan fiduciary net position	114,913	297,686	2,600,650
Plan fiduciary net position - beginning	21,015,440	20,717,754	18,117,104
Plan fiduciary net position - ending	<u>21,130,353</u>	<u>21,015,440</u>	<u>20,717,754</u>
Town's Net Pension Liability - Ending	\$ <u>6,665,158</u>	\$ <u>5,819,714</u>	\$ <u>4,955,015</u>
Plan fiduciary net position as a percentage of the total pension liability	76.02%	78.31%	80.70%
Covered-employee payroll	\$ 6,476,467	\$ 6,477,000	\$ 6,491,000
Town's net pension liability as a percentage of covered-employee payroll	102.91%	89.85%	76.34%

\*Note: This schedule is intended to be for ten years. Additional years will be added as they become available.

**TOWN OF SIMSBURY, CONNECTICUT**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**  
**POLICE**  
**LAST THREE FISCAL YEARS\***

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total pension liability:			
Service cost	\$ 484,804	\$ 449,735	\$ 434,196
Interest	1,327,012	1,261,868	1,169,501
Changes of benefit terms		266,580	
Differences between expected and actual experience	132,622	(91,391)	1,025,203
Benefit payments, including refunds of member contributions	<u>(1,054,896)</u>	<u>(1,092,847)</u>	<u>(1,914,868)</u>
Net change in total pension liability	889,542	793,945	714,032
Total pension liability - beginning	<u>18,722,179</u>	<u>17,928,234</u>	<u>17,214,202</u>
Total pension liability - ending	<u>19,611,721</u>	<u>18,722,179</u>	<u>17,928,234</u>
Plan fiduciary net position:			
Contributions - employer	727,009	633,000	562,763
Contributions - member	196,550	190,966	152,656
Net investment income	(11,573)	295,997	1,966,976
Benefit payments	(1,054,896)	(1,092,847)	(946,618)
Refunds of member contributions			(968,250)
Administrative expense	<u>(24,051)</u>	<u>(33,374)</u>	<u>(32,865)</u>
Net change in plan fiduciary net position	(166,961)	(6,258)	734,662
Plan fiduciary net position - beginning	<u>14,799,718</u>	<u>14,805,976</u>	<u>14,071,314</u>
Plan fiduciary net position - ending	<u>14,632,757</u>	<u>14,799,718</u>	<u>14,805,976</u>
Town's Net Pension Liability - Ending	<u>\$ 4,978,964</u>	<u>\$ 3,922,461</u>	<u>\$ 3,122,258</u>
Plan fiduciary net position as a percentage of the total pension liability	74.61%	79.05%	82.64%
Covered-employee payroll	\$ 2,918,053	\$ 2,866,000	\$ 2,772,281
Town's net pension liability as a percentage of covered-employee payroll	170.63%	136.86%	112.24%

\*Note: This schedule is intended to be for ten years. Additional years will be added as they become available.

**TOWN OF SIMSBURY, CONNECTICUT**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**  
**BOARD OF EDUCATION**  
**LAST THREE FISCAL YEARS\***

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total pension liability:			
Service cost	\$ 792,518	\$ 720,226	\$ 723,982
Interest	1,815,018	1,745,104	1,635,060
Changes of benefit terms	(29,091)	(32,802)	
Differences between expected and actual experience	(445,038)	319,281	(19,757)
Changes of assumptions			
Benefit payments, including refunds of member contributions	<u>(1,125,306)</u>	<u>(1,147,085)</u>	<u>(1,096,023)</u>
Net change in total pension liability	1,008,101	1,604,724	1,243,262
Total pension liability - beginning	<u>26,020,747</u>	<u>24,416,023</u>	<u>23,172,761</u>
Total pension liability - ending	<u>27,028,848</u>	<u>26,020,747</u>	<u>24,416,023</u>
Plan fiduciary net position:			
Contributions - employer	1,288,982	1,236,631	1,231,124
Contributions - member	324,788	283,432	240,312
Net investment income	21,997	337,905	2,157,488
Benefit payments	(1,125,306)	(1,147,085)	(1,056,810)
Refunds of member contributions			(39,213)
Administrative expense	<u>(18,799)</u>	<u>(26,200)</u>	<u>(29,131)</u>
Net change in plan fiduciary net position	491,662	684,683	2,503,770
Plan fiduciary net position - beginning	<u>18,138,441</u>	<u>17,453,758</u>	<u>14,949,988</u>
Plan fiduciary net position - ending	<u>18,630,103</u>	<u>18,138,441</u>	<u>17,453,758</u>
Town's Net Pension Liability - Ending	<u>\$ 8,398,745</u>	<u>\$ 7,882,306</u>	<u>\$ 6,962,265</u>
Plan fiduciary net position as a percentage of the total pension liability	68.93%	69.71%	71.53%
Covered-employee payroll	\$ 7,864,597	\$ 7,916,000	\$ 7,911,823
Town's net pension liability as a percentage of covered-employee payroll	106.79%	99.57%	87.86%

\*Note: This schedule is intended to be for ten years. Additional years will be added as they become available.

**TOWN OF SIMSBURY, CONNECTICUT**  
**SCHEDULE OF EMPLOYER CONTRIBUTIONS**  
**GENERAL GOVERNMENT**  
**LAST TEN FISCAL YEARS**

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Actuarially determined contribution	\$ 499,353	\$ 549,783	\$ 544,651	\$ 586,140	\$ 759,126	\$ 722,519	\$ 714,779	\$ 985,089	\$ 1,013,590	\$ 888,277
Contributions in relation to the actuarially determined contribution	<u>499,353</u>	<u>549,783</u>	<u>544,651</u>	<u>586,140</u>	<u>759,126</u>	<u>722,519</u>	<u>779,972</u>	<u>985,089</u>	<u>1,013,590</u>	<u>1,023,393</u>
Contribution Deficiency (Excess)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>(65,193)</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>(135,116)</u>
Covered-employee payroll	\$ 5,507,619	\$ 5,617,253	\$ 5,656,359	\$ 6,277,067	\$ 6,279,542	\$ 6,131,794	\$ 5,797,979	\$ 6,490,784	\$ 6,477,448	\$ 6,476,467
Contributions as a percentage of covered-employee payroll	9.07%	9.79%	9.63%	9.34%	12.09%	11.78%	13.45%	15.18%	15.65%	15.80%

**Notes to Schedule:**

Valuation date July 1, 2015  
Measurement date June 30, 2016  
Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	19 years
Amortization growth rate	3.50%
Asset valuation method	5-year non-asymptotic
Inflation	2.75%
Salary increases	3.50%
Investment rate of return	7.00%
Retirement age	Rates based on age
Turnover	Rates based on service

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

**TOWN OF SIMSBURY, CONNECTICUT  
SCHEDULE OF EMPLOYER CONTRIBUTIONS  
POLICE  
LAST TEN FISCAL YEARS**

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Actuarially determined contribution	\$ 380,508	\$ 386,131	\$ 381,438	\$ 393,136	\$ 505,605	\$ 497,614	\$ 465,641	\$ 562,233	\$ 632,679	\$ 631,023
Contributions in relation to the actuarially determined contribution	<u>380,508</u>	<u>386,131</u>	<u>381,438</u>	<u>393,136</u>	<u>505,605</u>	<u>497,614</u>	<u>508,111</u>	<u>562,233</u>	<u>633,000</u>	<u>727,009</u>
Contribution Deficiency (Excess)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>(42,470)</u>	\$ <u>-</u>	\$ <u>(321)</u>	\$ <u>(95,986)</u>
Covered-employee payroll	\$ 2,444,737	\$ 2,453,053	\$ 2,533,739	\$ 2,598,719	\$ 2,643,805	\$ 2,615,838	\$ 2,362,484	\$ 2,772,281	\$ 2,866,183	\$ 2,918,053
Contributions as a percentage of covered-employee payroll	15.56%	15.74%	15.05%	15.13%	19.12%	19.02%	21.51%	20.28%	22.09%	24.91%

**Notes to Schedule:**

Valuation date July 1, 2015  
Measurement date June 30, 2016  
Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported

Methods and assumptions used to determine contribution rates:

Actuarial cost method Entry age normal  
Amortization method Level percentage of payroll, closed  
Remaining amortization period 19 years  
Amortization growth rate 3.50%  
Asset valuation method 5-year non-asymptotic  
Inflation 2.75%  
Salary increases 8.25% for the first 7 years and 3.00% thereafter  
Investment rate of return 7.00%  
Retirement age 20% per year starting at Normal Retirement Date; 100% at age 62

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



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

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Actuarially determined contribution	\$ 619,560	\$ 697,968	\$ 705,973	\$ 706,849	\$ 876,860	\$ 910,571	\$ 1,012,381	\$ 1,231,124	\$ 1,236,631	\$ 1,110,353
Contributions in relation to the actuarially determined contribution	<u>619,560</u>	<u>697,968</u>	<u>706,020</u>	<u>706,849</u>	<u>876,860</u>	<u>1,030,571</u>	<u>1,104,718</u>	<u>1,231,124</u>	<u>1,236,631</u>	<u>1,288,982</u>
Contribution Deficiency (Excess)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>(47)</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>(120,000)</u>	\$ <u>(92,337)</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>(178,629)</u>
Covered-employee payroll	\$ 5,784,204	\$ 6,069,458	\$ 6,362,430	\$ 6,984,577	\$ 7,421,437	\$ 7,686,831	\$ 7,740,314	\$ 7,911,823	\$ 7,916,465	\$ 7,864,597
Contributions as a percentage of covered-employee payroll	10.71%	11.50%	11.10%	10.12%	11.82%	13.41%	14.27%	15.56%	15.62%	16.39%

**Notes to Schedule:**

Valuation date July 1, 2015  
Measurement date June 30, 2016  
Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	19 years
Amortization growth rate	3.50%
Asset valuation method	5-year non-asymptotic
Inflation	2.75%
Salary increases	3.50%
Investment rate of return	7.00%
Retirement age	Rates based on age
Turnover	Rates based on service

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

**TOWN OF SIMSBURY, CONNECTICUT  
SCHEDULE OF INVESTMENT RETURNS  
LAST THREE FISCAL YEARS \***

	<b>2016</b>	<b>2015</b>	<b>2014</b>
Annual money-weighted rate of return, net of investment expense			
General Government Pension Plan	(0.10%)	1.97%	14.35%
Police Pension Plan	(0.08%)	1.98%	14.30%
Board of Education Pension Plan	0.12%	1.86%	14.02%

\*Note: This schedule is intended to be for ten years. Additional years will be added as they become available.

# **Supplemental, Combining and Individual Fund Statements and Schedules**

# Major Governmental Funds

## **General Fund**

To account for the general operations of the Town, except those required to be accounted for in another fund.

## **Sewer Use Fund**

To account for sewer user fees and sewer plant operations.

## **Sewer Assessment Fund**

To account for sewer assessments.

## **Planning & Development Program Fund**

To account for all financial resources of the community development block grant, the greenway project, the Simsbury meadow bandshell, the small cities community development block grant, the plan of conservation & development and the town center.

## **Capital Project Fund**

The Capital Project Fund is used to account for financial resources used for the acquisition or construction of major capital facilities.

## **Capital and Nonrecurring Expenditures Fund**

The Capital and Nonrecurring Expenditures Fund is used to account for equipment purchases and other nonrecurring capital expenditures.

**TOWN OF SIMSBURY, CONNECTICUT**  
**COMBINING BALANCE SHEET**  
**GENERAL FUND**  
**JUNE 30, 2016**

	<b>General Fund</b>	<b>BOE Non-Lapsing Fund</b>	<b>Total Governmental Funds</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 6,257,492	\$ 427,598	\$ 6,685,090
Investments	8,361,156		8,361,156
Receivables	1,439,747		1,439,747
Due from other funds	252,174		252,174
Other assets	19,325		19,325
Total Assets	<u>\$ 16,329,894</u>	<u>\$ 427,598</u>	<u>\$ 16,757,492</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>			
Liabilities:			
Accounts payable	\$ 1,945,434	\$	\$ 1,945,434
Deferred Inflows of Resources:			
Unavailable revenue - property taxes	814,809		814,809
Unavailable revenue - property tax interest	358,077		358,077
Advance property tax collections	176,869		176,869
Total deferred inflows of resources	<u>1,349,755</u>	<u>-</u>	<u>1,349,755</u>
Fund Balances:			
Committed		427,598	427,598
Assigned	1,787,133		1,787,133
Unassigned	11,247,572		11,247,572
Total fund balances	<u>13,034,705</u>	<u>427,598</u>	<u>13,462,303</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 16,329,894</u>	<u>\$ 427,598</u>	<u>\$ 16,757,492</u>

**TOWN OF SIMSBURY, CONNECTICUT**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2016**

	<b>General Fund</b>	<b>BOE Non-Lapsing Fund</b>	<b>Eliminations</b>	<b>Total</b>
Revenues:				
Property taxes	\$ 84,535,118	\$	\$	\$ 84,535,118
Intergovernmental	13,884,108			13,884,108
Investment loss	335,773			335,773
Charges for goods and services	770,614			770,614
Licenses and permits	1,175,709			1,175,709
Rental of town-owned property	137,767			137,767
Local revenues	78,642			78,642
Assessments				-
Total revenues	<u>100,917,731</u>	<u>-</u>	<u>-</u>	<u>100,917,731</u>
Expenditures:				
Current:				
General government	2,209,779			2,209,779
Planning and development	512,953			512,953
Public safety	4,401,081			4,401,081
Facility management	3,776,791			3,776,791
Culture and recreation	2,233,904			2,233,904
Health and welfare	605,050			605,050
Fringe benefits and insurances	4,602,175			4,602,175
Education	73,682,557	372,402		74,054,959
Debt service:				
Principal payments	5,035,000			5,035,000
Interest and other	501,272			501,272
Total expenditures	<u>97,560,562</u>	<u>372,402</u>	<u>-</u>	<u>97,932,964</u>
Excess of Revenues over Expenditures	<u>3,357,169</u>	<u>(372,402)</u>	<u>-</u>	<u>2,984,767</u>
Other Financing Sources (Uses):				
Transfers in	101,446	161,000	(161,000)	101,446
Transfers out	(2,477,462)		161,000	(2,316,462)
Total other financing sources (uses)	<u>(2,376,016)</u>	<u>161,000</u>	<u>-</u>	<u>(2,215,016)</u>
Net Change in Fund Balances	981,153	(211,402)	-	769,751
Fund Balances at Beginning of Year	<u>12,053,552</u>	<u>639,000</u>	<u>-</u>	<u>12,692,552</u>
Fund Balances at End of Year	<u>\$ 13,034,705</u>	<u>\$ 427,598</u>	<u>\$ -</u>	<u>\$ 13,462,303</u>

**TOWN OF SIMSBURY, CONNECTICUT**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES -**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**FOR THE YEAR ENDED JUNE 30, 2016 WITH COMPARATIVE ACTUAL AMOUNTS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

	2016				2015	
	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)	Actual Amounts (Budgetary Basis)	
	Original	Final				
Property Taxes:						
Current year taxes	\$ 83,412,280	\$ 83,412,280	\$ 83,900,972	\$ 488,692	\$ 83,470,104	
Prior year's taxes	401,547	401,547	304,236	(97,311)	197,629	
Interest and lien fees	300,000	300,000	329,910	29,910	291,117	
Total property taxes	84,113,827	84,113,827	84,535,118	421,291	83,958,850	
Intergovernmental Revenues:						
State of Connecticut:						
Office of Policy and Management:						
Property tax relief:						
Disabled	1,400	1,400	1,562	162	1,361	
Property tax relief - elderly	85,000	85,000	77,783	(7,217)	76,805	
Additional veterans	5,000	5,000	5,858	858	5,826	
Department of Education:						
Education equalization grant	5,633,072	5,633,072	5,911,918	278,846	5,664,940	
School transportation	42,463	42,463	33,229	(9,234)	42,224	
Adult education	10,396	10,396	11,214	818	10,428	
Nonpublic schools - transportation	8,255	8,255	22,499	14,244	31,588	
Miscellaneous:						
State-owned property	114,601	114,601	139	(114,462)	123,399	
Telephone access line grant	68,000	68,000	52,816	(15,184)	55,725	
Solid waste			34,710	34,710	22,032	
Pequot casino revenue	30,209	30,209	32,798	2,589	33,613	
Police grant			7,897	7,897	30,280	
Municipal revenue sharing	77,648	77,648	77,648	-	73,028	
Library grant	1,250	1,250	1,087	(163)	1,158	
Elderly/Handicapped transportation	6,000	6,000	6,800	800	8,496	
Other			2	2	5,002	
Housing Authority in lieu of taxes	18,000	18,000	19,739	1,739	2,512	
Board of Education tuition regular	43,500	43,500	38,250	(5,250)	24,246	
PILOT - Westminster School	120,000	120,000	120,000	-	120,000	
Total intergovernmental revenues	6,264,794	6,264,794	6,455,949	191,155	6,332,663	
Investment income	150,000	150,000	335,773	185,773	(22,531)	
Charges for Goods and Services:						
Central administration miscellaneous	2,000	2,000	20,257	18,257	24,767	
Tourism miscellaneous				-		
Conveyance tax receipts	290,000	290,000	454,628	164,628	293,385	
Town clerk recording fees	140,000	140,000	121,029	(18,971)	119,193	
Town clerk farmland preservation fees	5,500	5,500	2,900	(2,600)	5,450	
Town clerk miscellaneous	60,000	60,000	56,466	(3,534)	60,988	
Tax collector - fire district supplies, etc.	6,500	6,500	6,500	-	6,500	
Police department - emergency reporting	35,000	35,000	36,563	1,563	35,252	
Police department miscellaneous	4,000	4,000	6,954	2,954	6,546	
Animal control	500	500		(500)		
Engineering department fees	700	700	366	(334)	362	
Facilities management			1,119	1,119	4,513	
Culture and recreation			350	350		
Library fines and fees	2,000	2,000	1,134	(866)	2,269	
Library miscellaneous				-	215	
War Memorial pool	9,600	9,600	2,876	(6,724)	2,320	
Board of education miscellaneous	5,000	5,000	6,526	1,526	12,908	
Community gardens	2,500	2,500	2,575	75	2,759	
Total charges for goods and services	563,300	563,300	720,243	156,943	577,427	

(Continued on next page)

**TOWN OF SIMSBURY, CONNECTICUT  
GENERAL FUND  
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES -  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2016 WITH COMPARATIVE ACTUAL AMOUNTS  
FOR THE YEAR ENDED JUNE 30, 2015**

	2016				2015	
	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)	Actual Amounts (Budgetary Basis)	
	Original	Final				
Fines and forfeitures:						
Library fines and fees	\$ 44,000	\$ 44,000	\$ 41,371	\$ (2,629)	\$	40,120
Land use court fines			9,000	9,000		6,190
Court fees	1,000	1,000		(1,000)		
False alarms fines	10,000	10,000	23,945	13,945		5,860
Traffic tickets	4,000	4,000	3,116	(884)		2,705
Animal control fines	500	500	500	-		560
Total fines and forfeitures	59,500	59,500	77,932	18,432		55,435
Rental of Town-Owned Property:						
Eno Memorial Hall	1,000	1,000	1,485	485		3,480
Education - school rentals	60,000	60,000	52,982	(7,018)		64,070
Library administration			3,300	3,300		3,922
World skate	75,000	75,000	80,000	5,000		80,000
Total rental of town-owned property	136,000	136,000	137,767	1,767		151,472
Licenses and Permits:						
Sporting licenses	200	200	145	(55)		133
Dog licenses	10,000	10,000	15,033	5,033		14,940
Land use commission	20,000	20,000	35,738	15,738		51,124
Police department fees	8,000	8,000	11,320	3,320		6,410
Building department fees	600,000	600,000	1,113,473	513,473		602,484
Total licenses and permits	638,200	638,200	1,175,709	537,509		675,091
Other Local Revenues:						
Sale of property				-		
Other revenues			1,015	1,015		438
Prior year encumbrances			6,672	6,672		
Insurance refunds			50,066	50,066		69,353
Total other local revenues	-	-	57,753	57,753		69,791
Assessments:						
Water assessments				-		738
Total Revenues	91,925,621	91,925,621	93,496,244	1,570,623		91,798,936
Other Financing Sources:						
Transfers from other funds:						
Capital projects				-		344,449
Sewer use fund	99,909	99,909	101,446	1,537		99,909
Total other financing sources	99,909	99,909	101,446	1,537		444,358
Total Revenues and Other Financing Sources	\$ 92,025,530	\$ 92,025,530	\$ 93,597,690	\$ 1,572,160	\$	92,243,294



**TOWN OF SIMSBURY, CONNECTICUT**  
**GENERAL FUND**  
**SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES -**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**FOR THE YEAR ENDED JUNE 30, 2016 WITH COMPARATIVE ACTUAL AMOUNTS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

	2016					2015	
	Budgeted Amounts		Actual Amounts	Variance with		Actual Amounts	
	Original	Final	(Budgetary Basis)	Final Budget Positive (Negative)		(Budgetary Basis)	
General Government:							
Central administration	\$ 451,719	\$ 455,473	\$ 455,473	\$ -	\$	421,947	
Administration services	59,260	50,245	50,245	-		127,672	
Community services	56,881	70,793	70,793	-		63,283	
Land use commission	18,250	20,865	20,865	-		20,455	
Economic development commission	55,120	57,568	57,568	-		54,818	
Historic district commission	1,575	328	328	-		533	
Public building committee	800	1,597	1,597	-		1,301	
Beautification	4,715	4,410	4,410	-		4,695	
Tourism committee	5,245	6,500	6,500	-		201	
Elections	99,020	104,759	104,759	-		94,532	
Legal	136,000	252,376	252,376	-		303,252	
Town clerk	224,860	224,383	224,383	-		214,753	
Probate court	2,104	2,104	2,104	-		2,104	
Total general government	1,115,549	1,251,401	1,251,401	-		1,309,546	
Financial Services:							
Board of Finance	11,500	11,790	11,790	-		13,052	
Finance department	329,598	329,413	315,372	14,041		316,807	
Tax collector	169,498	172,181	172,181	-		173,948	
Assessors	231,699	231,699	231,699	-		185,664	
Data processing	202,111	202,111	182,334	19,777		154,259	
Auditors	36,000	48,804	48,804	-		45,201	
Total financial services	980,406	995,998	962,180	33,818		888,931	
Planning and Development:							
Director of community development	169,510	168,751	168,751	-		166,599	
Planning department	163,469	163,209	163,209	-		136,210	
Building department	199,029	198,994	198,994	-		185,554	
Total planning and development	532,008	530,954	530,954	-		488,363	
Public Safety:							
Police	4,324,395	4,332,370	4,332,370	-		4,152,868	
Animal control officer	62,042	62,026	62,026	-		54,797	
Civil preparedness	6,685	6,685	6,685	-		6,308	
Total public safety	4,393,122	4,401,081	4,401,081	-		4,213,973	
Public Works:							
Engineering	165,697	167,626	167,626	-		169,719	
Public Works Administration	228,956	213,018	213,018	-		179,680	
Buildings and Grounds	437,489	437,489	406,718	30,771		462,500	
Town Offices	163,848	147,500	147,500	-		145,656	
Eno Hall Memorial	86,769	89,952	89,952	-		79,506	
Miscellaneous Building	17,975	18,544	18,544	-		25,845	
Highway - Labor & Equipment	1,651,049	1,631,528	1,631,528	-		1,684,417	
Highway - Facilities & Programs	1,072,840	1,072,614	1,072,614	-		1,110,350	
Landfill	69,500	78,523	78,523	-		56,167	
Total public works	3,894,123	3,856,794	3,826,023	30,771		3,913,840	

(Continued on next page)

**TOWN OF SIMSBURY, CONNECTICUT  
GENERAL FUND  
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES -  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2016 WITH COMPARATIVE ACTUAL AMOUNTS  
WITH COMPARATIVE ACTUAL AMOUNTS  
FOR THE YEAR ENDED JUNE 30, 2015**

	2016					2015
	Budgeted Amounts		Actual Amounts	Variance with		Actual Amounts
	Original	Final	(Budgetary Basis)	Final Budget Positive (Negative)		(Budgetary Basis)
Culture and Recreation:						
Recreation - Administration	\$ 52,720	\$ 53,868	\$ 53,868	\$ -	\$	52,951
Recreation - Memorial Pool	26,660	26,299	26,299	-		24,767
Parks & Open Space - Maintenance	618,306	624,129	624,129	-		602,991
Parks & Open Space - Memorial Field	21,241	24,311	24,311	-		19,118
Parks & Open Space - Memorial Pool	18,740	28,373	28,373	-		20,251
Library - Administration	538,326	508,672	508,672	-		450,053
Library - Adult & Young Adult	501,459	518,184	518,184	-		511,983
Library - Building & Grounds	129,315	137,201	137,201	-		136,836
Library - Children Services	339,274	312,864	312,864	-		328,024
Total culture and recreation	2,246,041	2,233,901	2,233,901	-		2,146,974
Health and Welfare:						
Health department	122,694	122,694	122,694	-		119,281
Social services administration	198,508	203,205	203,205	-		188,409
Elderly services outreach	23,810	24,159	24,159	-		23,642
Senior center	143,967	142,956	142,956	-		139,914
Transportation	116,451	112,035	112,035	-		115,974
Total health and welfare	605,430	605,049	605,049	-		587,220
Fringe Benefits and Insurance:						
Social Security	705,032	729,129	729,129	-		711,030
Town general liability insurance	457,328	463,129	463,129	-		467,709
Employee group insurance	2,108,231	2,083,094	2,083,094	-		2,218,317
Unemployment reserve	5,000	222	222	-		23,748
Pensions	1,320,084	1,326,602	1,326,602	-		1,659,731
Total fringe benefits and insurance	4,595,675	4,602,176	4,602,176	-		5,080,535
Board of Education	65,766,705	65,766,705	65,764,552	2,153		64,628,394
Non-Public Schools Budget:						
Non-public schools	537,737	537,737	537,737	-		533,556
Debt Service:						
Principal	5,062,548	5,035,000	5,035,000	-		5,545,000
Interest	473,725	501,273	501,273	-		621,819
Total debt service	5,536,273	5,536,273	5,536,273	-		6,166,819
Other Financing Uses:						
Transfers to other funds	1,822,461	2,592,461	2,477,463	114,998		2,005,261
Total Expenditures and Other Financing Uses	\$ 92,025,530	\$ 92,910,530	\$ 92,728,790	\$ 181,740	\$	91,963,412

**TOWN OF SIMSBURY, CONNECTICUT  
GENERAL FUND  
SCHEDULE OF BOARD OF EDUCATION EXPENDITURES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE YEAR ENDED JUNE 30, 2016**

	<u>Original Appropriation</u>	<u>Amended Appropriation</u>	<u>Actual Expenditures and Encumbrances</u>	<u>Variance Favorable (Unfavorable)</u>
General control	\$ 1,963,465	\$ 1,963,465	\$ 1,964,113	\$ (648)
Instruction	41,205,939	41,205,939	41,172,367	33,572
Health services	689,540	689,540	678,072	11,468
Transportation	2,603,059	2,603,059	2,689,531	(86,472)
Operation of school plant	4,693,850	4,693,850	4,589,754	104,096
Maintenance of schools	1,272,300	1,272,300	1,451,901	(179,601)
Employee pension and insurance	10,994,146	10,994,146	10,935,903	58,243
Food services	7,795	7,795	7,795	-
Student activities	614,210	614,210	613,367	843
Community service	34,000	34,000	31,612	2,388
New and replaced equipment	847,701	847,701	843,072	4,629
Tuition to other schools	1,527,000	1,527,000	1,473,365	53,635
Nonpublic schools	<u>537,737</u>	<u>537,737</u>	<u>537,737</u>	<u>-</u>
Subtotal	66,990,742	66,990,742	66,988,589	2,153
Transfers to BOE Non-Lapsing Fund	(136,000)	(136,000)	(136,000)	-
Transfers to CNR Funds	<u>(550,300)</u>	<u>(550,300)</u>	<u>(550,300)</u>	<u>-</u>
Total Expenditures	<u>\$ 66,304,442</u>	<u>\$ 66,304,442</u>	<u>\$ 66,302,289</u>	<u>\$ 2,153</u>

**TOWN OF SIMSBURY, CONNECTICUT  
CAPITAL PROJECT FUND  
SCHEDULE OF EXPENDITURES COMPARED WITH APPROPRIATIONS  
FOR THE YEAR ENDED JUNE 30, 2016**

	Appropriations		Expenditures					Encumbrances June 30, 2016	Uncommitted Balance June 30, 2016
	Balance June 30, 2015	Current Year	Balance June 30, 2016	Balance June 30, 2015	Current Year	Payments on Prior Year Encumbrances	Balance June 30, 2016		
Sewer extension projects:									
Project 2008	\$ 260,000	\$	\$ 260,000	\$ 260,000	\$	\$	260,000	\$	-
Project 2010	260,000		260,000	64,397	2,815		67,212		192,788
Project 2013	272,320		272,320	3,147	61,743		64,890		207,430
Farmington River Design	1,147,300		1,147,300	18,850	13,627		32,477		1,114,823
Wolcott Pump Station	1,378,500		1,378,500	994,314			994,314		384,186
Upgrade	65,000		65,000	3,096	32,182		35,278	960	28,762
Sewer Main Extensions*	156,000		156,000	5,983	8,870		14,853		141,147
Inline Grinder and Screen Replacement*	260,000		260,000	234,892	2,132		237,024	726	22,250
Sewer Main Extensions		371,000	371,000				-		371,000
Inline Grinder and Screen Replacement*		260,000	260,000		234,600		234,600		25,400
Hopmeadow/Center Area Sewer repairs		135,000	135,000				-		135,000
West Mtn. Road Area Sewer Interceptor - Design		50,000	50,000		11,834		11,834		38,166
Portable Generator		80,000	80,000		28,100		28,100		51,900
Portable Six (6) Inch Dri-Prime Pump		72,000	72,000		61,093		61,093		10,907
Town projects:									
Library Expansion 5/06	6,100,000		6,100,000	6,099,439			6,099,439		561
Gertsen Land Purchase 5/08	723,329		723,329	722,035			722,035		1,294
Triangle Land Purchase 5/08	2,823,976		2,823,976	2,808,798	1,129		2,809,927		14,049
Streetscape 10/167 5/08	326,800		326,800	325,493			325,493		1,307
Eno Hall Improvements 5/08	1,027,894		1,027,894	1,027,894	4,657		1,032,551		(4,657)
Water Extensions 5/08	170,000		170,000	161,115			161,115		8,885
Tunxis Pump Station 5/10	670,000		670,000	612,762			612,762		57,238
Paving Management 5/10	2,400,000		2,400,000	2,374,863			2,374,863		25,137
Simsbury Farms Renovations	3,074,810		3,074,810	3,060,935	20,489		3,081,424		(6,614)
Police Dispatch Console	185,000		185,000	184,721			184,721		279
Emergency Mgmt Generators	363,213		363,213	321,018	18,658		339,676		23,537
Ethel Walker PHIL	2,050,000		2,050,000	2,037,064			2,037,064		12,936
West ST/Owens Brook/Greenway	358,000		358,000	327,010	16,051		343,061		14,939
DPW Truck Wash	257,400		257,400	44,260	14,100		58,360		199,040
Town Hall Flat Roof Replacement	252,401		252,401	200,938	3,741		204,679	30,977	16,745
Center Area Charrette Infrastructure*	540,000		540,000		12,498		12,498	8,250	519,252
Senior/Community Center Design	204,000		204,000	24,802	39,109		63,911		140,089
Town office renovation	107,120		107,120	6,422	66,468		72,890	10,000	24,230
Town Teledata	125,000		125,000	98,334	5,865		104,199		20,801
Eno Hall Roof Repair	117,670		117,670	104,808	7,160		111,968		5,702
Ethel Walker Parcel C*	1,168,049		1,168,049	1,115,254	10,482		1,125,736		42,313
Plan Updates	212,000		212,000	63,837	9,055		72,892		139,108
SF Golf Course Improvements	125,000		125,000	84,971			84,971		40,029
Bridge Improvements (Design-FY15)	115,000		115,000				-		115,000
Highway Pavement Management*	2,500,000		2,500,000	1,241,858	1,262,717		2,504,575		(4,575)
Technology Infrastructure	600,000		600,000	222,848	187,821	3,987	414,656		185,344
Alternative Energy Efficiency Projects	103,000		103,000	7,218	33,589		40,807		62,193
Open Space - Betty Hudson Property	274,000		274,000	210,749	24,617		235,366		38,634
SF Rink/Pool Improvements		1,100,000	1,100,000		162,729		162,729		937,271
Park Improvements		508,000	508,000		187,487		187,487		320,513
Open Space Planning and Improvements		145,000	145,000		5,147		5,147		139,853
Weatogue Planning Route 10 and Code Prep		57,000	57,000				-		57,000
Salt Shed Replacement		375,000	375,000		372,333		372,333		2,667
Municipal Building Renovations		50,000	50,000				-		50,000
Dam Evaluations and Repairs		30,000	30,000		5,419		5,419		24,581
Public Works Complex Infrastructure Improvements		280,000	280,000		62,441		62,441		217,559
Town Hall Site and Safety Improvements		45,000	45,000				-		45,000
Portable Generator / Generator Infrastructure		80,000	80,000		29,705		29,705		50,295
Project Planning Fund		28,000	28,000		9,800		9,800		18,200
Various Drainage Improvements		175,000	175,000		65,893		65,893		109,107
Veterans Memorial (STEAP Grant)		150,000	150,000		12,185		12,185		137,815
Education projects:									
Simsbury High School Addition & Alteration 5/02	43,178,567		43,178,567	36,218,938			36,218,938		6,959,629
Computer technology improv 5/06	450,000		450,000	440,336			440,336		9,664
Tariffville expansion project 5/06	6,209,949		6,209,949	6,199,924			6,199,924		10,025
HVAC Boiler replacement 5/08	700,000		700,000	633,174			633,174		66,826
Tootin Hills roof replacement	1,257,500		1,257,500	1,032,723			1,032,723		224,777
Squadron Line generator 5/09	150,000		150,000	117,012			117,012		32,988
Latimer Lane roof replacement 5/10	1,277,500		1,277,500	1,176,996			1,176,996		100,504
District Network Infrastructure 5/10	451,327		451,327	449,756			449,756		1,571
District Network Infrastructure 5/12	1,800,000		1,800,000	1,241,525	124,433	1,361	1,367,319	6,924	425,757
Boiler Replacement Squadron Line	850,000		850,000	51,350	172,584	5,102	229,036	11,100	609,864
District Network Infrastructure	150,000		150,000	135,249		3,300	138,549		11,451
HJMS Phase 1A	1,055,000	150,000	1,205,000	332,978	779,305		1,112,283		92,717
SHS Turf Field/Synthetic Track	250,000	660,000	910,000	202,435	24,211		226,646	5,670	677,684
Squadron Line Main Office Project*	1,050,000	(150,000)	900,000	155,580	702,125		857,705	6,354	35,941
District Network Infrastructure		200,000	200,000		144,019		144,019	6,930	49,051
Climate Control (Phase 1 - 7 buildings)		2,150,000	2,150,000		102,922		102,922	61,445	1,985,633
Central School Roof Replacement		770,000	770,000		252,599		252,599		517,401
Totals	\$ 89,602,625	\$ 7,771,000	\$ 97,373,625	\$ 73,462,101	\$ 5,410,539	\$ 13,750	\$ 78,886,390	\$ 149,336	\$ 18,337,899

**TOWN OF SIMSBURY, CONNECTICUT  
SCHEDULE OF EXPENDITURES COMPARED WITH APPROPRIATIONS -  
CAPITAL AND NONRECURRING EXPENDITURES FUND  
FOR THE YEAR ENDED JUNE 30, 2016**

	Appropriations			Expenditures				Current Year Encumbrances	Designated for Specific Projects June 30, 2016
	Balance July 01, 2015	Current Year	Balance June 30, 2016	Balance July 01, 2015	Current Year	Payments on Prior Year Encumbrances	Balance June 30, 2016		
Town Security Measures - 2013	\$ 103,428		\$ 103,428	\$ 85,891	\$ 4,792		\$ 90,683		\$ 12,745
School Security Measures - 2013	168,709		168,709	88,217	28,320		116,537	1,800	50,372
Computer Equipment	13,000		13,000	11,950	1,050		13,000		-
FY13 Eng Transportation Facility Improv.	387,000		387,000	16,557			16,557		370,443
Computer Software	19,000		19,000	15,730			15,730		3,270
Computer Equipment	10,000		10,000	3,105	1,770		4,875		5,125
Technical & Program Equipment	34,741		34,741	31,741			31,741		3,000
Computer Software	45,000		45,000	1,485	25,551		27,036		17,964
Boilers/HVAC	7,546		7,546	5,077			5,077		2,469
Modifications - HVAC	60,000		60,000	65,773			65,773		(5,773)
Trailer	8,500		8,500	8,422			8,422		78
Bldg Renovations - Exterior	10,000		10,000	7,319			7,319		2,681
Pick Up Truck	32,500		32,500	32,340			32,340		160
Parks Improvements	9,609		9,609	10,560			10,560		(951)
Machinery & Equipment	2,546		2,546	3,456			3,456		(910)
Renovations - Interior	162,500		162,500	148,239		8,850	157,089	4,500	911
Ceiling/Floor Replacement	56,000		56,000	55,930			55,930		70
Assessor Revaluation	541,500		541,500	536,961			536,961		4,539
Police vehicles	87,000		87,000	87,000			87,000		-
Technical & Program Equipment	2,800		2,800	3,740			3,740		(940)
Machinery & Equipment	14,500		14,500	4,429	12,359		16,788		(2,288)
Trucks	140,000		140,000	144,070			144,070		(4,070)
Road Improvements	155,184		155,184	155,184			155,184		-
Machinery & Equipment	5,250		5,250		5,250		5,250		-
Machinery & Equipment	88,000		88,000	87,667	6,635		94,302		(6,302)
Machinery & Equipment	75,000		75,000	74,999			74,999		1
Machinery & Equipment	3,700		3,700	6,901	(2,963)		3,938		(238)
Renovations-Interior	132,500		132,500	13,206	119,394		132,600		(100)
Bldg Renovations-Exterior	66,000		66,000	46,451			46,451	19,550	(1)
Modifications-Plumbing	23,000		23,000		15,960		15,960		7,040
Ceiling/Floor Replacement	46,000		46,000	10,684	35,316		46,000		-
Trucks	32,000		32,000	28,669	3,331		32,000		-
School Buses	174,000		174,000	31,312	142,688		174,000		-
School Equip/Instruct/Non	97,000		97,000	29,175	18,082		47,257	46,140	3,603
Computer Software		34,000	34,000		18,756		18,756		15,244
Police vehicles		87,000	87,000		87,000		87,000		-
Seasonal		-	-		950		950		(950)
Social Security/FICA		-	-		73		73		(73)
Machinery & Equipment		40,000	40,000				-		40,000
Trucks		226,500	226,500		226,500		226,500		-
Street Signs		30,000	30,000		30,338		30,338		(338)
Road Improvements		154,713	154,713		156,663		156,663		(1,950)
Trucks		26,300	26,300		17,582		17,582		8,718
Machinery & Equipment		56,000	56,000		55,625		55,625		375
Renovations - Interior		87,500	87,500				-	21,900	65,600
Building Renovations - Exterior		38,000	38,000				-	35,650	2,350
Modifications - Plumbing		31,000	31,000				-		31,000
Ceiling/Floor Replacement		75,000	75,000		45,389		45,389		29,611
School Buses		303,000	303,000		69,294		69,294		233,706
School Equip/Instruct/Non		36,000	36,000				-		36,000
Totals	\$ 2,813,513	\$ 1,225,013	\$ 4,038,526	\$ 1,852,240	\$ 1,125,705	\$ 8,850	\$ 2,986,795	\$ 129,540	\$ 922,191

# Nonmajor Governmental Funds

## Special Revenue Funds

Special revenue funds are used to account for proceeds of several revenue sources that are legally restricted to expenditures for specific purposes. The Town's special revenue funds are:

**Residential Rental Properties** - to account for rental revenues and the maintenance and capital expenditures in maintaining the Town owned residential properties.

**Simsbury Farms Fund** - to account for user revenues associated with the Simsbury Farms Recreation Facility and the associated expenditures.

**General Government Program Fund** - includes the following programs:

- **Preservation of Historic Documents** - to account for, in the Town Clerk's office, additional revenues collected, grant revenues received and expenditures to preserve land records pursuant to Public Act No. 00-146.
- **LOCIP** - to account for document fees collected by Town Clerk's office to be used for expenditures that qualify under the State Local Capital Improvement (LOCIP) grants.
- **Preserve America** - to account for funds received from Federal Preserve America Program, State of Connecticut, Commission on Culture & Tourism and Simsbury Main Street Partnership. Expenditures will be made to pay for program activities associated with Preserve America Marketing Grant.
- **Ellsworth Fund** - to be used for the beautification of the main streets of the Town of Simsbury, particularly Hopmeadow Street and/or expenses relating to the Planning Commission.

**Public Safety Program Fund** - includes the following programs:

- **Narcotics Task Force** - to account for state grants for narcotic enforcement.
- **Police Dare Program** - to account for state grants for narcotic education.
- **Local Law Enforcement Block Grant** - to account for local law enforcement block grant from the State of Connecticut Office of Policy and Management and the United States Department of Justice. Expenditures are for public safety equipment not otherwise budgeted for in the public safety operating budget.
- **Police Vehicles** - to account for revenues associated with the sale of police vehicles and funding from the General Fund budget to be used for the purchase of new police vehicles.
- **Police Special Duty** - to account for revenues and expenditures for police officers special duty for outside organizations.
- **DUI Enforcement** - to account for revenues and expenditures for DUI check points funded by a DUI enforcement grant passed through the Connecticut Department of Transportation.

**Facilities Management Program Fund** - includes the following programs:

- **Town Aid Fund** - to account for state town aid road grants and related expenses to town roads.
- **Eno Memorial Hall** - to account for the revenue from the settlement of the Kenessat painting and the expenditures for capital improvements and maintenance for the Eno Memorial Hall building.
- **Antoinette Eno Wood** - to account for the distribution of Trust's interest income to the Town and expenses related in maintaining Eno Memorial Hall. Interest income is earned on assets with a fair value of \$702,878 as of June 30, 2014. The assets are held in a separate trust and are not in the Town's name.
- **Horace Belden Income** - to account for the distribution of Trust's interest income to the Town and expenses related in maintaining town roads. Interest income is earned on assets with a fair value of \$1,387,456 as of June 30, 2014. The assets are held in a separate trust and are not in the Town's name.
- **Pease Cemetery Trust** - to maintain the Pease and Shaw cemetery lots.
- **Hazard Mitigation** - to account for grants received from the Federal Emergency Management Administration for maintenance and reconstruction to alleviate storm drainage and flooding.

**Health & Welfare Program Fund** - includes the following programs:

- **Social Workers Contingency** - to account for donations and gifts and associated expenses related for the well-being of town citizens in need of assistance.
- **Expanded Dial-A-Ride** - to account for grant and expenditures related to an expanded dial-a-ride service to the elderly and disabled residents of program.
- **Senior Center** - to account for donations and expenses related to senior center programs.
- **Youth Services** - to account for grant and expenditures related to youth services.
- **Julia Darling Income** - to account for the distribution of Trust's interest income to the Town and expenses related to the well-being of Town citizens in need of assistance. Interest income is earned on assets with a fair value of \$613,587 as of June 30, 2014. The assets are held in a separate trust and are not in the Town's name.
- **Kate Southwell Income** - to account for the distribution of Trust's interest income to the Town and expenses related to the well-being of Town citizens, excluding citizens of Tariffville, in need of assistance. Interest income is earned on assets with a fair value of \$334,333 as of June 30, 2014. The assets are held in a separate trust and are not in the Town's name.
- **Mary Schneider Memorial** - to account for donations to the Town and expenses related to the well-being of Town citizens in need of assistance.

**Culture & Recreation Program Fund** - includes the following program:

- **Library** - to account for donations, memorial gifts and miscellaneous grants and expenses related to the operations of the library.
- **Dog Park** - to account for donations and expenses related to the operations of the dog park.

**Board of Education Program Fund** - the primary programs accounted for in this fund are as follows:

- **District Activity Fund** - Created in fiscal 2013-2014 and funded by a generous donation from the Kathleen Magowan Revocable Trust of \$479,715.
- **Farmington Valley Transitional Academy (FVTA)** - a collaborative program, located at the University of Hartford, supported by the Simsbury and Farmington public schools and funded by tuition and fees from other participating districts.
- **Scholarships** - Scholarships and awards for post secondary school education and training, funded by donations, gifts and distributions of trust income.

**Cafeteria** - to account for the operation of all cafeterias for the public school system.

**State and Federal Education Grants** - to account for specially financed education programs under grants received from the Federal Government and the State of Connecticut.



**TOWN OF SIMSBURY, CONNECTICUT  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2016**

EXHIBIT B-1

	Special Revenue Funds											Total Nonmajor Governmental Funds
	Residential Rental Properties	Simsbury Farms Fund	General Government Program Fund	Public Safety Program Fund	Facilities Management Program Fund	Health & Welfare Program Fund	Culture & Recreation Program Fund	Board of Education Program Fund	Cafeteria	State and Federal Education Grants		
ASSETS												
Cash and cash equivalents	\$ 239,478	\$ 172,769	\$ 105,301	\$ 364,509	\$ 1,324,337	\$ 259,431	\$ 114,166	\$ 79,700	\$ 153,418	\$ 175,428	\$ 2,988,537	
Investments								791,665			791,665	
Receivables:												
Accounts				3,440				88			3,528	
Due from other governments					10,000	8,513		181,744	33,801	12,333	246,391	
Due from other funds								48,498			48,498	
Inventories									30,304		30,304	
Total Assets	\$ 239,478	\$ 172,769	\$ 105,301	\$ 367,949	\$ 1,334,337	\$ 267,944	\$ 114,166	\$ 1,101,695	\$ 217,523	\$ 187,761	\$ 4,108,923	
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES												
Liabilities:												
Accounts payable	\$ 13,273	\$ 109,739	\$ 2,889	\$	\$ 71,848	\$ 13,427	\$ 5,172	\$ 5,696	\$ 74,705	\$ 119,657	\$ 416,406	
Due to other funds								103,052			103,052	
Due to other governments										7,651	7,651	
Unearned revenue					14,495					60,453	74,948	
Total liabilities	13,273	109,739	2,889	-	86,343	13,427	5,172	108,748	74,705	187,761	602,057	
Fund balances:												
Nonspendable									30,304		30,304	
Restricted					1,146,379	34,929		418,649			1,599,957	
Committed	226,205	63,030	102,412	367,949	101,615	219,588	108,994	574,298	112,514		1,876,605	
Total fund balances	226,205	63,030	102,412	367,949	1,247,994	254,517	108,994	992,947	142,818	-	3,506,866	
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 239,478	\$ 172,769	\$ 105,301	\$ 367,949	\$ 1,334,337	\$ 267,944	\$ 114,166	\$ 1,101,695	\$ 217,523	\$ 187,761	\$ 4,108,923	

**TOWN OF SIMSBURY, CONNECTICUT**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2016**

	Special Revenue Funds										
	Residential Rental Properties	Simsbury Farms Fund	General Government Program Fund	Public Safety Program Fund	Facilities Management Program Fund	Health & Welfare Program Fund	Culture & Recreation Program Fund	Board of Education Program Fund	Cafeteria	State and Federal Education Grants	Total Nonmajor Governmental Funds
Revenues:											
Intergovernmental	\$	\$	\$ 7,120	\$ 398	\$ 467,224	\$ 98,084	\$	\$ 181,744	\$ 349,771	\$ 3,307,099	\$ 4,411,440
Charges for goods and services	72,683	1,862,029	30,001	192,526					810,340		2,967,579
Investment income (loss)			4		9			(2,679)	66		(2,600)
Other		3,060		6,598	69,858	146,088	98,400	115,622	2,700		442,326
Total revenues	<u>72,683</u>	<u>1,865,089</u>	<u>37,125</u>	<u>199,522</u>	<u>537,091</u>	<u>244,172</u>	<u>98,400</u>	<u>294,687</u>	<u>1,162,877</u>	<u>3,307,099</u>	<u>7,818,745</u>
Expenditures:											
Current operating:											
General government			35,549								35,549
Public safety				157,371							157,371
Facility management	28,908				51,551						80,459
Culture and recreation		1,868,059					108,637				1,976,696
Health and welfare						213,771					213,771
Education								343,344	1,186,265	3,307,099	4,836,708
Capital outlay		24,000		12,800	373,720	55,270					465,790
Debt service	8,522										8,522
Total expenditures	<u>37,430</u>	<u>1,892,059</u>	<u>35,549</u>	<u>170,171</u>	<u>425,271</u>	<u>269,041</u>	<u>108,637</u>	<u>343,344</u>	<u>1,186,265</u>	<u>3,307,099</u>	<u>7,774,866</u>
Excess (Deficiency) of Revenues over Expenditures	<u>35,253</u>	<u>(26,970)</u>	<u>1,576</u>	<u>29,351</u>	<u>111,820</u>	<u>(24,869)</u>	<u>(10,237)</u>	<u>(48,657)</u>	<u>(23,388)</u>	<u>-</u>	<u>43,879</u>
Other Financing Sources:											
Transfers in		90,000									90,000
Net Change in Fund Balances	35,253	63,030	1,576	29,351	111,820	(24,869)	(10,237)	(48,657)	(23,388)	-	133,879
Fund Balances at Beginning of Year	190,952	-	100,836	338,598	1,136,174	279,386	119,231	1,041,604	166,206	-	3,372,987
Fund Balances at End of Year	<u>\$ 226,205</u>	<u>\$ 63,030</u>	<u>\$ 102,412</u>	<u>\$ 367,949</u>	<u>\$ 1,247,994</u>	<u>\$ 254,517</u>	<u>\$ 108,994</u>	<u>\$ 992,947</u>	<u>\$ 142,818</u>	<u>\$ -</u>	<u>\$ 3,506,866</u>

**TOWN OF SIMSBURY, CONNECTICUT**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) - NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2016**

	Residential Rental Properties				Simsbury Farms Fund			
	Budget		Actual	Variance with Final Budget Positive (Negative)	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final			Original	Final		
Revenues:								
Charges for goods and services	\$	\$	\$	\$ -	\$ 1,878,200	\$ 1,878,200	\$ 1,826,089	\$ (52,111)
Rental of town-owned property	41,230	41,230	72,683	31,453	13,000	13,000	39,000	26,000
Total revenues	41,230	41,230	72,683	31,453	1,891,200	1,891,200	1,865,089	(26,111)
Expenditures:								
Current:								
Facility management	31,288	31,288	28,908	2,380				-
Culture and recreation				-	1,891,200	1,891,200	1,868,059	23,141
Capital outlay				-			24,000	(24,000)
Debt service	8,522	8,522	8,522	-				-
Total expenditures	39,810	39,810	37,430	2,380	1,891,200	1,891,200	1,892,059	(859)
Excess (Deficiency) of Revenues over Expenditures	1,420	1,420	35,253	33,833	-	-	(26,970)	(26,970)
Other Financing Sources:								
Transfers from other funds				-			90,000	(90,000)
Excess of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	\$ 1,420	\$ 1,420	35,253	\$ 33,833	\$ -	\$ -	63,030	\$ (116,970)
Fund Balances at Beginning of Year			190,952				-	
Fund Balances at End of Year			\$ 226,205				\$ 63,030	

# Internal Service Funds

**PPO/HDHP** - This fund is used to account for premiums and claims relating to the self-insurance health coverage for those Town and Board of Education current employees who elected to receive health coverage under the CIGNA PPO (Preferred Provided Option Plan) or the CIGNA HDHP (High Deductible Health Plan). For Town employees, that can include medical/prescription and/or dental coverage. For Board of Education employees, that includes just medical/prescription coverage.

**Dental** - This fund is used to account for premiums and claims relating to the self-insurance dental coverage for current Board of Education employees only who have elected to receive dental coverage under the MetLife Plan.

**HMO** - This fund is used to account for premiums and claims relating to the self-insurance health coverage for those Town and Board of Education current employees who elected to receive health coverage under the CIGNA HMO (In Network Only Option) Plan. For Town employees, that can include medical/prescription and/or dental coverage. For Board of Education employees, that includes just medical/prescription coverage.

**TOWN OF SIMSBURY, CONNECTICUT**  
**COMBINING STATEMENT OF NET POSITION - PROPRIETARY FUNDS**  
**JUNE 30, 2016**

	Governmental Activities			
	Internal Service Funds			
	PPO/HDHP/HMO	Dental	HMO	Total
Assets:				
Current assets:				
Cash and cash equivalents	\$ 1,759,243	\$ 931,237	\$	\$ 2,690,480
Accounts receivable, net	561			561
Prepaid items	329,000			329,000
Total current assets	<u>2,088,804</u>	<u>931,237</u>	<u>-</u>	<u>3,020,041</u>
Liabilities:				
Current liabilities:				
Accounts payable and accrued items	3,958			3,958
Due to other funds				-
Total current liabilities	<u>3,958</u>	<u>-</u>	<u>-</u>	<u>3,958</u>
Noncurrent liabilities:				
Claim incurred but not reported	<u>870,455</u>	<u>65,318</u>		<u>935,773</u>
Total liabilities	<u>874,413</u>	<u>65,318</u>	<u>-</u>	<u>939,731</u>
Net Position:				
Unrestricted	<u>\$ 1,214,391</u>	<u>\$ 865,919</u>	<u>\$ -</u>	<u>\$ 2,080,310</u>

**TOWN OF SIMSBURY, CONNECTICUT**  
**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES**  
**IN NET POSITION - PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2016**

	Governmental Activities				
	Internal Service Funds				
	<u>PPO/HDHP/HMO</u>	<u>Dental</u>	<u>HMO</u>	<u>Elimination</u>	<u>Total</u>
Operating Revenues:					
Charges for services	\$ 10,313,705	\$ 523,345	\$	\$	\$ 10,837,050
Other operating revenue	285,469				285,469
Total operating revenues	<u>10,599,174</u>	<u>523,345</u>	<u>-</u>	<u>-</u>	<u>11,122,519</u>
Operating Expenses:					
Claims incurred	10,226,551	469,482			10,696,033
Administration and stop loss insurance fees	781,318	39,795			821,113
Total operating expenses	<u>11,007,869</u>	<u>509,277</u>	<u>-</u>	<u>-</u>	<u>11,517,146</u>
Operating Income (Loss)	(408,695)	14,068	-	-	(394,627)
Transfers In	900,403			(900,403)	-
Transfers Out			(900,403)	900,403	-
Change in Net Position	491,708	14,068	(900,403)	-	(394,627)
Net Position at Beginning of Year	<u>722,683</u>	<u>851,851</u>	<u>900,403</u>		<u>2,474,937</u>
Net Position at End of Year	<u>\$ 1,214,391</u>	<u>\$ 865,919</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,080,310</u>

**TOWN OF SIMSBURY, CONNECTICUT**  
**COMBINING STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2016**

	Governmental Activities			
	Internal Service Funds			Total
	PPO/HDHP/HMO	Dental	HMO	
Cash Flows from Operating Activities:				
Receipts from customers and users	\$ 10,599,174	\$ 523,345	\$	\$ 11,122,519
Payments to employees	(10,920,979)	(498,959)		(11,419,938)
Net cash provided by (used in) operating activities	(321,805)	24,386	-	(297,419)
Cash Flows from Noncapital Financing Activities:				
Payments to other funds	900,403		(900,426)	(23)
Net Increase (Decrease) in Cash and Cash Equivalents	578,598	24,386	(900,426)	(297,442)
Cash and Cash Equivalents at Beginning of Year	1,180,645	906,851	900,426	2,987,922
Cash and Cash Equivalents at End of Year	\$ 1,759,243	\$ 931,237	\$ -	\$ 2,690,480
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:				
Operating income (loss)	\$ (408,695)	\$ 14,068	\$ -	\$ (394,627)
Change in assets and liabilities:				
(Increase) decrease in accounts receivable	(561)			(561)
(Increase) decrease in prepaid items	17,000			17,000
Increase (decrease) in accounts payable	(4)			(4)
Increase (decrease) in claims payable	70,455	10,318		80,773
Total adjustments	86,890	10,318	-	97,208
Net Cash Provided by (Used in) Operating Activities	\$ (321,805)	\$ 24,386	\$ -	\$ (297,419)

# Fiduciary Funds

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

## **Trust Funds:**

- ❑ **Pension Trust Fund** - to account for the activities of the Town's defined benefit plans which accumulate resources for pension benefit payments to qualified employees.
- ❑ **Other Post Employment Benefit Trust Fund** - to account for the activities for both Town and Board of Education for other post employment benefits (e.g., health insurance, life insurance) which accumulate resources for other post employment benefit payments to qualified employees.

## **Agency Funds:**

- ❑ **School Activity** - to account for the various student activities and clubs.
- ❑ **Flex Spending** - allows employees to use payroll deductions to fund an individual flex spending account for dependent care or medical expenses. Reimbursements are paid from the account by a third party administrator in accordance with IRS regulations.



**TOWN OF SIMSBURY, CONNECTICUT**  
**COMBINING STATEMENT OF FIDUCIARY NET POSITION - TRUST FUNDS**  
**JUNE 30, 2016**

	<b>Pension Trust Funds</b>	<b>Other Post Employment Benefit Trust Fund</b>	<b>Total</b>
<b>Assets:</b>			
Cash and cash equivalents	\$ 852,232	\$ 192,053	\$ 1,044,285
Investments, at fair value:			
Mutual funds	<u>53,540,981</u>	<u>12,559,178</u>	<u>66,100,159</u>
Total Assets	54,393,213	12,751,231	67,144,444
<b>Liabilities:</b>			
Accounts payable	<u>                    </u>	<u>6,338</u>	<u>6,338</u>
<b>Net Position</b>	<b>\$ <u>54,393,213</u></b>	<b>\$ <u>12,744,893</u></b>	<b>\$ <u>67,138,106</u></b>

**TOWN OF SIMSBURY, CONNECTICUT**  
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - TRUST FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2016**

	<b>Pension Trust Funds</b>	<b>Other Post Employment Benefit Trust Fund</b>	<b>Total</b>
Additions:			
Contributions:			
Employer	\$ 3,039,384	\$ 1,195,883	\$ 4,235,267
Plan members	967,332	431,083	1,398,415
Total contributions	<u>4,006,716</u>	<u>1,626,966</u>	<u>5,633,682</u>
Investment earnings:			
Net change in fair value of investments	(928,233)	(9,420)	(937,653)
Interest	995,082	266,981	1,262,063
Total investment gain	<u>66,849</u>	<u>257,561</u>	<u>324,410</u>
Less investment expenses:			
Investment management fees	<u>76,815</u>	<u>57,226</u>	<u>134,041</u>
Net investment gain (loss)	<u>(9,966)</u>	<u>200,335</u>	<u>190,369</u>
Total additions	<u>3,996,750</u>	<u>1,827,301</u>	<u>5,824,051</u>
Deductions:			
Benefits	3,476,810	1,368,187	4,844,997
Administrative expense	<u>80,326</u>		<u>80,326</u>
Total deductions	<u>3,557,136</u>	<u>1,368,187</u>	<u>4,925,323</u>
Net Change in Net Position	439,614	459,114	898,728
Net Position at Beginning of Year	<u>53,953,599</u>	<u>12,285,779</u>	<u>66,239,378</u>
Net Position at End of Year	<u>\$ 54,393,213</u>	<u>\$ 12,744,893</u>	<u>\$ 67,138,106</u>

**TOWN OF SIMSBURY, CONNECTICUT  
 AGENCY FUNDS  
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 FOR THE YEAR ENDED JUNE 30, 2016**

	<b>Balance June 30, 2015</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance June 30, 2016</b>
<b>School Activity Fund</b>				
Assets:				
Cash and short-term investments	\$ <u>891,987</u>	\$ <u>2,992,062</u>	\$ <u>2,953,129</u>	\$ <u>930,920</u>
Liabilities:				
Due to student groups	\$ 794,825	\$ 2,992,062	\$ 2,904,465	\$ 882,422
Due to other funds	<u>97,162</u>		<u>48,664</u>	<u>48,498</u>
Total Liabilities	\$ <u>891,987</u>	\$ <u>2,992,062</u>	\$ <u>2,953,129</u>	\$ <u>930,920</u>
<b>Flex Spending Fund</b>				
Assets:				
Cash and short-term investments	\$ <u>36,495</u>	\$ <u>138,039</u>	\$ <u>135,661</u>	\$ <u>38,873</u>
Liabilities:				
Due to employees	\$ <u>36,495</u>	\$ <u>138,039</u>	\$ <u>135,661</u>	\$ <u>38,873</u>
<b>Total</b>				
Assets:				
Cash and short-term investments	\$ <u>928,482</u>	\$ <u>3,130,101</u>	\$ <u>3,088,790</u>	\$ <u>969,793</u>
Liabilities:				
Due to student groups and others	\$ 831,320	\$ 3,130,101	\$ 3,040,126	\$ 921,295
Due to other funds	<u>97,162</u>		<u>48,664</u>	<u>48,498</u>
Total Liabilities	\$ <u>928,482</u>	\$ <u>3,130,101</u>	\$ <u>3,088,790</u>	\$ <u>969,793</u>

## **Other Schedules**

**TOWN OF SIMSBURY, CONNECTICUT  
SCHEDULE OF PROPERTY TAXES LEVIED, COLLECTED AND OUTSTANDING  
FOR THE YEAR ENDED JUNE 30, 2016**

Grand List Year	Balance July 1, 2015	Current Levy	Lawful Corrections		Transfers to Suspense	Adjusted Taxes	Collections	Interest	Liens	Other Fees	Balance June 30, 2016
			Additions	Deductions							
2014	\$	\$ 83,629,054	\$ 1,023,802	\$ 249,004	\$	\$ 84,403,852	\$ 83,954,704	\$ 158,358	\$ 880	\$ 48,058	\$ 449,148
2013	343,625		8,671	18,638	59,430	274,228	115,710	57,636	936	17,338	158,518
2012	216,795		13,521	3,267		227,049	110,782	48,549	389	2,497	116,267
2011	108,675		5,553	287		113,941	42,086	18,237	168	492	71,855
2010	62,724		2,992			65,716	18,944	12,398	72	269	46,772
2009	27,061		1,260	157		28,164	9,179	8,971	24	308	18,985
2008	17,122		1,616	225		18,513	1,390	1,287		176	17,123
2007	16,334		1,853			18,187	1,853	2,708		366	16,334
2006	10,966		809			11,775	809	850		81	10,966
2005	9,512		234			9,746	1,875	1,661		25	7,871
2004	2,881		603			3,484	603	1,112		119	2,881
2003	2,783		437	202		3,018	235	729		131	2,783
2002	3,038		926	726		3,238	200	216		10	3,038
2001	1,910		572	426		2,056	146	160		5	1,910
2000	1,774		1,087	664		2,197	424	1,098		5	1,773
	<u>\$ 825,200</u>	<u>\$ 83,629,054</u>	<u>\$ 1,063,936</u>	<u>\$ 273,596</u>	<u>\$ 59,430</u>	<u>\$ 85,185,164</u>	<u>\$ 84,258,940</u>	<u>\$ 313,970</u>	<u>\$ 2,469</u>	<u>\$ 69,880</u>	<u>\$ 926,224</u>

**TOWN OF SIMSBURY, CONNECTICUT**  
**SCHEDULE OF CHANGES IN SEWER USER CHARGES RECEIVABLE**  
**FOR THE YEAR ENDED JUNE 30, 2016**

<b>Grand List Year</b>	<b>Balance July 1, 2015</b>	<b>Current Year Charges</b>	<b>Adjustments</b>	<b>Collections</b>	<b>Balance June 30, 2016</b>
2015	\$	\$ 2,509,742	\$ 303,028	\$ 2,789,580	\$ 23,190
2014	9,127		(335)	3,625	5,167
2013	2,995		(551)	633	1,811
2012	1,608		(335)	268	1,005
2011	975		(325)	(325)	975
2010	640				640
2009	640				640
2008	640				640
2007	620				620
2006	580				580
2005	400				400
2004	400				400
2003	400				400
2002	340				340
2001 & prior	516				516
Totals	\$ <u>19,881</u>	\$ <u>2,509,742</u>	\$ <u>301,482</u>	\$ <u>2,793,781</u>	\$ <u>37,324</u>

**TOWN OF SIMSBURY, CONNECTICUT**  
**SCHEDULE OF CHANGES IN SEWER ASSESSMENT RECEIVABLE**  
**FOR THE YEAR ENDED JUNE 30, 2016**

Phases	Balance July 1, 2015	Additions	Principal	Interest	Lien Fees	Balance June 30, 2016
I	\$ 771	\$	\$ 771	\$ 40	\$ 48	\$ -
II	33,079		9,006	614	168	24,073
III	47,750		17,786	1,154	24	29,964
V	3,323			375		3,323
VI	2,938					2,938
VIII	5,613					5,613
O	36,092		4,747	534		31,345
X	46,536		6,346	952		40,190
XI	55,416		11,716	1,060	24	43,700
XII	323,478		35,942	5,402		287,536
	<u>\$ 554,996</u>	<u>\$ -</u>	<u>\$ 86,314</u>	<u>\$ 10,131</u>	<u>\$ 264</u>	<u>\$ 468,682</u>

**TOWN OF SIMSBURY, CONNECTICUT**  
**SCHEDULE OF DEBT LIMITATION**  
**FOR THE YEAR ENDED JUNE 30, 2016**

Revenue from taxation for the year ended June 30, 2016:

Taxes	\$ 84,258,940
Interest and lien fees	<u>316,439</u>
Total	<u>84,575,379</u>
Reimbursed for:	
Tax relief for elderly	<u>77,783</u>
Base	\$ <u><u>84,653,162</u></u>

	<u>General Purpose</u>	<u>Schools</u>	<u>Sewers</u>	<u>Urban Renewal</u>
Debt limitation:				
2-1/4 times base	\$ 190,469,615	\$	\$	\$
4-1/2 times base		380,939,229		
3-3/4 times base			317,449,358	
3-1/4 times base				<u>275,122,777</u>
Total debt limitation	<u>190,469,615</u>	<u>380,939,229</u>	<u>317,449,358</u>	<u>275,122,777</u>
Indebtedness:				
Bonds and loans payable	13,064,783	5,888,215	12,736,475	
Bonds authorized and unissued	<u>3,420,400</u>	<u>4,963,200</u>		
Total indebtedness	<u>16,485,183</u>	<u>10,851,415</u>	<u>12,736,475</u>	<u>-</u>
Debt Limitation in Excess of Outstanding and Authorized Debt	\$ <u><u>173,984,432</u></u>	\$ <u><u>370,087,814</u></u>	\$ <u><u>304,712,883</u></u>	\$ <u><u>275,122,777</u></u>
Total capacity of borrowing (7 times base)		\$ 592,572,134		
Total present indebtedness		<u>40,073,073</u>		
Margin for Additional Borrowing		\$ <u><u>552,499,061</u></u>		



# Statistical Section

This part of the Town of Simsbury, Connecticut's comprehensive annual report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Town's overall financial health.

<b>Contents</b>	<b>Page</b>
Financial Trends	96-99
These schedules contain trend information to help the reader understand how the Town's financial performance and well-being have changed over time.	
Revenue Capacity	100-102
These schedules contain information to help the reader assess the Town's most significant local revenue source, property taxes	
Debt Capacity	103-105
These schedules present information to help the reader assess the afford- ability of the Town's current level of outstanding debt and the Town's ability to issue additional debt in the future.	
Demographic and Economic Information	106-107
These schedules offer demographic and economic indicators to help the reader understand the environment within which the Town's financial activities take place.	
Operating Information	108-110
These schedules contain service and infrastructure data to help the reader understand how the information in the Town's financial report relates to the services the Town provides and the activities it performs.	

TABLE 1

**TOWN OF SIMSBURY, CONNECTICUT**  
**NET POSITION BY COMPONENT**  
**LAST TEN FISCAL YEARS**  
**(Accrual Basis of Accounting)**

	FISCAL YEAR									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Governmental Activities:										
Net investment in capital assets	\$ 57,160,740	\$ 71,428,484	\$ 79,465,301	\$ 83,683,437	\$ 85,759,693	\$ 93,769,918	\$ 93,069,141	\$ 97,320,295	\$ 100,313,724	\$ 103,429,189
Unrestricted	<u>27,075,037</u>	<u>18,748,699</u>	<u>20,119,401</u>	<u>22,700,437</u>	<u>24,577,560</u>	<u>28,322,298</u>	<u>36,628,027</u>	<u>21,526,646</u>	<u>20,323,545</u>	<u>19,400,044</u>
Total Governmental Activities Net Position	<u>\$ 84,235,777</u>	<u>\$ 90,177,183</u>	<u>\$ 99,584,702</u>	<u>\$ 106,383,874</u>	<u>\$ 110,337,253</u>	<u>\$ 122,092,216</u>	<u>\$ 129,697,168</u>	<u>\$ 118,846,941</u>	<u>\$ 120,637,269</u>	<u>\$ 122,829,233</u>

\* Restated for GASB 68

**TOWN OF SIMSBURY, CONNECTICUT  
CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS  
(Accrual Basis of Accounting)**

	FISCAL YEAR									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Expenses:										
Governmental activities:										
General government	\$ 3,227,615	\$ 3,292,873	\$ 3,062,056	\$ 2,842,450	\$ 2,497,684	\$ 6,305,823	\$ 2,343,479	\$ 2,205,896	\$ 1,977,419	\$ 2,786,959
Planning and development	1,185,140	1,384,238	1,843,702	1,552,148	1,793,475	1,079,098	960,662	596,042	1,173,028	617,505
Public safety	6,628,916	6,057,274	6,046,297	6,191,312	6,339,007	5,891,335	5,492,049	5,007,354	5,887,147	5,437,865
Facility management	6,998,785	7,755,390	8,081,543	8,254,369	8,687,612	8,719,270	8,934,586	8,266,613	9,017,445	10,847,069
Culture and recreation	4,600,392	4,911,460	5,018,286	5,163,162	8,306,430	5,309,507	5,203,432	5,137,622	5,150,210	5,204,380
Health and welfare	731,067	756,733	868,396	887,619	857,684	846,075	864,456	868,466	919,341	915,881
Board of Education	63,948,341	86,929,937	68,363,256	72,654,089	71,194,609	76,276,064	77,356,625	84,666,310	83,402,825	84,996,362
Debit service interest	1,240,906	1,944,234	1,722,911	1,525,754	1,514,343	1,212,643	1,199,014	1,019,312	797,900	645,311
Total Governmental Activities Expenses	88,561,162	113,032,139	95,006,447	99,070,903	101,190,824	105,639,815	102,354,303	107,767,615	108,325,315	111,451,332
Program Revenues:										
Governmental activities:										
Charges for services:										
General government	970,739	1,525,815	688,041	809,490	958,295	805,502	799,556	760,330	762,490	882,767
Planning and development	368,307	436,580	369,448	421,092	131,545	171,782	146,655	169,606	19,617	739,107
Public safety	416,669	300,355	264,779	366,510	321,284	279,202	278,247	311,044	254,006	276,530
Facility management	3,313,968	3,344,116	3,566,041	3,317,857	2,938,812	3,091,335	3,427,181	3,452,650	3,369,838	4,096,938
Culture and recreation	1,764,394	1,944,369	2,033,644	2,062,964	1,783,573	1,771,554	1,710,717	1,748,704	1,797,383	1,907,459
Health and welfare	129,673	101,749	182,981	172,778	16,366	19,691	14,335	8,675	2,320	2,876
Board of Education	5,186,062	23,489,202	5,835,826	1,536,343	1,558,283	1,477,515	1,263,693	1,139,274	1,160,212	869,848
Operating grants and contributions:										
General government	23,981	76,087	747,425	300,352	21,500	120,009	1,075,530	334,574	215,448	213,374
Planning and development	15,610	84,894	259,341	79,055		2,116,232	282,497	110,020	135,176	361,630
Public safety	45,456	25,604	1,621	128,765	98,309	29,856	31,083	12,173	34,435	29,229
Facility management	532,835	193,037	1,439,409	694,959	769,341	3,016,919	262,172	193,969	226,135	212,271
Culture and recreation		10,000			47,358	189,748	74,989	624,762	135,523	108,773
Health and welfare	47,054	53,304	53,504	50,367	229,442	189,658	248,981	237,750	209,240	236,228
Board of Education	5,989,693	8,147,441	8,413,878	14,331,851	14,171,150	15,801,559	16,125,579	17,681,269	15,783,990	17,177,726
Capital grants and contributions:										
General government				287,080						
Planning and development			1,120,342	1,027,750						
Facility management	1,736,988	251,285		414,127		341,709	499,380	541,351	888,334	767,121
Culture and recreation		250,000	289,664	280,797	330,514		691,666			
Health and welfare				40,000	1,024,843					
Board of Education	54,675	98,958	1,169,220	626,844		958,286	451,140		64,872	17,128
Total Governmental Activities Revenues	20,596,104	40,332,796	26,435,164	26,948,981	24,400,615	30,380,557	27,383,401	27,326,151	25,059,019	27,899,005
Total Governmental Activities Net Expense	(67,965,058)	(72,699,343)	(68,571,283)	(72,121,922)	(76,790,209)	(75,259,258)	(74,970,902)	(80,441,464)	(83,266,296)	(83,552,327)
General Revenues and Other:										
Changes in Net Position:										
Governmental activities:										
Property taxes	72,439,691	75,343,007	77,301,151	78,380,041	79,637,302	80,468,335	81,741,250	83,574,205	84,031,217	84,703,120
Grants and contributions not restricted to specific programs	446,703	411,508	396,487	396,805	491,076	332,042	315,020	333,164	307,788	197,363
Unrestricted investment earnings	1,769,925	1,260,912	281,164	144,248	215,881	120,712	54,591	71,233	(22,010)	336,375
Other general revenues, net					399,329	409,960	464,993	957,675	739,629	507,433
Total Primary Government	74,656,319	77,015,427	77,978,802	78,921,094	80,743,588	81,331,049	82,575,854	84,936,277	85,056,624	85,744,291
Change in Net Position:										
Total Governmental Activities	\$ 6,691,261	\$ 4,316,084	\$ 9,407,519	\$ 6,799,172	\$ 3,953,379	\$ 6,071,791	\$ 7,604,952	\$ 4,494,813	\$ 1,790,328	\$ 2,191,964

TABLE 3

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

	FISCAL YEAR									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Fund:										
Nonspendable	\$	\$	\$	\$	\$	\$	\$ 19,665	\$	\$	\$
Restricted		65,000	248,601	161,737	3,765	121,950	365,516	2,368		
Committed				290,000	324,311	267,341	400,120		639,000	427,598
Assigned	455,901	534,507	215,567	120,965	351,346	510,907	374,590	21,309	183,461	1,787,133
Unassigned	7,605,026	7,644,660	8,000,965	8,679,564	9,577,204	9,696,310	10,840,687	11,611,521	11,870,091	11,247,572
Total General Fund	<u>\$ 8,060,927</u>	<u>\$ 8,244,167</u>	<u>\$ 8,465,133</u>	<u>\$ 9,252,266</u>	<u>\$ 10,256,626</u>	<u>\$ 10,596,508</u>	<u>\$ 12,000,578</u>	<u>\$ 11,635,198</u>	<u>\$ 12,692,552</u>	<u>\$ 13,462,303</u>
All other governmental funds:										
Nonspendable	\$ 33,787	\$ 39,161	\$ 31,522	\$ 42,047	\$ 34,420	\$ 39,195	\$ 55,708	\$ 37,169	\$ 26,056	\$ 30,304
Restricted	583,280	622,116	841,806	998,223	1,009,517	1,256,034	1,387,975	1,724,023	1,454,961	1,599,957
Committed		65,000	248,601		2,234,192	8,012,674	11,181,861	10,317,052	12,701,558	10,145,328
Assigned	18,458,888	11,890,418	8,791,641	10,238,407	11,328,104	5,329,235				
Unassigned			(175,476)			(5,539,929)	(255,602)			(705,063)
Total All Other Governmental Funds	<u>\$ 19,075,955</u>	<u>\$ 12,616,695</u>	<u>\$ 9,738,094</u>	<u>\$ 11,278,677</u>	<u>\$ 14,606,233</u>	<u>\$ 9,097,209</u>	<u>\$ 12,369,942</u>	<u>\$ 12,078,244</u>	<u>\$ 14,182,575</u>	<u>\$ 11,070,526</u>

TABLE 4

**TOWN OF SIMSBURY, CONNECTICUT  
REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - GOVERNMENTAL FUNDS  
LAST TEN YEARS  
(Accrual Basis of Accounting)**

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Revenues:</b>										
Property taxes	\$ 72,405,901	\$ 75,062,589	\$ 77,284,675	\$ 78,212,280	\$ 79,548,406	\$ 80,548,378	\$ 81,850,788	\$ 83,460,141	\$ 83,958,850	\$ 84,535,118
Intergovernmental	12,127,573	31,385,988	18,695,408	18,417,973	15,798,207	23,037,449	19,910,015	19,289,241	17,879,660	19,293,730
Investment income (loss)	1,769,928	1,260,912	281,164	119,737	215,881	120,712	54,591	71,233	(22,010)	333,675
Charges for goods and services	3,998,603	4,100,337	3,854,100	4,458,581	4,345,779	4,165,901	3,970,212	3,826,011	3,766,179	3,738,193
Licenses and permits	400,740	468,128	363,346	425,563	279,740	527,210	546,348	708,824	675,091	1,175,709
Rental of town owned property	11,242	7,832	3,816	4,161	2,748	595	163,356	171,087	151,472	137,767
Local revenues	374,484	946,858	365,735	355,767	447,574	409,679	103,093	577,789	69,800	78,642
Assessments	2,515,975	2,644,249	2,722,367	2,606,135	2,588,450	2,541,036	2,857,375	2,737,195	2,688,513	2,908,891
Other	1,041,555	1,311,395	787,707	803,687	759,832	739,684	918,044	1,577,753	1,173,651	859,538
<b>Total revenues</b>	<b>94,646,001</b>	<b>117,188,288</b>	<b>104,358,318</b>	<b>105,403,884</b>	<b>103,986,617</b>	<b>112,090,644</b>	<b>110,373,822</b>	<b>112,419,274</b>	<b>110,341,206</b>	<b>113,061,263</b>
<b>Expenditures:</b>										
<b>Current:</b>										
General government	2,426,435	2,448,471	2,239,167	2,003,567	1,913,540	5,674,412	1,964,048	2,199,199	2,205,494	2,245,328
Planning and development	899,308	1,015,444	1,517,056	1,213,872	807,450	3,177,802	844,237	704,150	491,362	551,342
Public safety	3,938,574	4,068,623	4,177,971	4,162,967	4,156,758	4,208,408	4,426,304	4,440,427	4,366,285	4,558,452
Facility management	4,970,704	5,122,093	5,408,842	5,543,118	5,893,233	5,975,632	5,671,060	5,862,713	5,727,133	5,690,540
Culture and recreation	3,666,929	3,852,304	4,005,692	3,959,615	4,177,239	4,165,021	4,047,226	4,263,907	4,091,607	4,210,600
Health and welfare	618,704	634,133	749,436	756,353	721,978	702,936	727,795	786,278	858,548	818,821
Fringe benefits and insurance	4,652,868	4,344,674	4,399,255	4,351,456	4,675,137	4,372,802	4,675,479	4,833,766	5,080,534	4,602,175
Education	63,353,338	84,812,623	68,976,132	71,467,509	71,649,955	73,986,774	75,661,224	78,987,017	76,446,257	78,891,667
Special projects	172,910	176,813	306,883	15,000						
Capital outlay	9,471,548	16,039,531	6,941,175	6,835,862	3,375,755	7,701,678	6,180,583	3,440,988	6,725,454	6,925,221
<b>Debit service:</b>										
Principal	4,122,123	4,472,195	6,527,597	5,709,008	5,753,087	5,871,345	5,879,971	6,453,974	6,533,165	6,043,138
Interest	1,257,069	1,805,498	1,950,348	1,678,746	1,573,248	1,508,161	1,257,711	1,103,933	947,530	866,277
<b>Total expenditures</b>	<b>99,550,510</b>	<b>128,792,402</b>	<b>107,199,554</b>	<b>107,697,073</b>	<b>104,697,380</b>	<b>117,344,971</b>	<b>111,335,638</b>	<b>113,076,352</b>	<b>113,473,369</b>	<b>115,403,561</b>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<b>(4,904,509)</b>	<b>(11,604,114)</b>	<b>(2,841,236)</b>	<b>(2,293,189)</b>	<b>(710,763)</b>	<b>(5,254,327)</b>	<b>(961,816)</b>	<b>(657,078)</b>	<b>(3,132,163)</b>	<b>(2,342,298)</b>
<b>Other Financing Sources:</b>										
Proceeds from capital lease										
Proceeds from sales of bonds	10,046,304	4,090,780		4,869,506	5,000,000	5,191,969	5,638,019		9,768,488	
Payments to escrow agents						(5,106,184)			(3,474,640)	
Proceeds from loans	4,292,415	1,172,314			42,679					
<b>Total other financing sources</b>	<b>14,338,719</b>	<b>5,263,094</b>	<b>-</b>	<b>4,869,506</b>	<b>5,042,679</b>	<b>85,785</b>	<b>5,638,019</b>	<b>-</b>	<b>6,293,848</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>9,434,210</b>	<b>(6,341,020)</b>	<b>(2,841,236)</b>	<b>2,576,317</b>	<b>4,331,916</b>	<b>(5,168,542)</b>	<b>4,676,203</b>	<b>(657,078)</b>	<b>3,161,685</b>	<b>(2,342,298)</b>
<b>Fund Balance at Beginning of Year</b>	<b>21,456,817</b>	<b>27,136,882</b>	<b>20,795,862</b>	<b>17,954,626</b>	<b>20,530,943</b>	<b>24,862,859</b>	<b>19,694,317</b>	<b>24,370,520</b>	<b>23,713,442</b>	<b>26,875,127</b>
<b>Fund Balance at End of Year</b>	<b>\$ 30,891,027</b>	<b>\$ 20,795,862</b>	<b>\$ 17,954,626</b>	<b>\$ 20,530,943</b>	<b>\$ 24,862,859</b>	<b>\$ 19,694,317</b>	<b>\$ 24,370,520</b>	<b>\$ 23,713,442</b>	<b>\$ 26,875,127</b>	<b>\$ 24,532,829</b>
<b>Debt Service as a Percentage to Noncapital Expenditures</b>	<b>5.97%</b>	<b>5.57%</b>	<b>8.46%</b>	<b>7.32%</b>	<b>7.26%</b>	<b>6.50%</b>	<b>6.63%</b>	<b>6.92%</b>	<b>6.91%</b>	<b>6.28%</b>

TABLE 5

**TOWN OF SIMSBURY, CONNECTICUT**  
**ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY**  
**LAST TEN FISCAL YEARS**  
**(in Thousands of Dollars)**

Fiscal Year	Real Property		All Land	Motor Vehicles	Personal Property	Tax Exempt Real Property Excluded	Total Taxable Assessed Value	Mill Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
	Residential Property	Commercial Property								
2007	\$ 1,482,901	\$ 214,439	\$ 12,675	\$ 173,801	\$ 113,840	\$ 203,574	\$ 1,997,656	35.90	\$ 3,991,723	50.0 %
2008	1,502,769	214,362	16,638	172,758	115,896	222,290	2,022,423	36.90	3,961,196	51.1
2009	1,991,069	295,774	16,918	176,222	117,587	276,266	2,597,570	29.60	3,971,248	65.4
2010	1,999,922	296,264	24,478	165,121	111,801	280,231	2,597,586	30.10	3,674,499	70.7
2011	2,006,469	298,680	23,539	166,125	104,650	286,585	2,599,462	30.55	3,717,024	69.9
2012	2,009,423	300,156	21,457	171,793	96,697	298,661	2,599,526	30.86	3,617,413	71.9
2013	2,012,384	301,240	21,030	182,668	82,147	289,240	2,599,468	31.37	3,505,330	74.2
2014	1,697,766	260,396	17,465	179,800	79,240	301,195	2,234,667	37.29	3,481,281	64.2
2015	1,708,581	259,276	16,637	179,800	79,240	304,761	2,251,625	37.14	3,577,008	62.9
2016	1,714,665	258,610	15,617	184,456	95,823	300,668	2,268,971	37.00	3,586,050	63.3

Source: Town of Simsbury Assessor and State of Connecticut, Office of Policy and Management.

Note: Except for the fiscal year ending June 30, 2004, the estimated actual taxable is the Equalized Net Grand List as determined by the State of Connecticut, Office of Policy and Management. Properties in town are reassessed every five years per state statute. The last completed revaluation was for the fiscal year ending June 30, 2014. For the fiscal year ending 2014, the estimated actual taxable value is the sum of the real estate assessments divided 63.5%, plus the motor vehicle and personal property assessments divided by 70%.

TABLE 6

**TOWN OF SIMSBURY, CONNECTICUT  
PRINCIPAL TAXPAYERS  
CURRENT YEAR AND NINE YEARS AGO**

	2016			2007		
	Taxable Assessed Value	Rank	Percentage of Gross Taxable Assessed Grand List	Taxable Assessed Value	Rank	Percentage of Gross Taxable Assessed Grand List
Hartford Life and Accident Ins. Company	\$ 43,018,428	1	1.90 %	\$ 26,099,540	2	1.31 %
Connecticut Light & Power	29,666,180	2	1.31	15,048,180	4	0.75
E and A/I and I and G Commons LP	23,450,000	3	1.03			
Executive Risk Indemnity Inc.	17,247,680	4	0.76	16,530,164	3	0.83
Simsbury Hopmeadow Street LLC	13,248,530	5	0.58			
Hoffman Enterprises Limited Partnership	10,613,400	6	0.47	6,467,080	10	0.32
Simsbury Commons North E&A LLC	8,864,800	7	0.39	8,024,310	7	0.40
Woodgreen Simsbury LLC	8,464,400	8	0.37			
Mill Commons LLC	8,482,450	9	0.37			
River Bend Development	6,478,380	10	0.29			
Simsbury Assoc. Limited Partnership				37,800,000	1	1.89
Ensign-Bickford Realty Corporation				14,937,530	5	0.75
Simsbury Commons South E&A LLC				13,022,000	6	0.65
Dyno Nobel Inc.				6,949,159	8	0.35
McLean George P Estate				6,583,490	9	0.35
	<u>\$ 169,534,248</u>		<u>7.47 %</u>	<u>\$ 151,461,453</u>		<u>7.60 %</u>

Source: Town Assessor's office

TABLE 7

**TOWN OF SIMSBURY, CONNECTICUT**  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
**LAST TEN FISCAL YEARS**  
(In Thousands)

Fiscal Year	Taxes Levied for the Fiscal Year		Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date			
	Fiscal Year	Amount	Percentage of Levy	Percentage of Levy					
2007	\$	72,151	\$	71,633	\$	510	\$	72,143	99.99 %
2008		75,006		74,473		523		74,995	99.99
2009		76,960		76,505		439		76,944	99.98
2010		78,145		77,567		561		78,128	99.98
2011		79,341		78,850		473		79,322	99.98
2012		80,215		79,748		420		80,168	99.94
2013		81,566		81,090		405		81,494	99.91
2014		83,294		82,961		217		83,178	99.86
2015		83,747		83,403		185		83,588	99.81
2016		84,404		83,955				83,955	99.47

Source: Town Tax Collector office and Finance office



TABLE 8

**TOWN OF SIMSBURY, CONNECTICUT  
RATIO OF NET GENERAL BONDED DEBT TO  
ASSESSED VALUE AND NET GENERAL BONDED DEBT PER CAPITA  
LAST TEN FISCAL YEARS**

Fiscal Year	General Bonded Debt					Percentage of Actual Taxable Value of Property (1)	Percentage of Personal Income (2)	Per Capita
	General Obligation Bonds		State of CT	Clean	Total			
	General Purpose	Schools	Project Loan	Water Fund Loan	Primary Government			
2007	\$ 13,983,366	\$ 25,098,000	\$ 135,412	\$ 19,864,902	\$ 59,081,680	1.48%	1.49%	2.54
2008	13,230,969	25,422,000	128,217	21,037,216	59,818,402	1.51%	1.51%	2.57
2009	11,435,616	22,341,000	120,950	19,331,886	53,229,452	1.34%	1.34%	2.29
2010	11,792,263	21,975,000	113,610	18,445,218	52,326,091	1.42%	1.32%	2.25
2011	14,349,499	19,550,000	106,197	17,540,653	51,546,349	1.40%	1.30%	2.22
2012	12,168,024	16,815,000	98,709	16,617,830	45,699,563	1.23%	1.15%	1.95
2013	14,833,377	14,795,000	91,146	15,676,381	45,395,904	1.25%	1.14%	1.93
2014	12,448,221	11,800,279	83,507	14,715,929	39,047,936	1.11%	0.90%	1.66
2015	16,234,214	8,722,936	75,791	13,736,091	38,769,032	1.11%	0.90%	1.65
2016	12,996,785	5,888,215	67,997	12,736,475	31,689,472	0.88%	0.58%	1.30

(1) See Table 5 for taxable property value data.

(2) See Table 11 for personal income and population data.

TABLE 9

**TOWN OF SIMSBURY, CONNECTICUT  
DIRECT AND OVERLAPPING GOVERNMENTS  
LAST TEN FISCAL YEARS**

<b>Fiscal Year</b>	<b>Town of Simsbury General Fund</b>			<b>Simsbury Fire District</b>	<b>Total</b>
	<b>Operating Millage</b>	<b>Debt Service Millage *</b>	<b>Total Town Millage</b>	<b>Millage **</b>	
2007	33.53	2.37	35.90	1.15	37.05
2008	34.34	2.56	36.90	1.30	38.20
2009	27.42	2.18	29.60	1.05	30.65
2010	27.96	2.14	30.10	1.05	31.15
2011	28.22	2.33	30.55	1.03	31.58
2012	28.54	2.32	30.86	1.02	31.88
2013	29.21	2.16	31.37	1.03	32.40
2014	34.69	2.60	37.29	1.22	38.51
2015	34.62	2.52	37.14	1.19	38.33
2016	34.89	2.23	37.12	1.19	38.31

\* Debt service millage based on debt expenditures to total appropriations.

Town millage set as one number

\*\* The Simsbury Fire District has no debt

TABLE 10

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

	FISCAL YEAR									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Debt limit	\$ 508,394,397	\$ 529,348,036	\$ 543,238,654	\$ 550,545,555	\$ 560,196,175	\$ 564,044,593	\$ 573,743,814	\$ 585,105,962	\$ 587,668,774	\$ 592,572,134
Total net debt applicable to limit	58,575,314	72,902,911	62,661,314	65,228,306	51,560,382	56,811,356	48,887,461	47,507,359	40,378,199	40,073,073
Legal Debt Margin	<u>\$ 449,819,083</u>	<u>\$ 456,445,125</u>	<u>\$ 480,577,340</u>	<u>\$ 485,317,249</u>	<u>\$ 508,635,793</u>	<u>\$ 507,233,237</u>	<u>\$ 524,856,353</u>	<u>\$ 537,598,603</u>	<u>\$ 547,290,575</u>	<u>\$ 552,499,061</u>
Total net debt applicable to the limit as a percentage of debt limit	11.52%	13.77%	11.53%	11.85%	9.20%	10.07%	8.52%	8.12%	6.87%	6.76%

**Note:** The State of Connecticut General Statutes require that in no event shall the total debt of the Town exceed seven (7) times the annual receipts from taxation. The calculation of the 2016 debt limit can be found on Schedule 5 of this report.

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

Fiscal Year	Population (1)	Education Level in Years of Schooling (1)							Unemployment Rate (3)
		Personal Income (Thousands of Dollars) (1)	Per Capita Personal Income (1)	Median Age (1)	Percentage of		School Enrollment (2)		
					High School Graduate or Higher	Bachelor's Degree or Higher			
2007	23,234	\$ 922,622	\$ 39,710	39.6	94.5	61.4	4,957	3.3 %	
2008	23,234	922,622	39,710	39.6	94.5	61.4	4,917	4.1	
2009	23,234	922,622	39,710	39.6	94.5	61.4	4,908	5.5	
2010	23,234	922,622	39,710	39.6	94.5	61.4	4,838	6.2	
2011	23,234	922,622	39,710	39.6	94.5	61.4	4,731	6.1	
2012	23,438	930,723	39,710	41.0	96.9	60.0	4,657	6.6	
2013	23,498	933,106	39,710	41.0	96.9	60.0	4,501	5.4	
2014	23,535	1,018,570	43,279	43.3	95.7	62.7	4,330	4.8	
2015	23,535	1,018,570	43,279	43.0	96.9	60.0	4,254	3.2	
2016	24,348	1,328,013	54,543	43.8	97.5	65.3	4,133	3.6	

Sources: Population, personal income, median age and education level provided by Town of Simsbury

(1) U. S. Census Bureau, American Community Survey (ACS), 5-Year Estimates.

(2) Simsbury, Board of Education.

(3) State of Connecticut, Department of Labor.

TABLE 12

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

	2016			2007		
	Employees	Rank	Percentage of Total Town Employment	Employees	Rank	Percentage of Total Town Employment
Simsbury Board of Education	650	1	6.80 %	667	2	5.92 %
The New McLean	500-999	2	7.85	565	3	5.02
Chubb-Executive Risk, Inc.	500-999	3	7.85	553	4	4.91
Ensign-Bickford Companies	500-999	4	7.85	300	5	2.66
Hoffman Auto Group	250-499	5	3.92			
Super Stop & Shop	100-249	6	1.83			
Town of Simsbury	157	7	1.64	146	7	1.30
Mitchell of Simsbury	100-249	8	1.83	130	9	1.15
Hopmeadow Country Club	100-249	9	1.83			
Veeder-Root Company	100-249	10	1.83	135	8	1.20
Dyno Nobel				220	6	1.95
The Hartford Life Insurance Co.				3,000	1	26.64
Wagner, Ford, Nissan				92	10	0.82
	<u>2707-5299</u>		<u>43.23 %</u>	<u>5,808</u>		<u>51.57 %</u>

Source: 2016 data: Connecticut Department of Labor and Connecticut Economic Resources Center, Inc.

TABLE 13

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

	FISCAL YEAR									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
General government:										
Central administration	5.5	5.5	5.5	4.0	4.0	5.0	5.0	5.0	5.0	4.0
Finance	3.0	3.0	3.0	4.0	4.0	4.0	4.0	4.0	4.0	5.0
Tax collector	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Assessor's	3.0	3.0	2.5	2.0	2.0	3.0	3.0	3.0	3.0	3.0
Town clerk	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Data Processing	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Public safety:										
Officers	38.0	36.0	36.0	36.0	35.0	35.0	35.0	36.0	35.0	35.0
Civilians	11.0	11.0	11.0	10.0	10.0	11.0	11.0	11.0	10.0	10.0
Planning and development:										
Community development	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Planning	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	1.0
Building	3.0	2.5	2.5	2.0	2.0	3.0	3.0	3.0	3.0	3.0
Engineering	1.8	1.5	1.5	1.0	1.0	2.0	2.0	3.0	3.0	3.0
Facilities management:										
Public works	3.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	1.0	1.0
Buildings & maintenance	6.5	6.5	6.5	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Highway	20.0	19.0	19.0	19.0	18.0	19.0	19.0	19.0	19.0	19.0
Sewer treatment plant	11.0	11.0	11.0	11.0	11.0	10.0	10.0	10.0	10.0	10.0
Social services	3.5	3.5	3.5	3.0	3.0	4.0	4.0	4.0	4.0	4.0
Public libraries***	24.0	24.0	23.5	13.0	13.0	14.0	14.0	14.0	13.0	13.0
Parks and recreation	17.0	17.0	17.0	15.0	15.0	17.0	17.0	18.0	16.0	16.0
Board of Education:										
Certified	390.2	390.9	400.7	401.0	405.0	399.0	408.0	416.0	416.0	415.0
Non-certified	259.5	252.2	247.8	248.0	249.0	271.0	247.0	250.0	251.0	238.0
Total	<u>811.0</u>	<u>799.6</u>	<u>804.0</u>	<u>788.0</u>	<u>791.0</u>	<u>816.0</u>	<u>801.0</u>	<u>815.0</u>	<u>810.0</u>	<u>795.0</u>

Source: Town of Simsbury and Simsbury Board of Education

\*\*\* Library Staff misstated 2013 and prior

TABLE 14

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

	FISCAL YEAR									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
<u>General Government</u>										
Birth certificates issued	202	164	171	162	172	159	180	191	174	165
Death certificates issued	168	215	196	195	196	230	207	169	188	181
Marriage licenses issued	241	303	281	305	274	265	259	222	184	165
<u>Boards and Agencies</u>										
Registered voters	16,103	15,773	15,859	15,997	16,411	16,899	16,236	16,601	16,560	16,560
<u>Planning and Development</u>										
Building permits issued	877	861	676	681	766	573	575	483	495	520
Building department fees	1,121,573	606,216	651,959	497,889	485,902	247,760	394,080	334,404	435,721	366,733
Value of building permits (in thousand of dollars)	64,448	42,281	35,637	31,908	34,851	15,193	15,415	21,760	19,255	23,347
<u>Public Safety</u>										
Part I crimes	147	151	169	189	188	136	151	214	236	272
Motor vehicle accidents	584	615	651	510	625	723	661	724	756	714
Medical calls	1,669	1,559	1,544	1,430	1,444	1,370	1,300	1,216	1,129	1,025
Motor vehicle enforcement	3,985	3,757	2,980	3,167	3,940	4,394	4,740	5,242	4,949	4,235
Alarm responses	915	865	789	810	879	840	837	866	797	812
Total incidents	33,912	32,183	31,256	36,171	33,311	29,890	28,139	28,055	25,703	24,158
<u>Facility Management</u>										
Miles of roads maintained	164	164	164	164	164	163	163	163	163	163
<u>Public Libraries</u>										
Volumes in collection	150,553	152,567	147,540	153,179	152,592	154,307	145,078	156,000	145,759	147,234
Items circulated	389,691	396,836	426,575	461,477	477,650	479,791	462,232	461,113	330,825	378,185
Attendance	375,523	361,357	314,928	254,745	249,750	256,060	268,100	256,000	191,704	217,845
Events	1,631	1,573	1,100	1,010	1,117	1,061	954	708	420	601
<u>Human Services</u>										
Dial-a-ride passengers	9,275	9,704	9,405	9,768	10,525	9,352	7,848	8,625	8,322	8,164
Dial-a-ride traveled miles	46,195	49,066	48,799	50,342	52,537	47,827	43,014	45,101	43,932	45,799
<u>Education</u>										
Elementary schools	5	5	5	5	5	5	5	5	5	5
Middle schools	1	1	1	1	1	1	1	1	1	1
High schools	1	1	1	1	1	1	1	1	1	1

TABLE 15

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

	FISCAL YEAR									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
<u>Facility Management</u>										
Miles of town roads	164	164	164	164	164	163	163	163	163	163
Miles of sidewalks	8	8	8	8	8	8	8	8	8	8
Sanitary sewers (miles)	81	81	81	81	81	81	81	81	81	79
Storm sewers (miles)	55	55	55	55	55	55	55	55	55	55
Treatment capacity (thousands of gallons)	3,800	3,800	3,800	3,800	3,800	3,800	3,800	3,800	3,800	2,850
<u>Parks and Recreation</u>										
Acreage	5,815	5,815	5,815	5,815	5,815	5,815	5,815	5,815	5,815	5,815
Neighborhood parks	11	11	11	11	11	11	11	11	11	11
Playgrounds (including schools)	12	12	12	12	12	12	12	12	12	12
Swimming pools	6	6	6	6	6	6	6	6	6	6
Ice skating facilities	1	1	1	1	1	1	1	1	1	1
Public golf course	1	1	1	1	1	1	1	1	1	1
Tennis courts	17	17	17	17	17	17	17	17	17	17
Baseball fields	14	14	14	14	14	14	14	14	14	14
Basketball courts	2	2	2	2	2	2	2	2	2	2
Soccer fields	21	21	21	21	21	21	21	21	20	20
Football fields	2	2	2	2	2	2	2	2	2	2
<u>Health and Welfare</u>										
Community center	1	1	1	1	1	1	1	1	1	1
Dial-a-ride buses	2	2	2	2	2	2	2	2	2	2

Source(s): Various Town Departments